OPEN TEXT CORP
Form 10-K/A
July 31, 2015
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K/A
(Amendment No. 1)

ý ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended June 30, 2015.
OR
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number: 0-27544

OPEN TEXT CORPORATION
(Exact name of Registrant as specified in its charter)

Canada	98-0154400
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
275 Frank Tompa Drive, Waterloo, Ontario, Canada	N2L 0A1
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (519) 888-7111
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock without par value	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act:
None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ý No ¨
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No ý
Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨
Indicate by check mark if disclosure of delinquent filers pursuant to item 405 of Regulations S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or

information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý   Accelerated filer ¨   Non-accelerated filer ¨ (Do not check if smaller reporting company)   Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).   Yes ¨   No x

Aggregate market value of the Registrant's Common Shares held by non-affiliates, based on the closing price of the Common Shares as reported by the NASDAQ Global Select Market (“NASDAQ”) on December 31, 2014, the end of the registrant's most recently completed second fiscal quarter, was approximately $7.0 billion. The number of the Registrant's Common Shares outstanding as of July 27, 2015 was 122,337,654.

DOCUMENTS INCORPORATED BY REFERENCE

None.

EXPLANATORY NOTE

This Form 10-K/A amends our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 (“Original Form 10-K”) filed with the Securities and Exchange Commission ("SEC") on July 29, 2015. In the Original Form 10-K, we inadvertently omitted “/s/ KPMG LLP” on the signature line in each of the documents titled “Report of Independent Registered Public Accounting Firm” (the "Audit Reports”).

This Form 10-K/A is being filed to include the inadvertently omitted conformed signature of KPMG LLP in the Audit Reports relating to the consolidated financial statements and the effectiveness of internal control over financial reporting. No other changes were made to the Audit Reports. Also, no other changes have been made to the Original Form 10-K. The consolidated financial statements and notes to consolidated financial statements have remained the same as that previously filed in the Original Form 10-K.

This Form 10-K/A reflects information as of the original filing date of our Original Form 10-K, does not reflect events occurring after that date and does not modify or update in any way disclosures made in the Original Form 10-K, except as specifically noted above.

Item 8. Financial Statements and Supplementary Data

The response to this Item 8 is submitted as a separate section of this Annual Report on Form 10-K/A. See Part IV, Item 15.

PART IV

Item 15. Exhibits and Financial Statements Schedules

(a) Financial Statements and Schedules

(b) The following documents are filed as a part of this report:

1) Consolidated financial statements and Reports of Independent Registered Public Accounting Firm and the related notes thereto are included under Item 8, in Part II.

2) Valuation and Qualifying Accounts; see note 3 "Allowance for Doubtful Accounts" and note 14 "Income Taxes" in the Notes to Consolidated Financial Statements included under Item 8, in Part II.

3) Exhibits: The following exhibits are filed as part of this Annual Report on Form 10-K/A or are incorporated by reference to exhibits previously filed with the SEC.

Exhibit Number	Description of Exhibit
2.1	Agreement and Plan of Merger between Open Text Corporation, EPIC Acquisition Sub Inc., a Delaware corporation and an indirect wholly-owned subsidiary of OpenText and EasyLink Services International Corporation dated May 1, 2012. (14)
2.2	Agreement and Plan of Merger, dated as of November 4, 2013, among Open Text Corporation, Ocelot Merger Sub, Inc., GXS Group, Inc. and the stockholders' representative named therein. (20)
2.3	Support Agreement, dated as of November 4, 2013, among GXS Group, Inc., Open Text Corporation, and Global Acquisition LLC. (20)
2.4	Support Agreement, dated as of November 4, 2013, among GXS Group, Inc., Open Text Corporation, CCG Investment Fund, L.P., CCG Associates - QP, LLC, CCG Investment Fund - AI, LP, CCG AV, LLC - Series A, CCG AV, LLC - Series C and CCG CI, LLC. (20)
2.5	Agreement and Plan of Merger, dated as of December 5, 2014, by and among Open Text Corporation, Asteroid Acquisition Corporation and Actuate. (24)
3.1	Articles of Amalgamation of the Company. (1)
3.2	Articles of Amendment of the Company. (1)
3.3	Articles of Amendment of the Company. (1)
3.4	Articles of Amalgamation of the Company. (1)
3.5	Articles of Amalgamation of the Company, dated July 1, 2001. (2)
3.6	Articles of Amalgamation of the Company, dated July 1, 2002. (3)
3.7	Articles of Amalgamation of the Company, dated July 1, 2003. (4)
3.8	Articles of Amalgamation of the Company, dated July 1, 2004. (5)

3.9	Articles of Amalgamation of the Company, dated July 1, 2005. (6)
3.10	Articles of Continuance of the Company, dated December 29, 2005. (7)
3.11	By-Law 1 of Open Text Corporation. (19)
4.1	Form of Common Share Certificate. (1)
4.2	Amended and Restated Shareholder Rights Plan Agreement between Open Text Corporation and Computershare Investor Services, Inc. dated September 26, 2013. (19)
4.3	Registration Rights Agreement, dated as of November 4, 2013, by and among Open Text Corporation and the principal stockholders named therein, and for the benefit of the holders (as defined therein). (20)
4.4	Indenture, dated as of January 15, 2015, among the Company, the subsidiary guarantors party thereto, Citibank, N.A., as U.S. trustee, and Citi Trust Company Canada, as Canadian trustee (including form of 5.625% Senior Notes due 2023). (26)
10.1	1998 Stock Option Plan. (8)
10.2*	Form of Indemnity Agreement between the Company and certain of its officers dated September 7, 2006. (9)
10.3*	Consulting Agreement between Steven Sadler and SJS Advisors Inc. and the Company, dated May 3, 2005. (10)
10.4	Open Text Corporation Directors' Deferred Share Unit Plan effective February 2, 2010. (11)
10.5	Amended and Restated Credit Agreement among Open Text Corporation and certain of its subsidiaries, the Lenders, Barclays Bank PLC, Royal Bank of Canada, Barclays Capital and RBC Capital Markets, dated as of November 9, 2011. (12)
10.6	2004 Stock Option Plan, as amended September 27, 2012. (15)
10.7*	OpenText Corporation Long-Term Incentive Plan 2015 for eligible employees, effective October 3, 2012. (16)
10.8*	Employment Agreement, dated October 30, 2012 between Mark Barrenechea and the Company. (16)
10.9*	Amendment No. 1 to the Employment Agreement between Mark J. Barrenechea and the Company dated January 24, 2013 (amending the Employment Agreement between Mark J. Barrenechea and the Company dated October 30, 2012). (17)
10.10*	Employment Agreement, as of December 19, 2012, between Gordon A. Davies and the Company. (18)
10.11*	Employment Agreement, as of July 30, 2013, between Paul McFeeters and the Company. (18)
10.12	Commitment Letter, dated as of November 4, 2013, by and among Barclays Bank PLC, Royal Bank of Canada and Open Text Corporation. (20)
10.13	First Amendment to Amended and Restated Credit Agreement and Amended and Restated Security and Pledge Agreement, dated as of December 16, 2013, between Open Text ULC, as term borrower, Open Text ULC, Open Text Inc. and Open Text Corporation, as revolving credit borrowers, the domestic guarantors party thereto, each of the lenders party thereto, Barclays Bank PLC, as sole administrative agent and collateral agent, and Royal Bank of Canada, as documentary credit lender. (21)
10.14	Credit Agreement, dated as of January 16, 2014, among Open Text Corporation, as guarantor, Ocelot Merger Sub, Inc., which on January 16, 2014 merged with and into GXS Group, Inc. which survived such merger, as borrower, the other domestic guarantors party thereto, the lenders named therein, as lenders, Barclays Bank PLC, as sole administrative agent and collateral agent, and with Barclays and RBC Capital Markets, as lead arrangers and joint bookrunners. (22)
10.15	Second Amendment to Amended and Restated Credit Agreement, dated as of December 22, 2014, between Open Text ULC, as term borrower, Open Text ULC, Open Text Holdings, Inc. and Open Text Corporation, as revolving credit borrowers, the domestic guarantors party thereto, each of the lenders party thereto, Barclays Bank PLC, as sole administrative agent and collateral agent, and Royal Bank of Canada, as documentary credit lender. (25)
10.16	Tender and Voting Agreement, dated as of December 5, 2014, by and among Open Text Corporation, Asteroid Acquisition Corporation and certain stockholders of Actuate. (24)
10.19*	Employment Agreement, dated November 30, 2012, between Muhi Majzoub and the Company. (23)
10.20*	Employment Agreement, dated August 15, 2013, between Jonathan Hunter and the Company. (23)

10.21*	Employment Agreement, dated July 30, 2014, between John M. Doolittle and the Company. (23)
10.22*	Amendment No. 2 to the Employment Agreement between Mark J. Barrenechea and the Company dated July 30, 2013 (amending the Employment Agreement between Mark J. Barrenechea and the Company dated October 30, 2012). (23)
10.23*	Employment Agreement, dated September 11, 2014, between Lisa Zangari and the Company. (27)
10.24*	Employment Agreement, dated October 13, 2014, between David Jamieson and the Company. (27)
12.1	Statement of Computation of Ratios of Earnings to Combined Fixed Charges and Preferences (27)

18.1	Preferability letter dated February 2, 2012 from the Company's auditors, KPMG LLP, regarding a change in the Company's accounting policy relating to the income statement classification of tax related interest and penalties. (13)
21.1	List of the Company's Subsidiaries. (27)
23.1	Consent of Independent Registered Public Accounting Firm.
31.1	Certification of the Chief Executive Officer, pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL instance document.
101.SCH	XBRL taxonomy extension schema.
101.CAL	XBRL taxonomy extension calculation linkbase.
101.DEF	XBRL taxonomy extension definition linkbase.
101.LAB	XBRL taxonomy extension label linkbase.
101.PRE	XBRL taxonomy extension presentation.

* Indicates management contract relating to compensatory plans or arrangements

(1) Filed as an Exhibit to the Company's Registration Statement on Form F-1 (Registration Number 33-98858) as filed with the Securities and Exchange Commission (the “SEC”) on November 1, 1995 or Amendments 1, 2 or 3 thereto (filed on December 28, 1995, January 22, 1996 and January 23, 1996 respectively), and incorporated herein by reference.

(2) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 28, 2001 and incorporated herein by reference.

(3) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 28, 2002 and incorporated herein by reference.

(4) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 29, 2003 and incorporated herein by reference.

(5) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 13, 2004 and incorporated herein by reference.

(6) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 27, 2005 and incorporated herein by reference.

(7) Filed as an Exhibit to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on February 3, 2006 and incorporated herein by reference.

(8) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on August 20, 1999 and incorporated herein by reference.

(9) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on September 12, 2006 and incorporated herein by reference.

(10) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on August 26, 2008 and incorporated herein by reference.

(11) Filed as an Exhibit to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on April 30, 2010 and incorporated herein by reference.

(12) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on November 9, 2011 and incorporated herein by reference.

(13) Filed as an Exhibit to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on February 2, 2012 and incorporated herein by reference.

(14) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on July 3, 2012 and incorporated herein by reference.

(15) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on October 2, 2012 and incorporated herein by reference.

(16) Filed as an Exhibit to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on November 1, 2012 and incorporated herein by reference.

(17) Filed as an Exhibit to the Company’s Quarterly Report on Form 10-Q, as filed with the SEC on January 25, 2013 and incorporated herein by reference.

(18) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on August 1, 2013 and incorporated herein by reference.

(19) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on September 26, 2013 and incorporated herein by reference.

(20) Filed as an Exhibit to the Company's Current Report on Form 8-K/A, as filed with the SEC on November 6, 2013 and incorporated herein by reference.

(21) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on December 20, 2013 and incorporated herein by reference.

(22) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on January 16, 2014 and incorporated herein by reference.

(23) Filed as an Exhibit to the Company's Annual Report on Form 10-K, as filed with the SEC on July 31, 2014 and incorporated herein by reference.

(24) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on December 5, 2014 and incorporated herein by reference.

(25) Filed as an exhibit to the Company's Current Report on Form 8-K, as fined with the SEC on December 23, 2014 and incorporated herein by reference.

(26) Filed as an Exhibit to the Company's Current Report on Form 8-K, as filed with the SEC on January 15, 2015 and incorporated herein by reference.

(27) Filed as an Exhibit to the Company's Annual Report on Form 10-K (Original Form 10-K), as filed with the SEC on July 29, 2015 and incorporated herein by reference.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Open Text Corporation

We have audited the accompanying consolidated balance sheets of Open Text Corporation as of June 30, 2015 and June 30, 2014, and the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the years in the three-year period ended June 30, 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Open Text Corporation as of June 30, 2015 and June 30, 2014, and its consolidated results of operations and its consolidated cash flows for each of the years in the three-year period ended June 30, 2015, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Open Text Corporation's internal control over financial reporting as of June 30, 2015, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated July 28, 2015 expressed an unqualified opinion on the effectiveness of Open Text Corporation's internal control over financial reporting.

/s/ KPMG LLP
Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
July 28, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Open Text Corporation

We have audited Open Text Corporation's internal control over financial reporting as of June 30, 2015, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Open Text Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Part II, Item 9A of this Annual Report on Form 10-K. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Open Text Corporation maintained, in all material respects, effective internal control over financial reporting as of June 30, 2015, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Open Text Corporation acquired Actuate Corporation during 2015, and management excluded from its assessment of the effectiveness of Open Text Corporation's internal control over financial reporting as of June 30, 2015, Actuate Corporation's internal control over financial reporting associated with total assets of $394 million and total revenues of $34 million included in the consolidated financial statements of Open Text Corporation as of and for the year ended June 30, 2015. Our audit of internal control over financial reporting of Open Text Corporation also excluded an evaluation of the internal control over financial reporting of Actuate Corporation.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Open Text Corporation as of June 30, 2015 and June 30, 2014, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended June 30, 2015, and our report dated July 28, 2015 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP
Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

July 28, 2015

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OPEN TEXT CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars, except share data)

	June 30, 2015	June 30, 2014
ASSETS		
Cash and cash equivalents	$699,999	$427,890
Short-term investments	11,166	—
Accounts receivable trade, net of allowance for doubtful accounts of $5,987 as of June 30, 2015 and $4,727 as of June 30, 2014 (note 3)	284,131	292,929
Income taxes recoverable (note 14)	21,151	24,648
Prepaid expenses and other current assets	53,191	42,053
Deferred tax assets (note 14)	30,711	28,215
Total current assets	1,100,349	815,735
Property and equipment (note 4)	160,419	142,261
Goodwill (note 5)	2,161,592	1,940,082
Acquired intangible assets (note 6)	679,479	725,318
Deferred tax assets (note 14)	155,411	161,247
Other assets (note 7)	85,576	52,041
Deferred charges (note 8)	37,265	52,376
Long-term income taxes recoverable (note 14)	8,404	10,638
Total assets	$4,388,495	$3,899,698
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities (note 9)	$241,370	$231,954
Current portion of long-term debt (note 10)	8,000	62,582
Deferred revenues	358,066	332,664
Income taxes payable (note 14)	17,001	12,948
Deferred tax liabilities (note 14)	997	1,053
Total current liabilities	625,434	641,201
Long-term liabilities:		
Accrued liabilities (note 9)	34,682	41,999
Deferred credits (note 8)	12,943	17,529
Pension liability (note 11)	56,737	60,300
Long-term debt (note 10)	1,580,000	1,256,750
Deferred revenues	28,223	17,248
Long-term income taxes payable (note 14)	151,484	162,131
Deferred tax liabilities (note 14)	69,185	60,373
Total long-term liabilities	1,933,254	1,616,330
Shareholders' equity:		
Share capital (note 12)		
122,293,986 and 121,758,432 Common Shares issued and outstanding at June 30, 2015 and June 30, 2014, respectively; Authorized Common Shares: unlimited	808,010	792,834
Additional paid-in capital	126,417	112,398
Accumulated other comprehensive income	51,828	39,449
Retained earnings	863,015	716,317
Treasury stock, at cost (625,725 shares at June 30, 2015 and 763,278 at June 30, 2014, respectively)	(19,986)	(19,132)
Total OpenText shareholders' equity	1,829,284	1,641,866

Non-controlling interests	523	301
Total shareholders’ equity	1,829,807	1,642,167
Total liabilities and shareholders’ equity	$4,388,495	$3,899,698
Guarantees and contingencies (note 13)		
Related party transactions (note 22)		
Subsequent events (note 23)		

See accompanying Notes to Consolidated Financial Statements

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of U.S. dollars, except share and per share data)

	Year Ended June 30,		
	2015	2014	2013
Revenues:			
License	$294,266	$305,846	$272,985
Cloud services and subscriptions	605,309	373,400	180,412
Customer support	731,797	707,024	658,216
Professional service and other	220,545	238,429	251,723
Total revenues	1,851,917	1,624,699	1,363,336
Cost of revenues:			
License	12,899	13,161	15,995
Cloud services and subscriptions	239,719	142,666	73,464
Customer support	94,766	95,979	106,172
Professional service and other	173,399	189,947	196,663
Amortization of acquired technology-based intangible assets (note 6)	81,002	69,917	93,610
Total cost of revenues	601,785	511,670	485,904
Gross profit	1,250,132	1,113,029	877,432
Operating expenses:			
Research and development	196,491	176,834	164,010
Sales and marketing	369,920	345,643	289,157
General and administrative	163,042	142,450	109,325
Depreciation	50,906	35,237	24,496
Amortization of acquired customer-based intangible assets (note 6)	108,239	81,023	68,745
Special charges (note 17)	12,823	31,314	24,034
Total operating expenses	901,421	812,501	679,767
Income from operations	348,711	300,528	197,665
Other income (expense), net	(28,047)	3,941	(2,473)
Interest and other related expense, net	(54,620)	(27,934)	(16,982)
Income before income taxes	266,044	276,535	178,210
Provision for income taxes (note 14)	31,638	58,461	29,690
Net income for the period	$234,406	$218,074	$148,520
Net (income) loss attributable to non-controlling interests	(79)	51	—
Net income attributable to OpenText	$234,327	$218,125	$148,520
Earnings per share—basic attributable to OpenText (note 21)	$1.92	$1.82	$1.27
Earnings per share—diluted attributable to OpenText (note 21)	$1.91	$1.81	$1.26
Weighted average number of Common Shares outstanding—basic	122,092	119,674	117,208
Weighted average number of Common Shares outstanding—diluted	122,957	120,576	118,124
Dividends declared per Common Share	$0.7175	$0.6225	$0.1500

See accompanying Notes to Consolidated Financial Statements

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OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2015	2014	2013
Net income for the period	$ 234,406	$ 218,074	$ 148,520
Other comprehensive income—net of tax:			
Net foreign currency translation adjustments	15,690	(2,779)	(1,879)
Unrealized gain (loss) on cash flow hedges:			
Unrealized loss	(6,064)	(357)	(1,054)
Loss (gain) reclassified into net income	5,710	3,242	(1,482)
Actuarial gain (loss) relating to defined benefit pension plans:			
Actuarial loss	(3,302)	(841)	(351)
Amortization of actuarial loss into net income	357	294	292
Unrealized gain on short-term investments	(12)	—	—
Unrealized gain on marketable securities (Actuate)	1,906	—	—
Release of unrealized gain on marketable securities (Actuate)	(1,906)	—	—
Total other comprehensive income (loss), net, for the period	12,379	(441)	(4,474)
Total comprehensive income	246,785	217,633	144,046
Comprehensive (income) loss attributable to non-controlling interests	(79)	51	—
Total comprehensive income attributable to OpenText	$ 246,706	$ 217,684	$ 144,046

OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands of U.S. dollars and shares)

	Common Shares		Treasury Stock		Additional Paid in Capital	Accumulated Retained Earnings	Accumulated Other Comprehensive Income	Non-Controlling Interest	Total
	Shares	Amount	Shares	Amount					
Balance as of June 30, 2012	116,718	$635,321	(1,586)	$(37,387)	$95,026	$442,068	$44,364	$—	$1,179,392
Issuance of Common Shares									
Under employee stock option plans	1,254	14,205	—	—	—	—	—	—	14,205
Under employee stock purchase plans	84	2,095	—	—	—	—	—	—	2,095
In connection with acquisitions	2	21	—	—	(21)	—	—	—	—
Share-based compensation	—	—	—	—	15,575	—	—	—	15,575
Income tax effect related to stock options exercised	—	—	—	—	(402)	—	—	—	(402)
Purchase of treasury stock	—	—	—	—	—	—	—	—	—
Issuance of treasury stock	—	—	364	8,313	(8,313)	—	—	—	—
Dividends	—	—	—	—	—	(17,703)	—	—	(17,703)
Other comprehensive income (loss) - net	—	—	—	—	—	—	(4,474)	—	(4,474)
Net income for the year	—	—	—	—	—	148,520	—	—	148,520
Balance as of June 30, 2013	118,058	$651,642	(1,222)	$(29,074)	$101,865	$572,885	$39,890	$—	$1,337,208
Issuance of Common Shares									
Under employee stock option plans	1,043	22,221	—	—	—	—	—	—	22,221
Under employee stock purchase plans	62	2,338	—	—	—	—	—	—	2,338
In connection with acquisitions	2,595	116,777	—	—	—	—	—	—	116,777
Equity issuance costs	—	(144)	—	—	—	—	—	—	(144)
Share-based compensation	—	—	—	—	19,906	—	—	—	19,906
	—	—	—	—	1,844	—	—	—	1,844

Income tax effect related to stock options exercised									
Purchase of treasury stock	—	—	(25)	(1,275)	—	—	—	—	(1,275)
Issuance of treasury stock	—	—	484	11,217	(11,217)	—	—	—	—
Dividends	—	—	—	—	—	(74,693)	—	—	(74,693)
Other comprehensive income (loss) - net	—	—	—	—	—	—	(441)	—	(441)
Non-controlling interest	—	—	—	—	—	—	—	352	352
Net income for the year	—	—	—	—	—	218,125	—	(51)	218,074
Balance as of June 30, 2014	121,758	$792,834	(763)	$(19,132)	$112,398	$716,317	$39,449	$ 301	$1,642,167
Issuance of Common Shares									
Under employee stock option plans	476	12,159	—	—	—	—	—	—	12,159
Under employee stock purchase plans	59	3,017	—	—	—	—	—	—	3,017
Share-based compensation	—	—	—	—	22,047	—	—	—	22,047
Income tax effect related to stock options exercised	—	—	—	—	1,675	—	—	—	1,675
Purchase of treasury stock	—	—	(240)	(10,557)	—	—	—	—	(10,557)
Issuance of treasury stock	—	—	377	9,703	(9,703)	—	—	—	—
Dividends	—	—	—	—	—	(87,629)	—	—	(87,629)
Other comprehensive income - net	—	—	—	—	—	—	12,379	—	12,379
Non-controlling interest	—	—	—	—	—	—	—	143	143
Net income for the year	—	—	—	—	—	234,327	—	79	234,406
Balance as of June 30, 2015	122,293	$808,010	(626)	$(19,986)	$126,417	$863,015	$51,828	$ 523	$1,829,807

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OPEN TEXT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of U.S. dollars)

	Year Ended June 30,		
	2015	2014	2013
Cash flows from operating activities:			
Net income for the period	$234,406	$218,074	$148,520
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangible assets	240,147	186,177	186,851
Share-based compensation expense	22,047	19,906	15,575
Excess tax benefits on share-based compensation expense	(1,675)	(1,844)	(915)
Pension expense	4,796	3,232	1,448
Amortization of debt issuance costs	4,556	3,191	2,123
Amortization of deferred charges and credits	10,525	11,307	11,815
Loss on sale and write down of property and equipment	1,368	15	24
Deferred taxes	(14,578)	(12,334)	(5,796)
Release of unrealized gain on marketable securities to income	(3,098)	—	—
Write off of unamortized debt issuance costs	2,919	—	—
Changes in operating assets and liabilities:			
Accounts receivable	43,189	(17,186)	17,965
Prepaid expenses and other current assets	(3,534)	11,146	4,242
Income taxes	2,933	11,308	(17,053)
Deferred charges and credits	—	9,870	(9,274)
Accounts payable and accrued liabilities	(22,714)	(36,478)	(41,947)
Deferred revenue	6,775	16,601	5,418
Other assets	(5,031)	(5,858)	(494)
Net cash provided by operating activities	523,031	417,127	318,502
Cash flows from investing activities:			
Additions of property and equipment	(77,046)	(42,268)	(23,107)
Proceeds from maturity of short-term investments	17,017	—	—
Purchase of patents	—	(192)	(192)
Purchase of Actuate Corporation, net of cash acquired	(291,800)	—	—
Purchase of Informative Graphics Corporation, net of cash acquired	(35,180)	—	—
Purchase of GXS Group, Inc., net of cash acquired	—	(1,076,886)	—
Purchase of Cordys Holding B.V., net of cash acquired	—	(30,588)	—
Purchase of EasyLink Services International Corporation, net of cash acquired	—	—	(315,331)
Purchase of Resonate KT Limited, net of cash acquired	—	—	(19,366)
Purchase of ICCM Professional Services Limited, net of cash acquired	—	—	(11,257)
Purchase of System Solutions Australia Pty Limited, net of cash acquired	—	—	(516)
Purchase of a division of Spicer Corporation	(222)	—	—
Purchase consideration for prior period acquisitions	(590)	(887)	(875)
Other investing activities	(10,574)	(2,547)	(3,750)
Net cash used in investing activities	(398,395)	(1,153,368)	(374,394)
Cash flows from financing activities:			
Excess tax benefits on share-based compensation expense	1,675	1,844	915
Proceeds from issuance of Common Shares	15,240	24,808	16,347
Equity issuance costs	—	(144)	—

Purchase of Treasury Stock	(10,126)	(1,275)	—
Proceeds from long-term debt	800,000	800,000	—
Repayment of long-term debt	(530,284)	(45,911)	(30,677)
Debt issuance costs	(18,271)	(16,685)	—
Payments of dividends to shareholders	(87,629)	(74,693)	(17,703)
Net cash used in (provided by) financing activities	170,605	687,944	(31,118)
Foreign exchange gain (loss) on cash held in foreign currencies	(23,132)	5,742	(2,292)
Increase (decrease) in cash and cash equivalents during the period	272,109	(42,555)	(89,302)
Cash and cash equivalents at beginning of the period	427,890	470,445	559,747
Cash and cash equivalents at end of the period	$699,999	$427,890	$470,445

Supplementary cash flow disclosures (note 20)

See accompanying Notes to Consolidated Financial Statements

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OPEN TEXT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended June 30, 2015
(Tabular amounts in thousands, except share and per share data)

NOTE 1—BASIS OF PRESENTATION

The accompanying Consolidated Financial Statements include the accounts of Open Text Corporation and our subsidiaries, collectively referred to as "OpenText" or the "Company". We wholly own all our subsidiaries with the exception of Open Text South Africa Proprietary Ltd. (OT South Africa), GXS, Inc. (GXS Korea) and EC1 Pte. Ltd. (GXS Singapore), which as of June 30, 2015, were 90%, 85% and 81% owned, respectively, by OpenText.

These Consolidated Financial Statements are expressed in U.S. dollars and are prepared in accordance with United States generally accepted accounting principles (U.S. GAAP). The information furnished reflects all adjustments necessary for a fair presentation of the results for the periods presented and includes the financial results of Informative Graphics Corporation (IGC), with effect from January 2, 2015, and Actuate Corporation (Actuate), with effect from January 16, 2015 (see note 18).

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates, judgments and assumptions that affect the amounts reported in the Consolidated Financial Statements. These estimates, judgments and assumptions are evaluated on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe are reasonable at that time, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates. In particular, significant estimates, judgments and assumptions include those related to: (i) revenue recognition, (ii) allowance for doubtful accounts, (iii) testing of goodwill for impairment, (iv) the valuation of acquired intangible assets, (v) the valuation of long-lived assets, (vi) the recognition of contingencies, (vii) restructuring accruals, (viii) acquisition accruals and pre-acquisition contingencies, (ix) asset retirement obligations, (x) the realization of investment tax credits, (xi) the valuation of stock options granted and obligations related to share-based payments, including the valuation of our long-term incentive plan, (xii) the valuation of financial instruments, (xiii) the valuation of pension assets and obligations, and (xiv) accounting for income taxes.

Reclassifications

Certain prior year balances have been reclassified to conform to the current year's presentation.

During the fourth quarter of Fiscal 2015, we combined revenues from cloud services and revenues from subscriptions into one line item named "Cloud services and subscriptions" revenue. In addition, we have reclassified certain license revenue, customer support revenue and professional services revenue to “Cloud services and subscriptions” revenue to better align the nature of revenues that are now depicted under “Cloud services and subscriptions” revenue. As a result, revenue and cost of revenues previously reflected in "License", "Customer support" and "Professional services and other" were reclassified to “Cloud services and subscriptions”. These revenues and expenses have been reclassified in the Consolidated Statements of Income for Fiscal 2014 and Fiscal 2013 to conform with the current period presentation as follows:

	Fiscal year ended June 30,	
	2014	2013
Reclassifications within revenue		
Decrease to License	$(3,371)	$(6,613)
Decrease to Professional services and other	(8,960)	—
Increase to Cloud services and subscriptions	12,331	6,613
Reclassifications within cost of revenue		
Decrease to cost of revenue - License	$(201)	$(112)
Decrease to cost of revenue - Customer support	(1)	(776)
Decrease to cost of revenue - Professional services and other	(6,992)	(211)
Increase to cost of revenue - Cloud services and subscriptions	7,194	1,099

For more details relating to the accounting policy for cloud services and subscriptions, please see note 2.

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NOTE 2—ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Policies

Cash and cash equivalents

Cash and cash equivalents include investments that have terms to maturity of three months or less. Cash equivalents are recorded at cost and typically consist of term deposits, commercial paper, certificates of deposit and short-term interest bearing investment-grade securities of major banks in the countries in which we operate.

Short-Term Investments

In accordance with Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) Topic 320 "Investments - Debt and Equity Securities" (Topic 320) related to accounting for certain investments in debt and equity securities, and based on our intentions regarding these instruments, we classify our marketable securities as available for sale and account for these investments at fair value. Marketable securities consist primarily of high quality debt securities with original maturities over 90 days, and may include corporate notes, United States government agency notes and municipal notes.

Allowance for doubtful accounts

We maintain an allowance for doubtful accounts for estimated losses resulting from the inability of customers to make payments. We evaluate the creditworthiness of our customers prior to order fulfillment and based on these evaluations, we adjust our credit limit to the respective customer. In addition to these evaluations, we conduct on-going credit evaluations of our customers' payment history and current creditworthiness. The allowance is maintained for 100% of all accounts deemed to be uncollectible and, for those receivables not specifically identified as uncollectible, an allowance is maintained for a specific percentage of those receivables based upon the aging of accounts, our historical collection experience and current economic expectations. To date, the actual losses have been within our expectations. No single customer accounted for more than 10% of the accounts receivable balance as of June 30, 2015 and 2014.

Property and equipment

Property and equipment are stated at the lower of cost or net realizable value, and shown net of depreciation which is computed on a straight-line basis over the estimated useful lives of the related assets. Gains and losses on asset disposals are taken into income in the year of disposition. Fully depreciated property and equipment are retired from the balance sheet when they are no longer in use. We did not recognize any significant property impairment charges in Fiscal 2015, Fiscal 2014, or Fiscal 2013. The following represents the estimated useful lives of property and equipment:

Furniture and fixtures	5 years
Office equipment	5 years
Computer hardware	3 years
Computer software	3 years
Capitalized software	5 years
Leasehold improvements	Lesser of the lease term or 5 years
Building	40 years

Capitalized Software

We capitalize software development costs in accordance with FASB ASC Topic 350-40 – Accounting for the Costs of Computer Software Developed or Obtained for Internal-Use. We capitalize costs for software to be used internally when we enter the application development stage. This occurs when we complete the preliminary project stage, management authorizes and commits to funding the project, and it is feasible that the project will be completed and the software will perform the intended function. We cease to capitalize costs related to a software project when it enters the post implementation and operation stage. If different determinations are made with respect to the state of development of a software project, then the amount capitalized and the amount charged to expense for that project could differ materially.

Costs capitalized during the application development stage consist of payroll and related costs for employees who are directly associated with, and who devote time directly to, a project to develop software for internal use. We also capitalize the direct costs of materials and services, which generally includes outside contractors, and interest. We do not capitalize any general and administrative or overhead costs or costs incurred during the application development stage related to training or data conversion costs. Costs related to upgrades and enhancements to internal-use software, if those upgrades and

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enhancements result in additional functionality, are capitalized. If upgrades and enhancements do not result in additional functionality, those costs are expensed as incurred. If different determinations are made with respect to whether upgrades or enhancements to software projects would result in additional functionality, then the amount capitalized and the amount charged to expense for that project could differ materially.

We amortize capitalized costs with respect to development projects for internal-use software when the software is ready for use. The capitalized software development costs are generally amortized using the straight-line method over a 5-year period. In determining and reassessing the estimated useful life over which the cost incurred for the software should be amortized, we consider the effects of obsolescence, technology, competition and other economic factors. If different determinations are made with respect to the estimated useful life of the software, the amount of amortization charged in a particular period could differ materially.

As of June 30, 2015 and 2014 our capitalized software development costs were $38.6 million and $20.0 million, respectively. Our additions, relating to capitalized software development costs, incurred during Fiscal 2015 and Fiscal 2014 were $18.6 million and $20.0 million, respectively.

Acquired intangibles

Acquired intangibles consist of acquired technology and customer relationships associated with various acquisitions. Acquired technology is initially recorded at fair value based on the present value of the estimated net future income-producing capabilities of software products acquired on acquisitions. We amortize acquired technology over its estimated useful life on a straight-line basis.

Customer relationships represent relationships that we have with customers of the acquired companies and are either based upon contractual or legal rights or are considered separable; that is, capable of being separated from the acquired entity and being sold, transferred, licensed, rented or exchanged. These customer relationships are initially recorded at their fair value based on the present value of expected future cash flows. We amortize customer relationships on a straight-line basis over their estimated useful lives.

We continually evaluate the remaining estimated useful life of our intangible assets being amortized to determine whether events and circumstances warrant a revision to the remaining period of amortization.

Impairment of long-lived assets

We account for the impairment and disposition of long-lived assets in accordance with ASC Topic 360, “Property, Plant, and Equipment” (Topic 360). We test long-lived assets or asset groups, such as property and equipment and definite lived intangible assets, for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant adverse changes in the business climate or legal factors; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and a current expectation that the asset will more likely than not be sold or disposed of before the end of its estimated useful life.

Recoverability is assessed based on comparing the carrying amount of the asset to the aggregate pre-tax undiscounted cash flows expected to result from the use and eventual disposal of the asset or asset group. Impairment is recognized when the carrying amount is not recoverable and exceeds the fair value of the asset or asset group. The impairment loss, if any, is measured as the amount by which the carrying amount exceeds fair value, which for this purpose is based upon the discounted projected future cash flows of the asset or asset group.

We have not recorded any impairment charges for long-lived assets during Fiscal 2015, Fiscal 2014 and Fiscal 2013.

Goodwill

Goodwill represents the excess of the purchase price in a business combination over the fair value of net tangible and intangible assets acquired. The carrying amount of goodwill is periodically reviewed for impairment (at a minimum annually) and whenever events or changes in circumstances indicate that the carrying value of this asset may not be recoverable.

Our operations are analyzed by management and our chief operating decision maker (CODM) as being part of a single industry segment: the design, development, marketing and sales of Enterprise Information Management software and solutions. Therefore, our goodwill impairment assessment is based on the allocation of goodwill to a single reporting unit.

We perform a qualitative assessment to test our reporting unit's goodwill for impairment. Based on our qualitative assessment, if we determine that the fair value of our reporting unit is more likely than not (i.e., a likelihood of more than 50 percent) to be less than its carrying amount, the two step impairment test is performed. In the first step, we compare the fair value of our reporting unit to its carrying value. If the fair value of the reporting unit exceeds its carrying value, goodwill is not

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considered impaired and we are not required to perform further testing. If the carrying value of the net assets of our reporting unit exceeds its fair value, then we must perform the second step of the two step impairment test in order to determine the implied fair value of our reporting unit's goodwill. If the carrying value our reporting unit's goodwill exceeds its implied fair value, then an impairment loss equal to the difference would be recorded.

Our annual impairment analysis of goodwill was performed as of April 1, 2015. Our qualitative assessment indicated that there were no indications of impairment and therefore there was no impairment of goodwill required to be recorded for Fiscal 2015 (no impairments were recorded for Fiscal 2014 and Fiscal 2013).

Derivative financial instruments

We use derivative financial instruments to manage foreign currency rate risk. We account for these instruments in accordance with ASC Topic 815, “Derivatives and Hedging” (Topic 815), which requires that every derivative instrument be recorded on the balance sheet as either an asset or liability measured at its fair value as of the reporting date. Topic 815 also requires that changes in our derivative financial instruments' fair values be recognized in earnings; unless specific hedge accounting and documentation criteria are met (i.e. the instruments are accounted for as hedges). We recorded the effective portions of the gain or loss on derivative financial instruments that were designated as cash flow hedges in accumulated other comprehensive income in our accompanying Consolidated Balance Sheets. Any ineffective or excluded portion of a designated cash flow hedge, if applicable, was recognized in our Consolidated Statements of Income.

Asset retirement obligations

We account for asset retirement obligations in accordance with ASC Topic 410, “Asset Retirement and Environmental Obligations” (Topic 410), which applies to certain obligations associated with “leasehold improvements” within our leased office facilities. Topic 410 requires that a liability be initially recognized for the estimated fair value of the obligation when it is incurred. The associated asset retirement cost is capitalized as part of the carrying amount of the long-lived asset and depreciated over the remaining life of the underlying asset and the associated liability is accreted to the estimated fair value of the obligation at the settlement date through periodic accretion charges recorded within general and administrative expenses. When the obligation is settled, any difference between the final cost and the recorded amount is recognized as income or loss on settlement in our Consolidated Statements of Income.

Business combinations

We apply the provisions of ASC Topic 805, “Business Combinations” (Topic 805), in the accounting for our acquisitions. It requires us to recognize separately from goodwill, the assets acquired and the liabilities assumed at their acquisition date fair values. Goodwill as of the acquisition date is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments would be recorded to our Consolidated Statements of Income.

Costs to exit or restructure certain activities of an acquired company or our internal operations are accounted for as one-time termination and exit costs pursuant to ASC Topic 420, “Exit or Disposal Cost Obligations” (Topic 420) and are accounted for separately from the business combination.

For a given acquisition, we generally identify certain pre-acquisition contingencies as of the acquisition date and may extend our review and evaluation of these pre-acquisition contingencies throughout the measurement period in order to obtain sufficient information to assess whether we include these contingencies as a part of the purchase price allocation and, if so, to determine the estimated amounts.

If we determine that a pre-acquisition contingency (non-income tax related) is probable in nature and estimable as of the acquisition date, we record our best estimate for such a contingency as a part of the preliminary purchase price allocation. We often continue to gather information and evaluate our pre-acquisition contingencies throughout the measurement period and if we make changes to the amounts recorded or if we identify additional pre-acquisition contingencies during the measurement period, such amounts will be included in the purchase price allocation during the measurement period and, subsequently, in our results of operations.

Uncertain tax positions and tax related valuation allowances assumed in connection with a business combination are initially estimated as of the acquisition date. We review these items during the measurement period as we continue to actively seek and collect information relating to facts and circumstances that existed at the acquisition date. Changes to these uncertain

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tax positions and tax related valuation allowances made subsequent to the measurement period, or if they relate to facts and circumstances that did not exist at the acquisition date, are recorded in our provision for income taxes in our Consolidated Statements of Income.

Revenue recognition

License revenues

We recognize revenues in accordance with ASC Topic 985-605, “Software Revenue Recognition” (Topic 985-605). We record product revenues from software licenses and products when persuasive evidence of an arrangement exists, the software product has been shipped, there are no significant uncertainties surrounding product acceptance by the customer, the fees are fixed and determinable, and collection is considered probable. We use the residual method to recognize revenues on delivered elements when a license agreement includes one or more elements to be delivered at a future date if evidence of the fair value of all undelivered elements exists. If an undelivered element for the arrangement exists under the license arrangement, revenues related to the undelivered element is deferred based on vendor-specific objective evidence (VSOE) of the fair value of the undelivered element.

Our multiple-element sales arrangements include arrangements where software licenses and the associated post contract customer support (PCS) are sold together. We have established VSOE of the fair value of the undelivered PCS element based on the contracted price for renewal PCS included in the original multiple element sales arrangement, as substantiated by contractual terms and our significant PCS renewal experience, from our existing worldwide base. Our multiple element sales arrangements generally include irrevocable rights for the customer to renew PCS after the bundled term ends. The customer is not subject to any economic or other penalty for failure to renew. Further, the renewal PCS options are for services comparable to the bundled PCS and cover similar terms. It is our experience that customers generally exercise their renewal PCS option. In the renewal transaction, PCS is sold on a stand-alone basis to the licensees one year or more after the original multiple element sales arrangement. The exercised renewal PCS price is consistent with the renewal price in the original multiple element sales arrangement, although an adjustment to reflect consumer price changes is common.

If VSOE of fair value does not exist for all undelivered elements, all revenues are deferred until sufficient evidence exists or all elements have been delivered.

We assess whether payment terms are customary or extended in accordance with normal practice relative to the market in which the sale is occurring. Our sales arrangements generally include standard payment terms. These terms effectively relate to all customers, products, and arrangements regardless of customer type, product mix or arrangement size. Exceptions are only made to these standard terms for certain sales in parts of the world where local practice differs. In these jurisdictions, our customary payment terms are in line with local practice.

Cloud services and subscriptions revenues

Cloud services and subscription revenues consist of (i) software as a service offerings (ii) managed service arrangements and (iii) subscription revenues relating to on premise offerings. The customer contracts for each of these three offerings are long term contracts (greater than twelve months) and are based on the customer’s usage over the contract period. The revenue associated with such contracts is recognized once usage has been measured, the fee fixed and determinable and collection is probable.

In certain managed services arrangements, we sell transaction processing along with implementation and start-up services. The implementation and start-up services do not have stand-alone value and, therefore, they do not qualify as separate units of accounting and are not separated. We believe these services do not have stand-alone value as the customer only receives value from these services in conjunction with the use of the related transaction processing service, we do not sell such services separately, and the output of such services cannot be re-sold by the customer. Revenues related to implementation and start-up services are recognized over the longer of the contract term or the estimated customer life. In some arrangements, we also sell professional services which do have stand-alone value and can be separated from other elements in the arrangement. The revenue related to these services is recognized as the service is performed. In some arrangements, we also sell professional services as a separate single element arrangement. The revenue related to these services is recognized as the service is performed.

We defer all direct and relevant costs associated with implementation of long-term customer contracts to the extent such costs can be recovered through guaranteed contract revenues.

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Service revenues

Service revenues consist of revenues from consulting, implementation, training and integration services. These services are set forth separately in the contractual arrangements such that the total price of the customer arrangement is expected to vary as a result of the inclusion or exclusion of these services. For those contracts where the services are not essential to the functionality of any other element of the transaction, we determine VSOE of fair value for these services based upon normal pricing and discounting practices for these services when sold separately. These consulting and implementation services contracts are primarily time and materials based contracts that are, on average, less than six months in length. Revenues from these services are recognized at the time such services are performed. We also enter into contracts that are primarily fixed fee arrangements wherein the services are not essential to the functionality of a software element. In such cases, the proportional performance method is applied to recognize revenues.

Revenues from training and integration services are recognized in the period in which these services are performed.

Customer support revenues

Customer support revenues consist of revenues derived from contracts to provide PCS to license holders. These revenues are recognized ratably over the term of the contract. Advance billings of PCS are not recorded to the extent that the term of the PCS has not commenced and payment has not been received.

Deferred revenues

Deferred revenues primarily relate to support agreements which have been paid for by customers prior to the performance of those services. Generally, the services will be provided in the twelve months after the signing of the agreement.

Long-term sales contracts

We entered into certain long-term sales contracts involving the sale of integrated solutions that include the modification and customization of software and the provision of services that are essential to the functionality of the other elements in this arrangement. As prescribed by ASC Topic 985-605, we recognize revenues from such arrangements in accordance with the contract accounting guidelines in ASC Topic 605-35, “Construction-Type and Production-Type Contracts” (Topic 605-35), after evaluating for separation of any non-Topic 605-35 elements in accordance with the provisions of ASC Topic 605-25, “Multiple-Element Arrangements” (Topic 605-25).

When circumstances exist that allow us to make reasonably dependable estimates of contract revenues, contract costs and the progress of the contract to completion, we account for sales under such long-term contracts using the percentage-of-completion (POC) method of accounting. Under the POC method, progress towards completion of the contract is measured based upon either input measures or output measures. We measure progress towards completion based upon an input measure and calculate this as the proportion of the actual hours incurred compared to the total estimated hours. For training and integration services rendered under such contracts, revenues are recognized as the services are rendered. We will review, on a quarterly basis, the total estimated remaining costs to completion for each of these contracts and apply the impact of any changes on the POC prospectively. If at any time we anticipate that the estimated remaining costs to completion will exceed the value of the contract, the resulting loss will be recognized immediately.

When circumstances exist that prevent us from making reasonably dependable estimates of contract revenues, we account for sales under such long-term contracts using the completed contract method.

Sales to resellers and channel partners

We execute certain sales contracts through resellers and distributors (collectively, resellers) and also large, well-capitalized partners such as SAP AG and Accenture Inc. (collectively, channel partners).

We recognize revenues relating to sales through resellers and channel partners when all the recognition criteria have been met, in other words, persuasive evidence of an arrangement exists, delivery has occurred in the reporting period, the fee is fixed and determinable, and collectability is probable. In addition we assess the creditworthiness of each reseller and if the reseller is newly formed, undercapitalized or in financial difficulty any revenues expected to emanate from such resellers are deferred and recognized only when cash is received and all other revenue recognition criteria are met.

Rights of return and other incentives

We do not generally offer rights of return or any other incentives such as concessions, product rotation, or price protection and, therefore, do not provide for or make estimates of rights of return and similar incentives.

Research and development costs

Research and development costs internally incurred in creating computer software to be sold, licensed or otherwise marketed are expensed as incurred unless they meet the criteria for deferral and amortization, as described in ASC Topic 985-20, “Costs of Software to be Sold, Leased, or Marketed” (Topic 985-20). In accordance with Topic 985-20, costs related to research, design and development of products are charged to expenses as incurred and capitalized between the dates that the product is considered to be technologically feasible and is considered to be ready for general release to customers. In our historical experience, the dates relating to the achievement of technological feasibility and general release of the product have substantially coincided. In addition, no significant costs are incurred subsequent to the establishment of technological feasibility. As a result, we do not capitalize any research and development costs relating to internally developed software to be sold, licensed or otherwise marketed.

Income taxes

We account for income taxes in accordance with ASC Topic 740, “Income Taxes” (Topic 740). Deferred tax assets and liabilities arise from temporary differences between the tax bases of assets and liabilities and their reported amounts in the Consolidated Financial Statements that will result in taxable or deductible amounts in future years. These temporary differences are measured using enacted tax rates. A valuation allowance is recorded to reduce deferred tax assets to the extent that we consider it is more likely than not that a deferred tax asset will not be realized. In determining the valuation allowance, we consider factors such as the reversal of deferred income tax liabilities, projected taxable income, and the character of income tax assets and tax planning strategies. A change to these factors could impact the estimated valuation allowance and income tax expense.

We account for our uncertain tax provisions by using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not, based solely on the technical merits, that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the appropriate amount of the benefit to recognize. The amount of benefit to recognize is measured as the maximum amount which is more likely than not to be realized. The tax position is derecognized when it is no longer more likely than not that the position will be sustained on audit. On subsequent recognition and measurement the maximum amount which is more likely than not to be recognized at each reporting date will represent the Company's best estimate, given the information available at the reporting date, although the outcome of the tax position is not absolute or final. We recognize both accrued interest and penalties related to liabilities for income taxes within the "Provision for Income Taxes" line of our Consolidated Statements of Income (see note 14 for more details).

Fair value of financial instruments

Carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivable and accounts payable (trade and accrued liabilities) approximate their fair value due to the relatively short period of time between origination of the instruments and their expected realization.

The fair value of our total long-term debt approximates its carrying value.

We apply the provisions of ASC 820, “Fair Value Measurements and Disclosures”, to our derivative financial instruments that we are required to carry at fair value pursuant to other accounting standards (see note 15 for more details).

Foreign currency

Our Consolidated Financial Statements are presented in U.S. dollars. In general, the functional currency of our subsidiaries is the local currency. For each subsidiary, assets and liabilities denominated in foreign currencies are translated into U.S dollars at the exchange rates in effect at the balance sheet dates and revenues and expenses are translated at the average exchange rates prevailing during the month of the transaction. The effect of foreign currency translation adjustments not affecting net income are included in Shareholders' equity under the “Cumulative translation adjustment” account as a component of “Accumulated other comprehensive income”. Transactional foreign currency gains (losses) included in the Consolidated Statements of Income under the line item “Other income (expense) net” for Fiscal 2015, Fiscal 2014 and Fiscal 2013 were $(31.0) million, $4.0 million and $(2.6) million, respectively.

Restructuring charges

We record restructuring charges relating to contractual lease obligations and other exit costs in accordance with ASC Topic 420, “Exit or Disposal Cost Obligations” (Topic 420). Topic 420 requires that a liability for a cost associated with an exit or disposal activity be recognized and measured initially at its fair value in the period in which the liability is incurred. In order to incur a liability pursuant to Topic 420, our management must have established and approved a plan of restructuring in sufficient detail. A liability for a cost associated with involuntary termination benefits is recorded when benefits have been communicated and a liability for a cost to terminate an operating lease or other contract is incurred, when the contract has been terminated in accordance with the contract terms or we have ceased using the right conveyed by the contract, such as vacating a leased facility.

The recognition of restructuring charges requires us to make certain judgments regarding the nature, timing and amount associated with the planned restructuring activities, including estimating sub-lease income and the net recoverable amount of equipment to be disposed of. At the end of each reporting period, we evaluate the appropriateness of the remaining accrued balances (see note 17 for more details).

Litigation

We are currently involved in various claims and legal proceedings. Quarterly, we review the status of each significant legal matter and evaluate such matters to determine how they should be treated for accounting and disclosure purposes in accordance with the requirements of ASC Topic 450-20 "Loss Contingencies" (Topic 450-20). Specifically, this evaluation process includes the centralized tracking and itemization of the status of all our disputes and litigation items, discussing the nature of any litigation and claim, including any dispute or claim that is reasonably likely to result in litigation, with relevant internal and external counsel, and assessing the progress of each matter in light of its merits and our experience with similar proceedings under similar circumstances.

If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, we accrue a liability for the estimated loss in accordance with Topic 450-20. As of the date of this filing on Form 10-K for the year ended June 30, 2015, we do not believe that the outcomes of any of these matters, individually or in the aggregate, will result in losses that are materially in excess of amounts already recognized (see note 13 for more details).

Net income per share

Basic net income per share is computed using the weighted average number of Common Shares outstanding including contingently issuable shares where the contingency has been resolved. Diluted net income per share is computed using the weighted average number of Common Shares and stock equivalents outstanding using the treasury stock method during the year (see note 21 for more details).

Share-based payment

We measure share-based compensation costs, in accordance with ASC Topic 718, “Compensation - Stock Compensation” (Topic 718) on the grant date, based on the calculated fair value of the award. We have elected to treat awards with graded vesting as a single award when estimating fair value. Compensation cost is recognized on a straight-line basis over the employee requisite service period, which in our circumstances is the stated vesting period of the award, provided that total compensation cost recognized at least equals the pro rata value of the award that has vested. Compensation cost is initially based on the estimated number of options for which the requisite service is expected to be rendered. This estimate is adjusted in the period once actual forfeitures are known (see note 12 for more details).

Accounting for Pensions, post-retirement and post-employment benefits

Pension expense is accounted for in accordance with ASC Topic 715, “Compensation-Retirement Benefits” (Topic 715). Pension expense consists of: actuarially computed costs of pension benefits in respect of the current year of service, imputed returns on plan assets (for funded plans) and imputed interest on pension obligations. The expected costs of post retirement benefits, other than pensions, are accrued in the Consolidated Financial Statements based upon actuarial methods and assumptions. The over-funded or under-funded status of defined benefit pension and other post retirement plans are recognized as an asset or a liability (with the offset to “Accumulated Other Comprehensive Income” within “Shareholders' equity”), respectively, on the Consolidated Balance Sheets (see note 11 for more details).

Recent Accounting Pronouncements

Presentation of Debt Issuance Costs

In April 2015, the FASB issued ASU No. 2015-03 "Simplifying the Presentation of Debt Issuance Costs" (ASU 2015-03). This update amended the ASC Subtopic 835-30, "Interest - Imputation of Interest" to simplify the presentation of debt issuance costs by requiring that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this update. ASU 2015-03 is effective for our fiscal year ending June 30, 2017, with early adoption permitted. The adoption of ASU 2015-03 is not expected to have a material impact on our Consolidated Financial Statements.

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers: Topic 606” (ASU 2014-09). This update supersedes the revenue recognition requirements in ASC Topic 605, "Revenue Recognition" and nearly all other existing revenue recognition guidance under U.S. GAAP. The core principal of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU 2014-09 identifies five steps to be followed to achieve this core principal, which includes (i) identifying contract(s) with customers, (ii) identifying performance obligations in the contract(s), (iii) determining the transaction price, (iv) allocating the transaction price to the performance obligations in the contract(s) and (v) recognizing revenue when (or as) the entity satisfies a performance obligation. On April 1, 2015 the FASB voted to defer the effective date of ASU 2014-09 for one year. If finalized, as proposed, the new guidance will be effective for us in the first quarter of our fiscal year ending June 30, 2019. Early adoption, prior to the original effective date, is not permitted. When applying ASU 2014-09 we can either apply the amendments: (i) retrospectively to each prior reporting period presented with the option to elect certain practical expedients as defined within ASU 2014-09 or (ii) retrospectively with the cumulative effect of initially applying ASU 2014-09 recognized at the date of initial application and providing certain additional disclosures as defined within ASU 2014-09. We are currently evaluating the impact of the pending adoption of ASU 2014-09 on our Consolidated Financial Statements.

NOTE 3—ALLOWANCE FOR DOUBTFUL ACCOUNTS

Balance as of June 30, 2012	$5,655	
Bad debt expense	2,431	
Write-off /adjustments	(3,215	)
Balance as of June 30, 2013	4,871	
Bad debt expense	3,081	
Write-off /adjustments	(3,225	)
Balance as of June 30, 2014	4,727	
Bad debt expense	5,346	
Write-off /adjustments	(4,086	)
Balance as of June 30, 2015	$5,987	

Included in accounts receivable are unbilled receivables in the amount of $26.7 million as of June 30, 2015 (June 30, 2014—$41.7 million).

NOTE 4—PROPERTY AND EQUIPMENT

	As of June 30, 2015			
	Cost	Accumulated Depreciation		Net
Furniture and fixtures	$17,571	$(11,334	)	$6,237
Office equipment	1,532	(879	)	653
Computer hardware	110,076	(72,479	)	37,597
Computer software	37,981	(17,525	)	20,456
Capitalized software development costs	38,576	(7,353	)	31,223
Leasehold improvements	53,391	(29,458	)	23,933
Land and buildings	47,525	(7,205	)	40,320
Total	$306,652	$(146,233	)	$160,419

	As of June 30, 2014		
	Cost	Accumulated Depreciation	Net
Furniture and fixtures	$16,089	$(8,856)	$7,233
Office equipment	1,573	(869)	704
Computer hardware	90,469	(55,433)	35,036
Computer software	28,556	(10,656)	17,900
Capitalized software development costs	19,965	(1,542)	18,423
Leasehold improvements	45,934	(24,251)	21,683
Land and buildings	47,149	(5,867)	41,282
Total	$249,735	$(107,474)	$142,261

NOTE 5—GOODWILL

Goodwill is recorded when the consideration paid for an acquisition of a business exceeds the fair value of identifiable net tangible and intangible assets. The following table summarizes the changes in goodwill since June 30, 2013:

Balance as of June 30, 2013	$1,246,872
Acquisition of Cordys Holding BV (note 18)	18,589
Acquisition of GXS Group, Inc. (note 18)	672,765
Adjustments relating to prior acquisitions	1,856
Balance as of June 30, 2014	$1,940,082
Acquisition of Informative Graphics Corporation (note 18)	23,936
Acquisition of Actuate Corporation (note 18)	197,352
Adjustments relating to prior acquisitions	222
Balance as of June 30, 2015	$2,161,592

NOTE 6—ACQUIRED INTANGIBLE ASSETS

	As of June 30, 2015		
	Cost	Accumulated Amortization	Net
Technology Assets	$428,724	$(210,862)	$217,862
Customer Assets	716,525	(254,908)	461,617
Total	$1,145,249	$(465,770)	$679,479

	As of June 30, 2014		
	Cost	Accumulated Amortization	Net
Technology Assets	$369,376	$(143,213)	$226,163
Customer Assets	668,825	(169,670)	499,155
Total	$1,038,201	$(312,883)	$725,318

The above balances for Fiscal 2015 have been adjusted to reflect the impact of intangible assets relating to acquisitions where the gross cost has been fully amortized. The impact of this resulted in a reduction of $13.4 million related to Technology Assets and $23.0 million related to Customer Assets.

The above balances for Fiscal 2014 have been adjusted to reflect the impact of intangible assets relating to acquisitions where the gross cost has been fully amortized. The impact of this resulted in a reduction of $329.8 million related to Technology Assets and $205.4 million related to Customer Assets.

The weighted average amortization periods for acquired technology and customer intangible assets are approximately five years and six years, respectively.

The following table shows the estimated future amortization expense for the fiscal years indicated below. This calculation assumes no future adjustments to acquired intangible assets:

	Fiscal years ending June 30,
2016	$181,453
2017	164,266
2018	151,573
2019	124,404
2020 and beyond	57,783
Total	$679,479

NOTE 7—OTHER ASSETS

	As of June 30, 2015	As of June 30, 2014
Debt issuance costs	$30,630	$19,834
Deposits and restricted cash	12,137	14,251
Deferred implementation costs	13,736	5,409
Cost basis investments	11,386	7,276
Marketable securities	9,108	—
Long-term prepaid expenses and other long-term assets	8,579	5,271
Total	$85,576	$52,041

Debt issuance costs relate primarily to costs incurred for the purpose of obtaining our credit facilities and the Senior Notes (as defined in note 10 below), and are being amortized over the respective terms of the Credit Agreement and the Indenture. During the year ended June 30, 2015 we wrote off $2.9 million of unamortized debt issuance costs associated with the repayment of Term Loan A (see note 10).

Deposits and restricted cash relate to security deposits provided to landlords in accordance with facility lease agreements and cash restricted per the terms of contractual-based agreements.

Deferred implementation costs relate to deferred direct and relevant costs on implementation of long-term contracts, to the extent such costs can be recovered through guaranteed contract revenues.

Marketable securities are classified as available for sale securities and are recorded on our Consolidated Balance Sheets at fair value with unrealized gains or losses reported as a separate component of Accumulated Other Comprehensive Income.

Cost basis investments relate to investments for which the Company holds less than a 20% interest, is a limited partner and does not exert significant influence over operational or investment decisions.

Long-term prepaid expenses and other long-term assets primarily relate to advance payments on long-term licenses that are being amortized over the applicable terms of the licenses.

NOTE 8—DEFERRED CHARGES AND CREDITS

Deferred charges and credits relate to cash taxes payable and the elimination of deferred tax balances relating to legal entity consolidations completed as part of internal reorganizations of our international subsidiaries. Deferred charges and credits are amortized to income tax expense over a period of 6 to 15 years.

NOTE 9—ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Current liabilities

Accounts payable and accrued liabilities are comprised of the following:

	As of June 30, 2015	As of June 30, 2014
Accounts payable—trade	$15,558	$16,025
Accrued salaries and commissions	83,888	80,991
Accrued liabilities	107,870	121,558
Accrued interest on Senior Notes	20,625	—
Amounts payable in respect of restructuring and other Special charges (note 17)	12,065	11,694
Asset retirement obligations	1,364	1,686
Total	$241,370	$231,954

Long-term accrued liabilities

	As of June 30, 2015	As of June 30, 2014
Amounts payable in respect of restructuring and other Special charges (note 17)	$2,034	$4,531
Other accrued liabilities*	24,826	29,331
Asset retirement obligations	7,822	8,137
Total	$34,682	$41,999

* Other accrued liabilities consist primarily of tenant allowances, deferred rent and lease fair value adjustments relating to certain facilities acquired through business acquisitions.

Asset retirement obligations

We are required to return certain of our leased facilities to their original state at the conclusion of our lease. We have accounted for such obligations in accordance with ASC Topic 410 "Asset Retirement and Environmental Obligations" (Topic 410). As of June 30, 2015, the present value of this obligation was $9.2 million (June 30, 2014—$9.8 million), with an undiscounted value of $9.8 million (June 30, 2014—$10.4 million).

NOTE 10—LONG-TERM DEBT

Long-term debt

Long-term debt is comprised of the following:

	As of June 30, 2015	As of June 30, 2014
Total debt		
Senior Notes	$800,000	$—
Term Loan A	—	513,750
Term Loan B	788,000	796,000
Mortgage	—	9,582
	1,588,000	1,319,332
Less:		
Current portion of long-term debt		
Term Loan A	—	45,000
Term Loan B	8,000	8,000
Mortgage	—	9,582
	8,000	62,582
Non-current portion of long-term debt	$1,580,000	$1,256,750

Senior Unsecured Fixed Rate Notes

On January 15, 2015, we issued $800 million in aggregate principal amount of our 5.625% Senior Notes due 2023 (Senior Notes) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (Securities Act), and to certain persons in offshore transactions pursuant to Regulation S under the Securities Act. Senior Notes bear interest at a rate of 5.625% per annum, payable semi-annually in arrears on January 15 and July 15, commencing on July 15, 2015. Senior Notes will mature on January 15, 2023, unless earlier redeemed, in accordance with their terms, or repurchased.

For the year ended June 30, 2015, we recorded interest expense of $20.6 million relating to Senior Notes.

Term Loan A and Revolver

Prior to January 15, 2015, one of our credit facilities consisted of a $600 million term loan facility (Term Loan A) and a $300 million committed revolving credit facility (the Revolver and, together with Term Loan A, defined as the 2011 Credit Agreement).

On January 15, 2015, concurrently with the closing of the offering of Senior Notes, we used a portion of the net proceeds from the offering of Senior Notes to repay in full, the outstanding balance of Term Loan A.

Term Loan A had a five year term and repayments made under Term Loan A were equal to 1.25% of the original principal amount at each quarter for the first 2 years, approximately 1.88% for years 3 and 4 and 2.5% for year 5. Term Loan A bore interest at a floating rate of LIBOR plus a fixed amount, depending on our consolidated leverage ratio. Prior to the repayment of Term Loan A, the fixed amount was 2.5%.

For the year ended June 30, 2015, we recorded interest expense of $7.7 million relating to Term Loan A (June 30, 2014—$13.7 million, June 30, 2013—$15.5 million).

On January 15, 2015, concurrently with the closing of the offering of the Senior Notes and effective upon the repayment in full of Term Loan A with a portion of the net proceeds of the offering, the 2011 Credit Agreement was amended and restated as described in the second amendment to the 2011 Credit Agreement to, among other things, remove the provisions related to Term Loan A and modify certain provisions related to the incurrence of debt and liens and the making of acquisitions, investments and restricted payments, replace the covenants to maintain a “consolidated leverage” ratio of no more than 3:1 and a “consolidated interest coverage” ratio of 3:1 or more with a covenant to maintain a “consolidated net leverage” ratio of no more than 4:1, and make other changes, in each case, generally to conform with Term Loan B, as further described below.

Borrowings under the Revolver are secured by a first charge over substantially all of our assets, and as of January 16, 2014, on a pari passu basis with Term Loan B (as defined below). As part of the second amendment to the 2011 Credit Agreement, the commitments available under the Revolver was increased to $300 million from $100 million. The Revolver will mature on December 22, 2019 with no fixed repayment date prior to the end of the term. As of June 30, 2015, we have not drawn any amounts on the Revolver.

Term Loan B

In connection with the acquisition of GXS Group, Inc. (GXS), on January 16, 2014, we entered into a credit facility, which provides for a $800 million term loan facility (Term Loan B).

Borrowings under Term Loan B are secured by a first charge over substantially all of our assets on a pari passu basis with the Revolver. We entered into Term Loan B and borrowed the full amount on January 16, 2014.

Term Loan B has a seven year term and repayments made under Term Loan B are equal to 0.25% of the original principal amount in equal quarterly installments for the life of Term Loan B, with the remainder due at maturity. Borrowings under Term Loan B currently bear a floating rate of interest at a rate per annum equal to 2.5% plus the higher of LIBOR or 0.75%.

For the year ended June 30, 2015, we recorded interest expense of $26.1 million relating to Term Loan B (June 30, 2014—$11.9 million).

Mortgage

During the fourth quarter of Fiscal 2015, we repaid in full the outstanding balance of our mortgage of $7.8 million. The original principal amount of the mortgage was Canadian $15.0 million and interest accrued monthly at a variable rate of Canadian prime plus 0.50%.

For the year ended June 30, 2015, we recorded interest expense of approximately $0.3 million relating to the mortgage (June 30, 2014—$0.3 million, June 30, 2013—$0.4 million).

NOTE 11—PENSION PLANS AND OTHER POST RETIREMENT BENEFITS

The following table provides details of our defined benefit pension plans and long-term employee benefit obligations for Open Text Document Technologies GmbH (CDT), GXS GmbH (GXS GER) and GXS Philippines, Inc. (GXS PHP) as of June 30, 2015 and June 30, 2014:

	As of June 30, 2015		
	Total benefit obligation	Current portion of benefit obligation*	Non-current portion of benefit obligation
CDT defined benefit plan	$26,091	$575	$ 25,516
GXS Germany defined benefit plan	22,420	774	21,646
GXS Philippines defined benefit plan	7,025	26	6,999
Other plans	2,751	175	2,576
Total	$58,287	$1,550	$ 56,737

	As of June 30, 2014		
	Total benefit obligation	Current portion of benefit obligation*	Non-current portion of benefit obligation
CDT defined benefit plan	$29,344	$634	$ 28,710
GXS Germany defined benefit plan	24,182	917	23,265
GXS Philippines defined benefit plan	5,276	—	5,276
Other plans	3,148	99	3,049
Total	$61,950	$1,650	$ 60,300

* The current portion of the benefit obligation has been included within "Accounts payable and accrued liabilities" in the Consolidated Balance Sheets.

Defined Benefit Plans

CDT Plan

CDT sponsors an unfunded defined benefit pension plan covering substantially all CDT employees (CDT pension plan) which provides for old age, disability and survivors' benefits. Benefits under the CDT pension plan are generally based on age at retirement, years of service and the employee's annual earnings. The net periodic cost of this pension plan is determined using the projected unit credit method and several actuarial assumptions, the most significant of which are the discount rate and estimated service costs. No contributions have been made since the inception of the plan. Actuarial gains or losses in excess of 10% of the projected benefit obligation are being amortized and recognized as a component of net periodic benefit costs over the average remaining service period of the plan's active employees. There is approximately $0.4 million in accumulated other comprehensive income related to the CDT pension plan that is expected to be recognized as a component of net periodic benefit costs over the next fiscal year.

GXS Germany Plan

As part of our acquisition of GXS, we acquired an unfunded defined benefit pension plan covering certain German employees which provides for old age, disability and survivors' benefits. The GXS GER plan has been closed to new participants since 2006. Benefits under the GXS GER plan are generally based on a participant's remuneration, date of hire, years of eligible service and age at retirement. The net periodic cost of this pension plan is determined using the projected unit credit method and several actuarial assumptions, the most significant of which are the discount rate and estimated service costs. No contributions have been made since the inception of the plan. If actuarial gains or losses are in excess of 10% of the projected benefit obligation, such gains or losses will be amortized and recognized as a component of net periodic benefit costs over the average remaining service period of the plan's active employees. All information presented below for the GXS GER plan is presented for the period indicated, starting on January 16, 2014, when such plan was assumed by us with the acquisition of GXS.

GXS Philippines Plan

As part of our acquisition of GXS, we acquired a primarily unfunded defined benefit pension plan covering substantially all of the GXS Philippines employees which provides for retirement, disability and survivors' benefits. Benefits under the GXS

PHP plan are generally based on a participant's remuneration, years of eligible service and age at retirement. The net periodic cost of this pension plan is determined using the projected unit credit method and several actuarial assumptions, the most significant of which are the discount rate and estimated service costs. Aside from an initial contribution which had a fair value of approximately $33.0 thousand as of June 30, 2015, no additional contributions have been made since the inception of the plan. If actuarial gains or losses are in excess of 10% of the projected benefit obligation, such gains or losses will be amortized and recognized as a component of net periodic benefit costs over the average remaining service period of the plan's active employees. All information presented below for the GXS PHP plan is presented for the period indicated, starting on January 16, 2014, when such plan was assumed by us with the acquisition of GXS.

The following are the details of the change in the benefit obligation for each of the above mentioned pension plans for the periods indicated:

	As of June 30, 2015				As of June 30, 2014			
	CDT	GXS GER	GXS PHP	Total	CDT	GXS GER	GXS PHP	Total
Benefit obligation—beginning of period	$29,344	$24,182	$5,276	$58,802	$23,871	$23,637 *	$5,182 *	$52,690
Service cost	452	360	1,518	2,330	458	173	724	1,355
Interest cost	735	625	289	1,649	877	408	125	1,410
Benefits paid	(495)	(793)	(78)	(1,366)	(522)	(461)	(66)	(1,049)
Actuarial (gain) loss	1,676	2,701	201	4,578	3,595	452	(818)	3,229
Foreign exchange (gain) loss	(5,621)	(4,655)	(181)	(10,457)	1,065	(27)	129	1,167
Benefit obligation—end of period	26,091	22,420	7,025	55,536	29,344	24,182	5,276	58,802
Less: Current portion	(575)	(774)	(26)	(1,375)	(634)	(917)	—	(1,551)
Non-current portion of benefit obligation	$25,516	$21,646	$6,999	$54,161	$28,710	$23,265	$5,276	$57,251

* Beginning benefit obligation as of January 16, 2014.

The following are details of net pension expense relating to the following pension plans:

	Year Ended June 30,											
	2015				2014				2013			
	CDT	GXS GER	GXS PHP	Total	CDT	GXS GER	GXS PHP	Total	CDT	GXS GER	GXS PHP	Total
Pension expense:												
Service cost	$452	$360	$1,518	$2,330	$458	$173	$724	$1,355	$457	$—	$—	$457
Interest cost	735	625	289	1,649	877	408	125	1,410	888	—	—	888
Amortization of actuarial gains and losses	403	—	—	403	278	—	—	278	277	—	—	277
Net pension expense	$1,590	$985	$1,807	$4,382	$1,613	$581	$849	$3,043	$1,622	$—	$—	$1,622

In determining the fair value of the pension plan benefit obligations as of June 30, 2015 and June 30, 2014, respectively, we used the following weighted-average key assumptions:

	As of June 30, 2015			As of June 30, 2014		
	CDT	GXS GER	GXS PHP	CDT	GXS GER	GXS PHP
Assumptions:						
Salary increases	2.00%	2.00%	7.00%	2.50%	2.00%	7.00%
Pension increases	1.75%	2.00%	3.50%	2.00%	2.00%	6.00%
Discount rate	2.36%	2.54%	4.75%	2.90%	3.00%	5.15%
Normal retirement age	N/A	65-67	60	N/A	65-67	60
Employee fluctuation rate:						
to age 30	1.00%	N/A	N/A	1.00%	N/A	N/A
to age 35	0.50%	N/A	N/A	0.50%	N/A	N/A
to age 40	—%	N/A	N/A	—%	N/A	N/A
to age 45	0.50%	N/A	N/A	0.50%	N/A	N/A
to age 50	0.50%	N/A	N/A	0.50%	N/A	N/A
from age 51	1.00%	N/A	N/A	1.00%	N/A	N/A

Anticipated pension payments under the pension plans for the fiscal years indicated below are as follows:

	Fiscal years ending June 30,		
	CDT	GXS GER	GXS PHP
2016	$575	$774	$26
2017	629	788	35
2018	672	877	43
2019	754	937	105
2020	821	989	69
2021 to 2025	5,039	5,373	1,203
Total	$8,490	$9,738	$1,481

Other Plans

Other plans include defined benefit pension plans that are offered by certain of our foreign subsidiaries. Many of these plans were assumed through our acquisitions or are required by local regulatory requirements. These other plans are primarily unfunded, with the aggregate projected benefit obligation included in our pension liability. The net periodic cost of these plans are determined using the projected unit credit method and several actuarial assumptions, the most significant of which are the discount rate and estimated service costs.

NOTE 12—SHARE CAPITAL, OPTION PLANS AND SHARE-BASED PAYMENTS

Cash Dividends

For the year ended June 30, 2015, pursuant to the Company's dividend policy, we declared total non-cumulative dividends of $0.7175 per Common Share, in the aggregate amount of $87.6 million, which we paid during the same period.

For the year ended June 30, 2014, pursuant to the Company's dividend policy, we paid total non-cumulative dividends of $0.6225 per Common Share, in the aggregate amount of $74.7 million.

For the year ended June 30, 2013, pursuant to the Company's dividend policy, we paid total non-cumulative dividends of $0.15 per Common Share, in the aggregate amount of $17.7 million.

Share Capital

Our authorized share capital includes an unlimited number of Common Shares and an unlimited number of Preference Shares. No Preference Shares have been issued.

Treasury Stock

Repurchase

During the year ended June 30, 2015, we repurchased 240,222 of our Common Shares, in the amount of $10.6 million for potential reissuance under our Long Term Incentive Plans (LTIP) or otherwise. (June 30, 2014—repurchased 25,760 Common Shares for $1.3 million, June 30, 2013—nil).

Reissuance

During the year ended June 30, 2015, we reissued 377,775 Common Shares, respectively, from treasury stock in connection with the settlement of awards granted under our LTIPs and other awards (June 30, 2014—484,238, June 30, 2013—365,232 Common Shares). For more details on this, see "Long Term Incentive Plans" below.

Option Plans

A summary of stock options outstanding under our various stock option plans is set forth below. All numbers shown in the chart below have been adjusted, where applicable, to account for the two-for-one stock splits that occurred on October 22, 2003 and February 18, 2014.

	1998 Stock Option Plan	2004 Stock Option Plan
Date of inception	Jun-98	Oct-04
Eligibility	Eligible employees and directors, as determined by the Board of Directors	Eligible employees and directors, as determined by the Board of Directors
Options granted to date	15,828,580	12,725,742
Options exercised to date	(10,694,360)	(5,710,107)
Options cancelled to date	(5,110,220)	(2,664,270)
Options outstanding	24,000	4,351,365
Termination grace periods	Immediately “for cause”; 90 days for any other reason; 180 days due to death	Immediately “for cause”; 90 days for any other reason; 180 days due to death
Vesting schedule	25% per year, unless other-wise specified	25% per year, unless other-wise specified
Exercise price range	$10.00 - $10.00	$13.85 - $57.29
Expiration dates	2/3/2016	11/5/2015 to 4/30/2022

The following table summarizes information regarding stock options outstanding at June 30, 2015:

Range of Exercise Prices			Options Outstanding: Number of options Outstanding as of June 30, 2015	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price	Options Exercisable: Number of options Exercisable as of June 30, 2015	Weighted Average Exercise Price
$10.00	-	$26.22	560,550	2.59	$22.57	449,300	$21.83
26.37	-	29.64	256,773	4.41	27.88	90,979	28.01
30.18	-	30.18	665,123	3.60	30.18	345,123	30.18
31.76	-	49.04	440,079	4.50	37.65	144,832	38.40
50.08	-	50.08	1,123,000	5.46	50.08	279,250	50.08
51.16	-	55.65	1,166,010	6.50	53.88	—	—
57.29	-	57.29	163,830	6.19	57.29	—	—
$10.00		$57.29	4,375,365	4.96	$42.26	1,309,484	$32.32

Share-Based Payments

Total share-based compensation expense for the periods indicated below is detailed as follows:

Year Ended June 30,