

OPEN TEXT CORP
Form S-4
May 28, 2009
Table of Contents

As filed with the Securities and Exchange Commission on May 27, 2009

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

OPEN TEXT CORPORATION

(Exact name of registrant as specified in its charter)

Canada
(State or other jurisdiction of
incorporation or organization)

7373
(Primary Standard Industrial
Classification Code Number)

98-0154400
(I.R.S. Employer
Identification No.)

OPEN TEXT CORPORATION

275 Frank Tompa Drive

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Waterloo, Ontario, Canada N2L0A1

(519) 888-7111

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Open Text, Inc.

100 Tri-State, International Parkway, 3rd Floor

Lincolnshire, IL 60069

(847) 267-9330

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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303 Peachtree Street

Atlanta, Georgia 30308

(404) 527-4000

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900 South Capital of Texas Highway

Las Cimas IV, Fifth Floor

Austin, Texas 78746

(512) 338-5400

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common shares, without par value	3,552,000	N/A	\$109,675,203	\$6,120

(1) Based on the maximum number of shares of Open Text Corporation common stock to be issued in connection with the merger agreement described in the enclosed proxy statement/prospectus, calculated as the product obtained by multiplying (i) the exchange ratio of 0.1447 shares of Open Text common stock for each share of Vignette Corporation common stock and (ii) 24,547,339, the estimated maximum aggregate number of shares of Vignette common stock that could be exchanged for shares of Open Text common stock pursuant to the merger described in the enclosed document, including shares of Vignette common stock issuable upon exercise of outstanding options to acquire Vignette common stock.

(2) Estimated solely for the purposes of calculating the registration fee, and calculated pursuant to Rules 457(c) and 457(f) under the Securities Act of 1933, as amended, the proposed maximum aggregate offering price is equal to the market value of shares of Vignette common stock less the total cash consideration expected to be paid in the merger by Open Text, calculated as follows: (i) \$12.27, the average of the high and low prices per share of Vignette common stock on May 21, 2009, as reported on The NASDAQ Global Select Market, multiplied by (ii) 24,547,339, the estimated maximum aggregate number of shares of Vignette common stock computed as described in footnote (1) above, less (iii) \$191,520,650, the estimated cash consideration expected to be paid in the merger by Open Text.

(3) Equal to \$55.80 per \$1,000,000 of the proposed aggregate offering price.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

THE INFORMATION IN THIS PROXY STATEMENT/PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. OPEN TEXT MAY NOT ISSUE THE COMMON STOCK TO BE ISSUED IN CONNECTION WITH THE TRANSACTIONS DESCRIBED IN THIS PROXY STATEMENT/PROSPECTUS UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROXY STATEMENT/PROSPECTUS IS NEITHER AN OFFER TO SELL THESE SECURITIES, NOR A SOLICITATION OF AN OFFER TO BUY THESE SECURITIES, IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

SUBJECT TO COMPLETION, DATED MAY 27, 2009

VIGNETTE CORPORATION

1301 South MoPac Expressway

Austin, Texas 78746

Dear Stockholder:

We are pleased to deliver the enclosed proxy statement/prospectus relating to the proposed acquisition of Vignette Corporation by Open Text Corporation.

You are cordially invited to attend a special meeting of stockholders of Vignette, which will be held on _____, 2009, beginning at 9:00 a.m. local time, at the Inter-Continental Stephen F. Austin Hotel, 701 Congress Avenue, Austin, Texas 78701. At the special meeting, Vignette stockholders will be asked to adopt and approve the merger agreement that Vignette has entered into with Open Text and Scenic Merger Corp., an indirect wholly-owned subsidiary of Open Text, and the transactions contemplated thereby. If the merger agreement is adopted and approved and the transactions contemplated thereby are approved, and the other conditions in the merger agreement are satisfied or waived, Open Text will acquire Vignette, and each share of outstanding common stock of Vignette will be converted into the right to receive \$8.00 in cash without interest and 0.1447 shares of Open Text common stock.

The shares of Open Text common stock to be issued in the merger are listed on the Nasdaq Global Select Market under the symbol OTEX and on the Toronto Stock Exchange under the symbol OTC. On _____, 2009, the closing sale price of Open Text common stock was \$ _____ per share.

AFTER CAREFUL CONSIDERATION, VIGNETTE BOARD OF DIRECTORS HAS UNANIMOUSLY DETERMINED THAT THE MERGER IS FAIR TO AND IN THE BEST INTERESTS OF VIGNETTE AND ITS STOCKHOLDERS AND RECOMMENDS THAT YOU VOTE FOR ADOPTION AND APPROVAL OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY AND VOTE FOR THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY, TO SOLICIT ADDITIONAL PROXIES IN FAVOR OF THE ADOPTION AND APPROVAL OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY.

The accompanying proxy statement/prospectus provides a detailed description of the merger agreement and the proposed merger. We urge you to read the enclosed materials closely. **Please pay particular attention to the Risk Factors beginning on page 27 for a discussion of risks related to the merger.**

Your vote is important. **Because adoption and approval of the merger agreement and the transactions contemplated thereby require the affirmative vote of holders of at least a majority of the outstanding shares of Vignette common stock, a failure to vote will have the same effect as a vote against the merger.** WHETHER OR NOT YOU INTEND TO VOTE IN PERSON AT THE SPECIAL MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD, AND RETURN IT IN THE ENCLOSED ENVELOPE OR SUBMIT YOUR PROXY OVER THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD AS SOON AS POSSIBLE. Giving your proxy now will not affect your right to vote in person if you wish to attend the special meeting and vote personally.

Sincerely,

Michael A. Aviles

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President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Open Text common stock to be issued in the merger or determined if this document is truthful or complete. Any representation to the contrary is a criminal offense.

This document is dated _____, 2009 and is first being mailed to stockholders on or about _____, 2009.

Table of Contents

VIGNETTE CORPORATION

1301 South MoPac Expressway

Austin, Texas 78746

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the Stockholders of Vignette Corporation:

NOTICE IS HEREBY GIVEN that a special meeting of Vignette stockholders will be held on _____, 2009, beginning at 9:00 a.m. local time, at the Inter-Continental Stephen F. Austin Hotel, 701 Congress Avenue, Austin, Texas 78701 for the following purpose:

1. To consider and vote upon a proposal to adopt and approve the Agreement and Plan of Merger by and among Open Text Corporation, referred to herein as Open Text, Scenic Merger Corp., an indirect wholly-owned subsidiary of Open Text, and Vignette, dated as of May 5, 2009, and the transactions contemplated thereby;
2. To approve a proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby; and
3. With discretionary authority, upon such other matters as may properly come before the special meeting and any adjournment or postponement of the special meeting.

The proposed merger is described in more detail in the accompanying proxy statement/prospectus, which you should read carefully in its entirety before voting. A copy of the merger agreement is attached as Appendix A to the proxy statement/prospectus.

Only Vignette stockholders of record at the close of business on _____, 2009 are entitled to notice of and to vote at the special meeting. A majority of the shares of Vignette common stock outstanding on the record date must be voted in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby in order for the merger to be completed. A majority of the shares represented at the meeting in person or by proxy must be voted in favor of any adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

All Vignette stockholders are cordially invited to attend the special meeting. However, we encourage you to vote by proxy so that your shares will be represented and voted at the meeting even if you cannot attend. Of course, voting by proxy will not prevent you from voting in person at the meeting. Your failure to vote your shares is the same as voting against the proposal to adopt and approve the merger agreement and the transactions contemplated thereby. Your failure to vote your shares will not affect the outcome of any proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby, but will reduce the number of votes required to approve such proposal.

AFTER CAREFUL CONSIDERATION, THE BOARD OF DIRECTORS OF VIGNETTE HAS UNANIMOUSLY DETERMINED THAT THE MERGER IS FAIR AND IN THE BEST INTERESTS OF VIGNETTE AND ITS STOCKHOLDERS AND IT RECOMMENDS THAT YOU VOTE **FOR ~~T~~HE ADOPTION AND APPROVAL OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY AND TO VOTE **FOR** ~~T~~HE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY, TO SOLICIT ADDITIONAL PROXIES IN FAVOR OF THE ADOPTION AND APPROVAL OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY.**

By Order of the Board of Directors:

Bryce M. Johnson, Secretary

Austin, Texas

, 2009

Table of Contents

ADDITIONAL INFORMATION

The accompanying proxy statement/prospectus incorporates important business and financial information about Open Text Corporation, referred to herein as Open Text, and Vignette Corporation, referred to herein as Vignette, from other documents that are not included in, or delivered with, the proxy statement/prospectus.

Open Text will provide you with copies of such documents relating to Open Text (excluding all exhibits unless Open Text has specifically incorporated by reference an exhibit in this proxy statement/prospectus), without charge, upon written or oral request to:

Open Text Corporation

Attn: Corporate Secretary

275 Frank Tompa Drive

Waterloo, Ontario, Canada N2L0A1

(519) 888-7111

Vignette will provide you with copies of such documents relating to Vignette (excluding all exhibits unless Vignette has specifically incorporated by reference an exhibit in this proxy statement/prospectus), without charge, upon written or oral request to:

Vignette Corporation

Attn: Corporate Secretary

1301 South MoPac Expressway

Austin, Texas 78746

(512) 741-4300

If you would like to request documents, Open Text or Vignette must receive your request by _____, 2009 (which is five business days prior to the date of the special meeting) in order to ensure that you receive them prior to the special meeting. See Where You Can Find More Information beginning on page 113.

Table of Contents**TABLE OF CONTENTS**

	Page
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER</u>	1
<u>SUMMARY TERM SHEET</u>	8
<u>Information about the Parties to the Merger</u>	8
<u>Special Meeting of Vignette Stockholders</u>	9
<u>Stockholder Vote Required</u>	10
<u>The Merger</u>	10
<u>Recommendation of Vignette's Board of Directors</u>	10
<u>Fairness Opinion of J.P. Morgan</u>	10
<u>Interests of Vignette's Executive Officers and Directors in the Merger</u>	11
<u>Material United States Federal Income Tax Consequences of the Merger</u>	11
<u>Accounting Treatment</u>	11
<u>Regulatory Approvals Required for the Merger</u>	11
<u>Appraisal Rights</u>	12
<u>What Vignette Stockholders Will Receive in the Merger</u>	12
<u>What Holders of Vignette Stock Options and Other Equity-Based Awards Will Receive in the Merger</u>	12
<u>Procedures for Exchanging Vignette Common Stock Certificates</u>	14
<u>Fractional Shares</u>	14
<u>Representations and Warranties</u>	14
<u>Acquisition Proposals by Third Parties</u>	15
<u>Conditions to Completion of the Merger</u>	16
<u>Termination of the Merger Agreement and Termination Fee</u>	17
<u>Voting Agreements</u>	17
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF OPEN TEXT</u>	18
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF VIGNETTE</u>	20
<u>SUMMARY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA</u>	21
<u>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE INFORMATION</u>	24
<u>COMPARATIVE MARKET PRICE INFORMATION</u>	26
<u>RISK FACTORS</u>	27
<u>General Risks Relating to the Proposed Merger</u>	27
<u>Risks Relating to Open Text's Business</u>	31
<u>Risks Relating to Vignette's Business</u>	40
<u>VIGNETTE SPECIAL MEETING</u>	54
<u>Date, Time and Place of the Special Meeting</u>	54
<u>Matters for Consideration</u>	54
<u>Board of Directors' Recommendation</u>	54
<u>Record Date</u>	54
<u>Shares Beneficially Owned by Directors and Executive Officers</u>	54
<u>Quorum and Vote Required</u>	55
<u>Adjournment and Postponement</u>	55
<u>Voting of Proxies</u>	56
<u>How to Revoke a Proxy</u>	57
<u>Solicitation of Proxies and Expenses</u>	57
<u>Vignette Stock Certificates</u>	57
<u>Assistance</u>	57

Table of Contents

	Page
<u>THE MERGER</u>	58
<u>Background of the Merger</u>	58
<u>Vignette's Reasons for the Merger</u>	64
<u>Recommendation of the Vignette Board of Directors</u>	66
<u>Opinion of Vignette's Financial Advisor</u>	67
<u>Open Text's Reasons for the Merger</u>	72
<u>Interests of Vignette's Executive Officers and Directors in the Merger</u>	73
<u>Material United States Federal Income Tax Consequences of the Merger</u>	75
<u>Accounting Treatment</u>	77
<u>Regulatory Approvals Required for the Merger</u>	77
<u>Delisting and Deregistration</u>	78
<u>Quotation on the NASDAQ Global Select Market</u>	78
<u>Appraisal Rights</u>	78
<u>TERMS OF THE MERGER AGREEMENT</u>	81
<u>Structure</u>	81
<u>Completion of the Merger</u>	81
<u>Merger Consideration</u>	81
<u>Adjustment to Merger Consideration</u>	83
<u>Fractional Shares</u>	83
<u>Representations and Warranties</u>	83
<u>Covenants Under the Merger Agreement</u>	86
<u>Acquisition Proposals By Third Parties</u>	88
<u>Other Agreements</u>	89
<u>Conditions to Completion of the Merger</u>	92
<u>Employee Benefit Plans</u>	93
<u>Vignette's Stock Plans</u>	93
<u>Termination of the Merger Agreement and Termination Fee</u>	93
<u>Amendment, Extension and Waiver</u>	94
<u>Expenses</u>	95
<u>Management and Operations Following the Merger</u>	95
<u>VOTING AGREEMENTS</u>	96
<u>INFORMATION ABOUT OPEN TEXT</u>	97
<u>INFORMATION ABOUT VIGNETTE</u>	103
<u>COMPARISON OF RIGHTS OF HOLDERS OF OPEN TEXT COMMON STOCK AND VIGNETTE COMMON STOCK</u>	105
<u>LEGAL MATTERS</u>	110
<u>EXPERTS</u>	110
<u>OTHER MATTERS</u>	110
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	111
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	113
<u>UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS</u>	114
<u>Appendix A Agreement and Plan of Merger</u>	A-1
<u>Appendix B Form of Voting Agreement</u>	B-1
<u>Appendix C Fairness Opinion of J.P. Morgan Securities Inc.</u>	C-1
<u>Appendix D Section 262 of the General Corporation Law of the State of Delaware</u>	D-1

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: Why am I receiving this proxy statement/prospectus?

A: Open Text Corporation, referred to herein as Open Text, has agreed to acquire Vignette Corporation, referred to herein as Vignette, under the terms of a merger agreement that is described in this proxy statement/prospectus. Please see *The Merger* beginning on page 58 and *Terms of the Merger Agreement* beginning on page 81 of this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Appendix A.

To complete the merger, Vignette stockholders must vote to adopt and approve the merger agreement and the transactions contemplated thereby, and all other conditions to the merger must be satisfied or waived. Vignette will hold a special meeting of its stockholders to obtain this approval.

This proxy statement/prospectus contains important information about the merger agreement, the merger and the special meeting of the stockholders of Vignette. You should read this proxy statement/prospectus carefully.

Your vote is very important. We encourage you to vote as soon as possible. The enclosed proxy card allows you to vote your Vignette shares without attending the special meeting. For more specific information on how to vote, please see the questions and answers below.

Q: Why are Open Text and Vignette proposing this transaction? (see pages 64 and 72)

A: The Open Text and Vignette boards of directors have each unanimously approved the merger agreement and have determined that the merger agreement and the merger are advisable and in the best interests of their respective stockholders. In reaching these decisions, the Open Text and Vignette boards of directors considered the terms and conditions of the merger agreement and the ancillary agreements, as well as a number of other factors.

Q: What will happen in the merger? (see page 81)

A: In the merger, Vignette and an indirect wholly-owned subsidiary of Open Text will merge and, as a result, Vignette will become an indirect wholly-owned subsidiary of Open Text.

Q: What will I receive in exchange for my Vignette common stock in the merger? (see page 81)

A: For each outstanding share of Vignette common stock you own, assuming you do not exercise appraisal rights, you will receive the merger consideration of \$8.00 in cash without interest (referred to herein as the *cash consideration*), and 0.1447 shares of Open Text common stock (referred to herein as the *stock consideration* and together with the cash consideration, the *merger consideration*). You will receive cash in lieu of any fractional share of Open Text common stock that you would be entitled to receive in the merger.

Q: How will the merger affect stock options to acquire Vignette common stock? (see page 81)

A: As a result of the merger, all outstanding and unexercised stock options under Vignette's stock option plans and agreements, including stock options held by executive officers and directors of Vignette, will fully vest and become exercisable immediately prior to the closing

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of the merger. Persons who exercise their stock options prior to the effective time of the merger will be entitled to receive the merger consideration, on the same basis as the other Vignette stockholders. Unexercised stock options will be cancelled immediately prior to the effective time of the merger and converted into the right to receive a payment, if any, in cash and/or shares of Open Text common stock, as discussed below.

Table of Contents

If the per share exercise price of an unexercised Vignette stock option is less than \$8.00, the stock option will be converted into the right to receive (i) cash consideration equal to the product of (A) \$8.00 less the applicable per share exercise price of the Vignette stock option, and (B) the number of shares subject to the unexercised Vignette stock option; and (ii) stock consideration of a number of shares of Open Text common stock equal to the product of (A) 0.1447, and (B) the number of shares subject to the unexercised Vignette stock option. An amount necessary to satisfy the applicable minimum withholding tax obligation will be withheld from the cash consideration to be received pursuant to (i) above and then, if necessary, from the number of shares of Open Text common stock issued pursuant to (ii) above. For this purpose, the value of the stock consideration will be based on the most recent closing price of Open Text common stock prior to the date of the closing of the merger.

If the per share exercise price of a Vignette stock option is less than the value of the per share merger consideration (consisting of the cash consideration and the stock consideration), but greater than or equal to \$8.00, such outstanding and unexercised Vignette stock option will be converted into the right to receive in shares of Open Text common stock, an amount equal to the product of (i) the value of the merger consideration less the applicable per share exercise price of the Vignette stock option, and (ii) the number of shares subject to the unexercised Vignette stock option. The number of shares of Open Text common stock to be issued will be reduced by the amount necessary to satisfy the applicable minimum withholding tax obligation. For purposes of calculating the value of the merger consideration, the value of the stock consideration will be based on the most recent closing price of Open Text common stock prior to the date of the closing of the merger.

If the per share exercise price of a Vignette stock option is greater than the value of the per share merger consideration, such options will be cancelled at the closing of the merger and the holders of such options will not receive any merger consideration.

Q: How will the merger affect restricted stock of Vignette? (see page 82)

A: All outstanding shares of Vignette common stock that are unvested or subject to a repurchase option, risk of forfeiture or other condition (e.g., transferability restrictions) under any restricted stock purchase agreement or other agreement or arrangement with Vignette that survives the consummation of the merger (referred to herein as restricted stock), will be converted automatically into the right to receive the merger consideration with respect to such shares. The merger consideration will be payable or distributable in accordance with the original vesting schedule of the restricted stock and will be subject to the same repurchase option and other conditions and/or terms relating to the restricted stock, including any requirement of continued employment through each vesting date.

Q: How will the Merger affect the Vignette Employee Stock Purchase Plans?

A: As a result of the merger, Vignette will terminate its Employee Stock Purchase Plan and International Employee Stock Purchase Plan, referred to herein as the Vignette ESPPs, immediately prior to the closing of the merger. Vignette will take all necessary action to (i) terminate the current offering period and contribution period effective as of immediately prior to the closing of the merger, and (ii) provide that no further offering periods will commence under the Vignette ESPPs on or following the closing of the merger. Each outstanding right to purchase shares of Vignette common stock under the Vignette ESPPs will be exercised to purchase Vignette common stock on the date immediately prior to the closing of the merger in accordance with the terms of the applicable Vignette ESPP.

Q: How much stock will the current stockholders own in the combined company?

A: As of the closing of the merger, based on Open Text's stock price on May 5, 2009, current Vignette stockholders will receive approximately 3,461,000 shares of Open Text common stock, which equates to approximately 6.3% of Open Text's outstanding shares on a fully diluted basis as of May 5, 2009. Current

Table of Contents

Vignette stockholders may, as a group, receive more shares of Open Text common stock as a result of option exercises and conversions. Additionally, Open Text currently beneficially owns approximately 996,000 shares of Vignette common stock that will be cancelled and extinguished pursuant to the terms of the merger agreement.

Q: Am I entitled to appraisal rights? (see page 78)

A: Under the Delaware General Corporation Law, holders of Vignette common stock who do not vote for the adoption and approval of the merger agreement and the transactions contemplated thereby have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the merger is completed, but only if they comply with all requirements of Delaware law, which are summarized in this proxy statement/prospectus. This appraisal amount could be more than, the same as, or less than the amount a Vignette stockholder would be entitled to receive under the merger agreement. Any holder of Vignette common stock intending to exercise appraisal rights, among other things, must submit a written demand for appraisal to Vignette prior to the vote on the adoption and approval of the merger agreement and the transactions contemplated thereby and must not vote or otherwise submit a proxy in favor of adoption and approval of the merger agreement and the transactions contemplated thereby. Failure to follow exactly the procedures specified under Delaware law will result in the loss of appraisal rights. Because of the complexity of the Delaware law relating to appraisal rights, if you are considering exercising your appraisal right, we encourage you to seek the advice of your own legal counsel.

Q: Will the merger be taxable to me? (see page 75)

A: Generally, yes. For U.S. federal income tax purposes, the merger will be a taxable transaction. Each Vignette stockholder will generally recognize gain or loss measured by the difference between (i) the amount of cash and fair market value of shares of Open Text stock received, and (ii) such stockholder's tax basis in Vignette common stock exchanged. You should read *The Merger Material United States Federal Income Tax Consequences of the Merger* beginning on page 75 for a more detailed discussion of the U.S. federal income tax consequences of the merger. Tax matters are complicated and the tax consequences of the merger to you will depend on your individual circumstances. You should consult your tax advisor to determine the specific tax consequences of the merger to you.

Q: Do persons involved in the merger have interests that may conflict with mine as a Vignette stockholder? (see page 73)

A: Yes. When considering the recommendations of Vignette's board of directors, you should be aware that a number of Vignette's executive officers and directors have interests in the merger that are different from, or are in addition to, yours. These interests include the potential employment of certain of Vignette's executive officers by Open Text after the merger, although no agreements have been entered into and no terms, conditions or understandings have been finalized, the acceleration of restricted stock granted to directors of Vignette, the acceleration of options granted to Vignette's executive officers and directors, and the receipt of indemnification and liability insurance benefits by directors and officers of Vignette from Open Text. Additionally, certain executive officers of Vignette will be entitled to receive additional benefits upon or as a result of the consummation of the merger.

Q: What stockholder approvals are required for the merger? (see page 55)

A: The holders of a majority of the outstanding shares of Vignette common stock on the record date for the Vignette special meeting of stockholders must vote in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby. Abstentions and broker non-votes will have the same effect as voting against the adoption and approval of the merger agreement and the transaction contemplated thereby. Only holders of record of Vignette common stock at the close of business on _____, 2009,

Table of Contents

referred to herein as the record date, are entitled to notice of and to vote at the special meeting. As of the record date, there were shares of Vignette common stock outstanding and entitled to vote at the special meeting. The approval of the stockholders of Open Text is not required to complete the merger.

Q: What stockholder approvals are required for the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby? (see page 55)

A: The holders of a majority of the shares of Vignette common stock represented in person or by proxy at the special meeting of the stockholders must vote in favor of adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby for such proposal to be approved. Abstentions and broker non-votes will have the same effect as voting against any proposal to adjourn the special meeting.

Q: Are there any stockholders already committed to voting in favor of adopting and approving the merger agreement and the transactions contemplated thereby? (see page 96)

A: Yes. In connection with the execution of the merger agreement, the Vignette directors and executive officers, who collectively beneficially own approximately % of the voting power of Vignette common stock as of the record date, entered into voting agreements agreeing to vote for the proposed transaction. If the merger agreement terminates in accordance with its terms, these voting agreements also will terminate.

Q: How does Vignette's board of directors recommend that I vote on the proposals? (see page 54)

A: The board of directors of Vignette unanimously recommends that you vote FOR the adoption and approval of the merger agreement and the transactions contemplated thereby and vote FOR the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

Q: Are there risks I should consider in deciding whether to vote for the merger? (see page 27)

A: Yes. In evaluating the merger, you should carefully consider, among other matters, the factors discussed in the section titled Risk Factors beginning on page 27.

Q: Do I need to send in my Vignette stock certificates now? (see page 82)

A: No. You should not send in your Vignette stock certificates now. Promptly after the effective time of the merger, the exchange agent will provide stock certificate transmittal materials to the holders of Vignette common stock. The transmittal materials will contain instructions for surrendering Vignette stock certificates to the exchange agent in exchange for the merger consideration. You bear the risk of delivery and should send your letter of transmittal by courier, by hand or by fax, with stock certificates delivered by courier or by hand, to the appropriate addresses shown on the letter of transmittal.

Q: How many votes do I have? (see page 54)

A: You have one vote for each share of Vignette common stock you own as of the record date for the special meeting.

Q: Will any proxy solicitors be used in connection with the special meeting? (see page 57)

A: Yes. To assist in the solicitation of proxies, Vignette has engaged D.F. King & Co., Inc.

Table of Contents

Q: What do I need to do now?

A: First, carefully read this document in its entirety. Then, we urge you to vote your shares of Vignette common stock by one of the following methods:

marking, signing, dating and returning your proxy card in the enclosed prepaid envelope;

submitting a proxy over the Internet or by telephone by following the instructions on the enclosed proxy card; or

attending the special meeting and submitting a properly executed proxy or ballot. If a broker holds your shares in street name, you will need to get a proxy from your broker to vote your shares in person.

Q: What happens if I do not vote? (see page 55)

A: The failure to vote in person or execute and return your proxy card or to submit a proxy by telephone or over the Internet will have the same effect as voting against the adoption and approval of the merger agreement and the transactions contemplated thereby. The failure to vote in person or execute and return your proxy card or to submit a proxy by telephone or over the Internet will not affect the outcome of any proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby, but will reduce the number of votes required to approve such proposal.

Q: What happens if I abstain? (see page 56)

A: If you execute and return your proxy card or submit a proxy by telephone or over the Internet and vote ABSTAIN or if you vote ABSTAIN at the special meeting, this will have the same effect as voting against the adoption and approval of the merger agreement and the transactions contemplated thereby and against any proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: Many Vignette stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and shares beneficially owned.

Stockholder of Record. If your shares are registered directly in your name with Vignette's transfer agent, you are considered the stockholder of record with respect to those shares and this proxy statement/prospectus is being sent directly to you by Vignette. As stockholder of record, you have the right to grant your proxy directly to Vignette or to vote in person at the Vignette special meeting of stockholders. Vignette has enclosed a proxy card for your use.

Beneficial Owner. If your shares are held in a brokerage account, bank account or by another nominee, you are considered the beneficial owner of shares held in street name, and this proxy statement/prospectus is being forwarded to you by your broker, bank or nominee together with a voting instruction card. As the beneficial owner, you have the right to direct your broker, bank or other nominee how to vote and are also invited to attend the special meeting. However, because you are not the stockholder of record, you may not vote your shares in person at the special meeting unless you obtain a legal proxy from the broker, bank or nominee that holds your shares, giving you the right to vote the shares instead of the broker, bank or nominee holding your shares. Your broker, bank or nominee has enclosed or provided voting instructions for your use in directing your broker, bank or nominee how to vote your shares.

Table of Contents

Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me? (see page 56)

A: No. If you do not provide your broker with instructions on how to vote your shares that are held in street name, your broker will not be permitted to vote them. Therefore, you should be sure to provide your broker with instructions on how to vote these shares. If you do not give voting instructions to your broker and your broker submits a proxy card but does not vote your shares, you will, in effect, be voting against the adoption and approval of the merger agreement and the transactions contemplated thereby and against the proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of approval of the merger agreement and the transactions contemplated thereby.

Q: Can I change my vote? (see page 57)

A: Yes. If you submit a proxy, you may revoke it at any time before the special meeting by:

delivering to the corporate secretary of Vignette a written notice, dated later than the proxy you wish to revoke, stating that the proxy is revoked;

submitting to the corporate secretary of Vignette a new, signed proxy with a date later than the proxy you wish to revoke;

submitting another proxy by telephone or over the Internet (your latest telephone or Internet voting instructions will be followed); or

attending the special meeting and voting in person.

If you hold your shares in street name, you must give new instructions to your broker prior to the special meeting or obtain a signed legal proxy from the broker to revoke your prior instructions and vote in person at the meeting.

Q: When and where will the vote take place? (see page 54)

A: The Vignette special meeting of stockholders will be held at the Inter-Continental Stephen F. Austin Hotel, 701 Congress Avenue, Austin, Texas 78701, on _____, 2009, starting at 9:00 a.m. local time.

Q: May I vote in person? (see page 57)

A: You may vote in person at the special meeting, rather than signing, dating and returning your proxy card, if you own shares directly in your own name as the shareholder of record. However, even if you plan to attend the special meeting in person, we encourage you to return your signed proxy card, to ensure that your shares are represented and voted at the special meeting. If your shares are held of record in street name by a broker, nominee, fiduciary or other custodian and you wish to vote in person at the special meeting, you must obtain from the record holder a legal proxy issued in your name.

Q: Are there any conditions that must be satisfied prior to the completion of the merger? (see page 92)

A: Yes. There are a number of conditions that must be satisfied before the completion of the merger, some of which are outside the parties control. See Terms of the Merger Agreement Conditions to Completion of the Merger beginning on page 92.

Table of Contents

Q: When do you expect the merger to be completed? (see page 81)

A: Open Text and Vignette are working to complete the merger as quickly as practicable and currently expect that the merger could be completed promptly after the special meeting of Vignette stockholders. However, Open Text and Vignette cannot predict the exact timing of the completion of the merger because it is subject to regulatory approvals and other conditions.

Q: Whom do I call if I have questions about the special meeting or the merger? (see page 57)

A: You should direct any questions regarding the special meeting of stockholders or the merger, including the procedures for voting your shares, to D. F. King & Co., Inc. toll-free at 1-800-967-4617.

Table of Contents**SUMMARY TERM SHEET**

This summary highlights selected information included in this proxy statements/prospectus and does not contain all of the information that may be important to you. You should read this entire proxy statements/prospectus and its appendices and the other documents to which we refer you before you decide how to vote with respect to the merger agreement. In addition, we incorporate by reference important business and financial information about Open Text and Vignette into this proxy statements/prospectus. For a description of this information, see *Incorporation of Certain Documents by Reference* beginning on page 111. You may obtain the information incorporated by reference into this proxy statements/prospectus without charge by following the instructions in *Where You Can Find More Information* on page 113. Each item in this summary includes a page reference directing you to a more complete description of that item.

Cautionary Statement About Forward-Looking Statements

This proxy statements/prospectus, including information included or incorporated by reference in this proxy statements/prospectus, contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements include, but are not limited to, statements about (i) the financial condition, results of operations and business of Open Text and Vignette; (ii) the benefits of the merger between Open Text and Vignette, including future financial and operating results, cost savings and accretion to reported earnings that may be realized from the merger; (iii) the expected tax consequences of the merger; (iv) Open Text's and Vignette's plans, objectives, expectations and intentions and other statements contained in this filing that are not historical facts; and (vi) other statements identified by words such as *expects, anticipates, intends, plans, believes, seeks, estimates, or words of similar meaning*. These forward looking statements are based on current beliefs and expectations of Open Text and Vignette and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the parties' control. In addition, these forward looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Actual results may differ materially from the anticipated results discussed in these forward looking statements. Factors that could cause actual results to differ materially from those expressed in such forward looking statements include those discussed in the *Risk Factors* section beginning on page 27. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such statements. Vignette stockholders are cautioned not to place undue reliance on such statements, which speak only as of the date of this proxy statement/prospectus or the date of any document incorporated by reference.

Information about the Parties**to the Merger -*****Vignette* (see page 103)**

Vignette Corporation

Attn: Corporate Secretary

1301 South MoPac Expressway

Austin, Texas 78746

(512) 741-4300

Vignette provides Web content management, intranet solutions, social media, experience optimization, video, rich media and transactional content management solutions. Vignette's solutions give organizations the capability to provide a personalized and highly engaging Web experience. In addition to creating high-value interactions through their Web presence, Vignette customers are also able to integrate systems and information from inside and outside the organization; manage the lifecycle of enterprise information; and collaborate by supporting ad-hoc and process-based information sharing.

Table of Contents

Together, Vignette's products and expertise help companies harness the power of their information and the Web to deliver high-value interactions, build communities online and meet users' demands for any content, at anytime, anywhere, on the device of the user's choosing.

Vignette was incorporated in Delaware on December 19, 1995. Vignette currently markets its products and services throughout the Americas, Europe, Asia and Australia. Vignette's common stock is listed and traded on the NASDAQ Global Select Market under the symbol VIGN.

Vignette maintains a site on the Internet at www.vignette.com; however, information found on Vignette's website is not part of this proxy statement/prospectus.

Open Text (see page 97)

Open Text Corporation

275 Frank Tompa Drive

Waterloo, Ontario, Canada N2L0A1

(519) 888-7111

Founded in 1991, Open Text is an independent company that provides enterprise content management, or ECM, software solutions that help in the management of critical business content, including version revisions and compliance with regulatory requirements. Open Text's primary ECM solution, Livelink, enables corporations to manage traditional forms of content such as images, office documents, graphics and drawings, as well as to manage electronic content, including web pages, email and video. Open Text's solutions allow users to gain access to view and manage all information related to a transaction or business process, without having to switch applications. Open Text's common stock is listed and traded on the Toronto Stock Exchange under the symbol OTC and the NASDAQ Global Select Market under the symbol OTEX. Open Text maintains a site on the Internet at www.opentext.com; however, information found on Open Text's website is not part of this proxy statement/prospectus.

Scenic Merger Corp. is a direct wholly-owned Subsidiary of Open Text Inc., which in turn is an indirect wholly-owned subsidiary of Open Text.

**Special Meeting of Vignette
Stockholders (see page 54)**

Vignette will hold a special meeting of its stockholders on _____, 2009, at 9:00 a.m. local time, at the Inter-Continental Stephen F. Austin Hotel, 701 Congress Avenue, Austin, Texas 78701. At the special meeting, you will be asked to vote on a proposal to adopt and approve the merger agreement and the transactions contemplated thereby. You will also be asked to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

You may vote at the special meeting if you owned shares of Vignette common stock at the close of business on the record date, _____, 2009. On that date, there were _____ shares of Vignette common stock outstanding and entitled to vote at the special meeting. You may cast one vote for

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each share of Vignette common stock you owned on the record date.

Table of Contents

Stockholder Vote Required (see page 55) The proposal to adopt and approve the merger agreement and the transactions contemplated thereby requires the affirmative vote of the holders of a majority of the shares of Vignette common stock outstanding on the record date. A failure to vote your shares or an abstention will have the same effect as a vote against the proposal to adopt and approve the merger agreement and the transactions contemplated thereby.

The proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby requires the affirmative vote of the holders of a majority of the shares of Vignette common stock represented in person or by proxy at the special meeting of the stockholders. Failure to vote your shares will not affect the outcome of the proposal to adjourn the special meeting, if necessary, to solicit additional proxies in favor of adoption and approval of the merger agreement, but will reduce the number of votes required to approve such proposal. If you abstain from voting, either in person or by proxy, it will count as a vote against such proposal to adjourn the special meeting.

The Merger (see page 58 and Appendix A) The merger agreement is attached to this document as Appendix A. You should read this agreement carefully, as it is the legal document that governs the merger of Scenic Merger Corp., an indirect wholly-owned subsidiary of Open Text referred to herein as Merger Sub, with and into Vignette, which will result in Vignette being an indirect wholly-owned subsidiary of Open Text.

Recommendation of Vignette's Board of Directors (see page 54) After careful consideration, on May 5, 2009 the Vignette board of directors unanimously determined that the terms of the merger agreement and the transactions contemplated thereby are advisable and in the best interests of Vignette and its stockholders and adopted and approved the merger agreement and the transactions contemplated thereby. The Vignette board of directors recommends that the stockholders of Vignette vote FOR the adoption and approval of the merger agreement and the transactions contemplated thereby and vote FOR the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

In considering the recommendation of the Vignette board of directors with respect to the merger agreement and the transactions contemplated thereby, Vignette stockholders should be aware that some directors and officers of Vignette will receive benefits if the merger is completed that result in those persons having interests in the merger that are different from, or in addition to, the interests of Vignette stockholders.

Fairness Opinion of J.P. Morgan (see page 67) J.P. Morgan Securities Inc., referred to herein as J.P. Morgan, has acted as exclusive financial advisor to Vignette in connection with the merger. At the May 5, 2009 meeting of the Vignette board of directors, J.P. Morgan delivered its oral opinion, subsequently confirmed in writing as of the same date, to the Vignette board of directors to the effect that, as of the date of such opinion, based upon and subject to the assumptions made, matters considered and limits of the review undertaken by J.P. Morgan, the merger consideration

Table of Contents

of \$8.00 in cash without interest per share and 0.1447 shares of Open Text common stock per share was fair, from a financial point of view, to the holders of the outstanding shares of Vignette common stock.

The full text of J.P. Morgan's written opinion, dated May 5, 2009, which sets forth, among other things, the assumptions made, matters considered and limits on the review undertaken by J.P. Morgan, is attached as Appendix C to this proxy statement/prospectus and is incorporated herein by reference. The J.P. Morgan opinion is not a recommendation as to how any holder of shares of Vignette common stock should vote with respect to the merger or any other matter. Vignette stockholders are urged to read the J.P. Morgan opinion in its entirety.

Interests of Vignette's Executive Officers and Directors in the Merger (see page 73)

A number of Vignette's executive officers and directors have interests in the merger that are different from, or in addition to, your interests.

All optionholders, including the directors and officers of Vignette that are optionholders, will be entitled to acceleration of all of their stock options immediately prior to the closing of the merger. The directors of Vignette will also be entitled to acceleration of all of their restricted stock immediately prior to the closing of the merger.

In addition to the foregoing, Vignette officers and directors will also receive indemnification and liability insurance benefits in connection with the merger and certain of Vignette's officers may be offered employment with Open Text, although no agreements have been entered into and no terms, conditions or understandings have been finalized. Additionally, certain executive officers of Vignette will be entitled to receive additional benefits upon or as a result of the consummation of the merger.

Material United States Federal Income Tax Consequences of the Merger (see page 75)

Each Vignette stockholder will generally recognize gain or loss measured by the difference between (i) the amount of cash and fair market value of shares of Open Text stock received, and (ii) such stockholder's tax basis in Vignette common stock exchanged.

Accounting Treatment (see page 77)

Open Text will account for the merger under the acquisition method of accounting for business combinations.

Regulatory Approvals Required for the Merger (see page 77)

The merger is subject to antitrust laws. On May 18, 2009, Open Text and Vignette each made the required filings with the Department of Justice and the Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, referred to herein as the HSR Act, and requested early termination of the required waiting period. However, Open Text and Vignette are not permitted to complete the merger until the applicable waiting periods under the HSR Act have expired or been terminated. The Department of Justice or the Federal Trade Commission, as well as a state or a private person, may challenge the merger at any time before or after its completion. If antitrust authorities request additional information or challenge the merger on antitrust grounds, such approvals may be delayed or may not be obtained.

Table of Contents

In addition, the merger is contingent upon review by the Committee on Foreign Investment in the United States, referred to herein as CFIUS, pursuant to Section 721 of the Defense Production Act of 1950, as amended by the Foreign Investment and National Security Act of 2007, and as implemented by Executive Order 11858, as amended, and 31 C.F.R. Part 800. On May , 2009, Open Text and Vignette made a joint voluntary filing with CFIUS. The parties are not required to consummate the merger until CFIUS, or the President of the United States, issues a letter indicating that there are no unresolved issues that would affect the national security of the United States. As a condition of receiving such a letter the parties may enter into a mitigation agreement to exclude certain assets from the merger and/or assume certain obligations requested by the government to protect national security. In the absence of receiving such a letter or entering into a mitigation agreement the parties may withdraw the CFIUS Notification and/or the merger may be delayed or blocked.

Appraisal Rights (see page 78)

Under Delaware law, Vignette stockholders may have the right to receive an appraisal of the fair value of their shares of Vignette common stock in connection with the merger. To exercise appraisal rights, a Vignette stockholder must not vote for the proposal to adopt and approve the merger agreement and the transactions contemplated thereby, must deliver to Vignette a written appraisal demand before the stockholder vote on the merger agreement is taken at the special meeting, must not submit a letter of transmittal, and must strictly comply with all of the procedures required by Delaware law.

A copy of Section 262 of the Delaware General Corporation Law, referred to herein as the DGCL, is included as Appendix D to this proxy statement/prospectus.

What Vignette Stockholders Will Receive in the Merger (see page 81)

Upon completion of the merger, each outstanding share of Vignette common stock, excluding any treasury shares and any shares held by Open Text, its subsidiaries, or any dissenting stockholder, will be converted into the right to receive the merger consideration of \$8.00 in cash without interest, and 0.1447 shares of Open Text common stock. The total amount of merger consideration you will receive will be the product of the merger consideration per share multiplied by the number of shares of Vignette common stock you hold. No fractional shares of Open Text common stock will be issued in connection with the merger, as discussed below.

What Holders of Vignette Stock Options and Other Equity-Based Awards Will Receive in the Merger (see page 81)

Vignette Stock Options

As a result of the merger, all outstanding and unexercised stock options under Vignette's stock option plans and agreements, including stock options held by executive officers and directors of Vignette, will fully vest and become exercisable immediately prior to the closing of the merger. Persons who exercise their stock options prior to the effective time of the merger will be entitled to receive the merger consideration, just like other Vignette stockholders. If persons holding such stock options choose not to exercise their stock options prior to the effective time of the merger, their stock options shall be cancelled immediately prior to the effective time of the merger and

Table of Contents

converted into the right to receive a payment, if any, in cash and/or shares of Open Text common stock. The applicable payment to which each Vignette optionholder will be entitled to receive, if any, is dependent on the per share exercise price of each Vignette stock option, as discussed below.

If the per share exercise price of a Vignette stock option is less than \$8.00, the outstanding and unexercised shares of Vignette common stock subject to the stock option will be converted, as of the effective time of the merger, into the right to receive the following: (A) cash consideration equal to the product of (i) \$8.00 less the applicable per share exercise price of the Vignette stock option, and (ii) the number of shares subject to the Vignette stock option as of the effective time of the merger; and (B) stock consideration of a number of shares of Open Text common stock equal to the product of (i) 0.1447, and (ii) the number of shares subject to the Vignette stock option as of the effective time of the merger. An amount necessary to satisfy the applicable minimum withholding tax obligation shall first be reduced from the cash consideration to be received pursuant to (A) above and then, if necessary, from the number of shares of Open Text common stock issued pursuant to (B) above. For this purpose, the value of the stock consideration will be based on the most recent closing price of Open Text common stock prior to the date of the closing of the merger.

If the per share exercise price of a Vignette stock option is less than the value of the per share merger consideration (consisting of the cash consideration and the stock consideration) that Vignette stockholders are entitled to receive, but greater than or equal to \$8.00, such outstanding and unexercised Vignette stock option will be converted, as of the effective time of the merger, into the right to receive in shares of Open Text common stock, an amount equal to the product of (i) value of the merger consideration less the applicable per share exercise price of the Vignette stock option, and (ii) the number of shares subject to the Vignette stock option as of the effective time of the merger. The number of shares of Open Text common stock to be issued will be reduced in an amount necessary to satisfy the applicable minimum withholding tax obligation. For purposes of calculating the value of the merger consideration and the withholding, the value of the stock consideration will be based on the most recent closing price of Open Text common stock prior to the date of the closing of the merger.

If the per share exercise price of a Vignette stock option is greater than the value of the per share merger consideration, such options will be cancelled at the closing of the merger and the holders of such options will not receive any merger consideration.

Vignette Restricted Stock

As a result of the merger, all outstanding shares of Vignette common stock that, as of immediately prior to effective time of the merger, are unvested or subject to a repurchase option, risk of forfeiture or other condition (e.g., transferability restrictions) under any restricted stock purchase agreement or other agreement or arrangement with Vignette, in each case that survives the consummation of the merger (referred to herein as restricted stock), will be converted automatically at the effective time of the merger

Table of Contents

	<p>into the right to receive the merger consideration with respect to such shares. The merger consideration will be payable or distributable in accordance with the original vesting schedule and will be subject to the same repurchase option and other conditions and/or terms of the agreement, plan or arrangement relating to the restricted stock, including any requirement of continued employment through each vesting date. The right to any cash consideration will vest on the date the converted restricted stock would have otherwise vested pursuant to its original vesting schedule and will be paid at the first regularly scheduled payroll date of Open Text following each vesting date.</p>
<p>Procedures for Exchanging Vignette Common Stock Certificates (see page 82)</p>	<p>Promptly after the effective time of the merger, Mellon Investor Services, LLC, as the exchange agent for the merger, will establish an exchange fund to hold the merger consideration to be paid to Vignette stockholders in connection with the merger. The exchange agent will mail to each record holder of Vignette common stock a letter of transmittal and instructions for surrendering the record holder's stock certificates or book-entry shares in exchange for the cash consideration and shares of Open Text common stock. Upon proper surrender of Vignette stock certificates or book-entry shares in accordance with the exchange agent's instructions, the holder of such Vignette stock certificates or book-entry shares will be entitled to receive book-entry shares representing the number of whole shares of Open Text common stock issuable to such holder pursuant to the merger, the cash portion of the merger consideration issuable to such holder pursuant to the merger and cash in lieu of any fractional share of Open Text common stock issuable to such holder.</p>
<p>Fractional Shares (see page 83)</p>	<p>No fractional shares of Open Text common stock will be issued in connection with the merger. Instead, each holder of shares of Vignette common stock who would otherwise have been entitled to receive a fraction of a share of Open Text common stock will receive an amount of cash (without interest) determined by multiplying the fractional share interest by the average of the last sale prices of Open Text common stock, as reported on the Nasdaq Global Select Market, for the five trading days immediately preceding the closing, rounded to the nearest whole cent.</p>
<p>Representations and Warranties (see page 83)</p>	<p>The merger agreement contains customary representations and warranties made by Open Text and Merger Sub on the one hand, and Vignette on the other, relating to their respective businesses, as well as other facts pertinent to the merger. These representations and warranties are subject to materiality, knowledge and other similar qualifications in many respects and expire at the effective time of the merger or termination of the merger agreement, as further described below. The representations and warranties of each of Open Text, Merger Sub and Vignette have been made solely for the benefit of the other party and those representations and warranties should not be relied on by any other person. In addition, those representations and warranties may be intended not as statements of actual fact, but rather as a way of allocating risk between the parties, may have been modified by the disclosure schedules attached to the merger agreement, are subject to the materiality standard described in the merger agreement, which may differ from what may be viewed as material by you, will not survive consummation of the merger and cannot be the basis for any claims under the merger agreement by the other party after termination of the merger agreement, and were made only as of the date of the merger agreement or another date as is specified in the merger agreement.</p>

Table of Contents

Acquisition Proposals by Third Parties (see page 88)

The merger agreement contains provisions prohibiting Vignette from seeking a competing transaction, subject to certain exceptions described below. Under these no solicitation provisions, Vignette has agreed that neither it nor its subsidiaries, nor any of its officers and directors or its subsidiaries shall, and that it shall not permit or authorize its representatives to, directly or indirectly:

initiate, solicit or knowingly encourage the submission of an acquisition proposal or acquisition transaction;

furnish to any person (other than Open Text, Merger Sub or any designees of Open Text or Merger Sub) any materials or information relating to Vignette or any of its subsidiaries, or afford to any person

access to the business, properties, assets, books, records or other materials or information, or to the personnel of Vignette or any of its subsidiaries (other than Open Text, Merger Sub or any designees of Open Text or Merger Sub);

participate or engage in discussions or negotiations with one or more persons with respect to an acquisition proposal or an acquisition transaction;

approve, endorse or recommend an acquisition proposal;

enter into any letter of intent, memorandum of understanding or other contract contemplating an acquisition transaction; or

take any other action that would reasonably be expected to lead to any inquiries or the making of an acquisition proposal.

However, prior to the adoption and approval of the merger agreement and the transactions contemplated thereby at the special meeting, Vignette may, after providing written notice to Open Text, furnish information to and enter into discussions or negotiations with any person that enters into an acceptable confidentiality agreement with Vignette and makes an unsolicited bona fide acquisition proposal that the Vignette board of directors in good faith, after consultation with its outside counsel and financial advisor, concludes is likely to lead to, or constitutes, a superior proposal if, and only to the extent that, the Vignette board of directors determines in good faith, after consultation with outside counsel, that failing to take such action would be a breach of its fiduciary duties under applicable law. Vignette has agreed to provide Open Text with notice of any superior proposal it receives.

Open Text may terminate the merger agreement if the Vignette board of directors has withdrawn or modified in a manner adverse to Open Text its approval and recommendation to adopt and approve the merger agreement and the transactions contemplated thereby or if the Vignette board of directors approves or recommends another acquisition proposal. Likewise, Vignette may terminate the merger agreement if Vignette's board of directors has authorized Vignette to enter into a definitive agreement to effect a superior proposal. If either Open Text or Vignette terminates the merger agreement in connection with these provisions, or in the additional circumstances described in Terms of the Merger Agreement Termination of the Merger Agreement and Termination Fee beginning on page 93, Vignette has agreed to promptly pay Open Text a fee of approximately \$10.9 million.

Table of Contents

Conditions to Completion of the Merger (see page 92)

The respective obligations of Open Text and Vignette to complete the merger and the other transactions contemplated by the merger agreement are subject to the satisfaction or waiver of various conditions that include, in addition to other customary closing conditions, the following:

the merger agreement must be adopted and approved by the requisite affirmation vote of the holders of outstanding shares of Vignette common stock;

the waiting period applicable to the merger under the HSR Act shall have expired or terminated;

no governmental authority shall have enacted a law that renders the merger illegal or formally issued an injunction that is in effect and prohibits the merger;

the SEC shall have declared the registration statement of which this document is a part effective under the Securities Act and no stop order suspending the effectiveness of the registration agreement or this proxy statement/prospectus shall have been issued and no proceedings for such purpose shall have been initiated or threatened by the SEC and no similar proceeding in respect of this proxy statement/prospectus shall have been initiated or threatened by the SEC;

the shares of Open Text common stock to be issued at the effective time of the merger must have been authorized for listing on the Nasdaq Global Select Market and conditionally approved for listing on the Toronto Stock Exchange;

any applicable notification from CFIUS that is required or sought by Open Text must have been obtained;

the representations and warranties of the other party set forth in the merger agreement must be true and correct, except where a failure to be true and correct would not have a material adverse effect on the party making the representations and warranties; and

the other party to the merger agreement must have performed in all material respects all of its obligations, agreements and covenants required by the merger agreement.

The obligations of Open Text and Merger Sub to complete the merger are also subject to various other conditions, including the following conditions:

Vignette's delivery to Open Text of a certificate regarding the performance of Vignette's obligations;

the amendment to the Stockholder Rights Agreement shall be in full force and effect; and

there must not have occurred, since the date of the merger agreement, any material adverse effect on Vignette and its subsidiaries that is continuing.

The obligation of Vignette to complete the merger is also subject to the following conditions:

Open Text's and Merger Sub's delivery to Vignette of a certificate regarding the performance of their obligations; and

Table of Contents

there must not have occurred, since the date of the merger agreement, any material adverse effect on Open Text and its subsidiaries that is continuing.

Open Text and Vignette cannot be certain when, or if, the conditions to the merger will be satisfied or waived or whether or not the merger will be completed.

Termination of the Merger Agreement and Termination Fee (see page 93)

The merger agreement may be terminated at any time before the effective time of the merger in the following manner:

by mutual written consent;

by either Open Text or Vignette, if Vignette's stockholder approval has not been obtained at the special meeting;

by either Open Text or Vignette, if the merger has not been consummated by December 31, 2009;

by either Open Text or Vignette if any governmental authority enacts a law that renders the merger illegal or formally issues a permanent, final and non-appealable injunction or order that prohibits the merger;

by either Open Text or Vignette, if the other breaches its respective material covenants and such breach is not cured within 30 days;

by Open Text, if Vignette's board of directors makes a change of recommendation with respect to the merger agreement, fails to issue a public statement reaffirming Vignette's board recommendation of the merger agreement within ten days following the commencement of a tender offer or exchange that constitutes or would constitute an acquisition proposal or ten days following an acquisition proposal becoming public, or if Vignette has intentionally breached its obligations not to solicit an acquisition proposal; or

by Vignette, if its board of directors approves Vignette entering into a definitive agreement to effect a superior proposal.

If the merger agreement is terminated under certain circumstances, Vignette will be required to pay Open Text a termination fee equal to approximately \$10.9 million.

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Additionally, if the merger agreement is terminated under certain circumstances, Vignette will be required to pay Open Text all reasonable out-of-pocket expenses Open Text incurs in connection with the merger agreement and the transactions contemplated thereby, up to a maximum of \$2 million.

Voting Agreements (see page

96)

Concurrently with the execution and delivery of the merger agreement, on May 5, 2009, Open Text entered into voting agreements with each of Thomas P. Kelly, Bryce Johnson, Somesh Singh, Gayle Wiley, each of whom is an executive officer of Vignette, and the members of the Vignette board of directors, including Michael A. Aviles, with respect to approximately 555,124 shares of Vignette common stock or approximately % of the shares of Vignette common stock outstanding on the record date, and stock options to purchase an aggregate of 894,190 shares of common stock of Vignette.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF OPEN TEXT**

The selected historical consolidated financial data of Open Text as of and for each of the five fiscal years in the period ended June 30, 2008 are derived from Open Text's historical consolidated financial statements prepared using accounting principles generally accepted in the United States referred to as GAAP. The selected historical consolidated financial data for the nine months ended March 31, 2009 and 2008 are derived from unaudited historical consolidated financial statements for Open Text. The data below is only a summary and should be read in conjunction with Open Text's consolidated financial statements and accompanying notes, as well as management's discussion and analysis of financial condition and results of operations, all of which can be found in publicly available documents, including those incorporated by reference into this proxy statement/prospectus. For a complete list of the documents incorporated by reference into this proxy statement/prospectus, please see "Where You Can Find More Information" beginning on page 113 of this proxy statement/prospectus.

	Nine months ended March 31,		2008	Fiscal Year Ended June 30,			2004
	2009 (unaudited)	2008 (unaudited)		2007	2006	2005	
(in thousands of U.S. Dollars, except per share data)							
Statement of Income data:							
Revenues:							
License	\$ 166,845	\$ 150,952	\$ 219,103	\$ 182,507	\$ 122,520	\$ 136,522	\$ 121,642
Customer support	300,816	268,524	363,580	287,570	183,878	179,178	108,812
Service and other	114,648	105,787	142,849	125,587	103,164	99,128	60,604
Total revenues	582,309	525,263	725,532	595,664	409,562	414,828	291,058
Cost of revenues:							
License	12,670	11,296	15,415	13,652	11,196	11,540	10,784
Customer support	50,227	41,081	58,764	46,433	28,908	33,086	20,299
Service and other	89,898	86,552	117,037	105,955	83,469	81,367	47,319
Amortization of acquired technology-based intangible assets	34,171	30,900	41,515	36,206	18,900	16,175	7,211
Total cost of revenues	186,966	169,829	232,731	202,246	142,473	142,168	85,613
Gross profit	395,343	355,434	492,801	393,418	267,089	272,660	205,445
Operating expenses:							
Research and development	87,335	78,120	107,206	79,102	58,469	65,139	43,616
Sales and marketing	138,605	121,466	172,873	150,958	104,225	114,553	87,362
General and administrative	54,604	52,233	69,985	61,092	44,960	46,110	22,795
Depreciation	8,847	9,645	12,017	13,846	11,103	11,040	7,103
Amortization of acquired customer-based intangible assets	29,529	23,006	30,759	24,586	9,199	8,234	4,095
Special charges (recoveries)	13,234	(122)	(418)	12,908	26,182	(1,724)	10,005
Total operating expenses	332,154	284,348	392,422	342,492	254,138	243,352	174,976
Income from operations	63,189	71,086	100,379	50,926	12,951	29,308	30,469
Other expense, net	(148)	(12,341)	(1,023)	1,742	(4,788)	(3,116)	217
Interest expense, net	(10,772)	(22,123)	(22,859)	(20,282)	1,487	1,377	1,210
Income before income taxes	52,269	36,622	76,497	32,386	9,650	27,569	31,896
Provision for (recovery of) income taxes	14,761	10,448	22,993	10,334	4,093	6,958	7,270

Table of Contents

	Nine months ended March 31,		2008	Fiscal Year Ended June 30,			2004
	2009 (unaudited)	2008 (unaudited)		2007	2006	2005	
(in thousands of U.S. Dollars, except per share data)							
Net income before minority interest	37,508	26,174	53,504	22,052	5,557	20,611	24,626
Minority interest	51	422	498	392	579	252	1,328
Net income for the period	\$ 37,457	\$ 25,752	\$ 53,006	\$ 21,660	\$ 4,978	\$ 20,359	\$ 23,298
Net income per share basic	\$ 0.72	\$ 0.51	\$ 1.04	\$ 0.44	\$ 0.10	\$ 0.41	\$ 0.53
Net income per share diluted	\$ 0.71	\$ 0.49	\$ 1.01	\$ 0.43	\$ 0.10	\$ 0.39	\$ 0.49
Weighted average number of Common Shares outstanding basic	51,825	50,666	50,780	49,393	48,666	49,919	43,744
Weighted average number of Common Shares outstanding diluted	53,122	52,424	52,604	50,908	49,950	52,092	47,272
Balance Sheet Data:							
Cash and cash equivalents	\$ 237,048	\$ 215,762	\$ 254,916	\$ 149,979	\$ 107,354	\$ 79,898	\$ 156,987
Working capital	\$ 70,377	\$ 128,467	\$ 132,211	\$ 67,774	\$ 73,138	\$ 28,928	\$ 104,722
Total assets	\$ 1,467,128	\$ 1,394,375	\$ 1,434,676	\$ 1,326,845	\$ 678,035	\$ 640,936	\$ 668,655
Long term liabilities	\$ 530,501	\$ 469,573	\$ 491,980	\$ 513,140	\$ 57,108	\$ 57,781	\$ 57,971
Total Shareholders equity	\$ 618,152	\$ 634,903	\$ 636,161	\$ 524,068	\$ 458,371	\$ 415,755	\$ 433,005

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF VIGNETTE**

The selected historical consolidated financial data of Vignette as of and for each of the five fiscal years in the period ended December 31, 2008 is derived from Vignette's audited historical consolidated financial statements prepared using accounting principles generally accepted in the United States, referred to as GAAP. The selected historical financial data for the three months ended March 31, 2009 and 2008 is derived from unaudited historical consolidated financial statements for Vignette. The data below is only a summary and should be read in conjunction with Vignette's consolidated financial statements and accompanying notes, as well as management's discussion and analysis of financial condition and results of operations, all of which can be found in publicly available documents, including those incorporated by reference into this proxy statement/prospectus. For a complete list of the documents incorporated by reference into this proxy statement/prospectus, please see [Where You Can Find More Information](#) beginning on page 113 of this proxy statement/prospectus.

(in thousands of U.S. Dollars, except per share data)	For the three months ended March 31,		2008	Year Ended December 31,			2004
	2009 (unaudited)	2008 (unaudited)		2007	2006	2005	
Revenue:							
Product license	\$ 6,923	\$ 9,741	\$ 34,564	\$ 56,059	\$ 66,368	\$ 70,316	\$ 63,152
Services	26,996	35,011	139,982	133,735	131,206	120,359	114,775
Total revenue	33,919	44,752	169,546	191,814	197,574	190,675	177,927
Cost of Revenue							
Product license	332	474	1,914	1,731	2,548	2,911	5,036
Amortization of acquired technology	1,310	1,254	5,166	5,016	5,017	6,267	10,115
Services	10,279	15,852	58,960	61,879	60,399	55,427	53,281
Total cost of revenue	11,921	17,580	66,040	68,626	67,964	64,605	68,432
Gross profit	21,998	27,172	103,506	123,188	129,610	126,070	109,495
Operating expenses:							
Research and development	7,293	8,399	32,834	30,990	34,013	33,312	40,140
Sales and Marketing	11,313	15,373	57,202	62,041	70,192	68,080	74,441
General and administrative	4,518	4,790	18,394	19,564	17,941	20,291	18,571
Purchased in-process research and development, acquisition-related and other charges						270	7,609
Business restructuring (benefit) charges	131	(2)	3,720	(80)	150	(2,899)	18,083
Amortization of intangible assets	869	817	3,387	3,384	3,720	5,003	4,919
Total operating expenses	24,124	29,377	115,537	115,899	126,016	123,957	163,763
Income (loss) from operations	(2,126)	(2,205)	(12,031)	7,289	3,594	2,113	(54,268)
Other income, net	292	1,821	7,188	11,845	10,613	20,710	2,895
Income (loss) before provision for income taxes	(1,834)	(384)	(4,843)	19,134	14,207	22,823	(51,373)
Provision for (benefit from) income taxes	(56)	455	1,433	(5,691)	1,888	2,429	1,482
Net income (loss)	\$ (1,778)	\$ (839)	\$ (6,276)	\$ 24,825	\$ 12,319	\$ 20,394	\$ (52,855)
Basic net income (loss) per share	\$ (0.08)	\$ (0.03)	\$ (0.27)	\$ 0.90	\$ 0.42	\$ 0.70	\$ (1.86)
Diluted net income (loss) per share	\$ (0.08)	\$ (0.03)	\$ (0.27)	\$ 0.89	\$ 0.41	\$ 0.68	\$ (1.86)
Shares used in computing basic net income (loss) per share	23,103	24,372	23,587	27,501	29,658	29,181	28,381
Shares used in computing diluted net income (loss) per share	23,103	24,372	23,587	27,783	29,878	29,807	28,381
Balance Sheet Data:							
Cash and cash equivalents	104,561	98,818	120,348	94,201	98,832	124,104	63,781
Working capital	112,898	119,508	111,617	112,142	169,268	165,319	126,406

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Total assets	323,822	355,191	324,443	378,133	421,152	417,161	405,456
Long term liabilities	1,804	2,447	2,076	2,701	5,316	8,876	13,688
Total Shareholders equity	264,136	281,020	264,352	296,832	337,787	330,109	306,818

Table of Contents

SUMMARY OF UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL DATA

The following summary unaudited pro forma condensed consolidated financial data reflects the proposed acquisition of Vignette by Open Text. This information is derived from and should be read in conjunction with unaudited pro forma condensed consolidated financial statements and related notes thereto included in this proxy statement/prospectus, see Unaudited Pro Forma Condensed Consolidated Financial Statements on page 114, and the historical financial statements and notes thereto of Vignette and Open Text that are incorporated by reference in this proxy statement/prospectus.

The unaudited pro forma condensed consolidated balance sheet as of March 31, 2009 is presented as if the acquisition of Vignette occurred on March 31, 2009. The unaudited pro forma condensed consolidated statements of income for the nine months ended March 31, 2009 and the fiscal year ended June 30, 2008 are presented as if the acquisition of Vignette had taken place on July 1, 2007 and was carried forward through to March 31, 2009 and June 30, 2008, respectively.

As Open Text has a fiscal year ending on June 30 and Vignette has a fiscal year ending on December 31, the pro forma condensed consolidated balance sheet combines the historical balances of Open Text as of March 31, 2009 with the historical balances of Vignette as of March 31, 2009, plus pro forma adjustments, and the pro forma condensed consolidated statements of income combine the historical results of Open Text for the year ended June 30, 2008 and for the nine months ending March 31, 2009 with the historical results of Vignette for the twelve months ending June 30, 2008 and the nine months ending March 31, 2009, respectively, plus pro forma adjustments. Vignette's data has been calculated by combining its reported interim data for each quarter within the respective period.

Table of Contents

The summary unaudited pro forma condensed combined financial data is presented for illustrative purposes only and is not necessarily indicative of the combined financial position or results of operations of future periods or the results that actually would have been realized had the entities been a single entity during this period.

Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2009: (In thousands of U.S. Dollars)	Pro Forma Combined
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 157,968
Short-term investments	38,562
Accounts receivable net of allowance for doubtful accounts	134,030
Inventory	1,939
Income taxes recoverable	6,895
Prepaid expenses and other current assets	19,430
Deferred tax assets	17,167
 Total current assets	 375,991
Capital assets	45,862
Goodwill	665,056
Acquired intangible assets	468,465
Deferred tax assets	70,557
Other assets	18,859
Long-term income taxes recoverable	41,073
 Total assets	 \$ 1,685,863
LIABILITIES AND SHAREHOLDERS EQUITY	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 137,617
Current portion of long-term debt	3,407
Deferred revenues	226,918
Income taxes payable	5,100
Deferred tax liabilities	3,315
 Total current liabilities	 376,357
Long-term liabilities:	
Accrued liabilities	20,549
Pension liability	15,790
Long-term debt	299,174
Deferred revenues	8,544
Long-term income taxes payable	51,472
Deferred tax liabilities	176,579
 Total long-term liabilities	 572,108
Share capital	575,524
Additional paid in capital	50,991
Accumulated other comprehensive income	28,159
Retained earnings (accumulated deficit)	82,724
 Shareholders' equity:	 737,398
 Total liabilities and shareholders' equity	 \$ 1,685,863

Table of Contents

Unaudited Pro Forma Condensed Consolidated Statements of Income: (In thousands of U.S. Dollars, except per share data)	Pro Forma Combined	
	Nine months ended March 31, 2009	Year ended June 30, 2008
Revenues:		
License	\$ 188,651	\$ 264,867
Customer support	359,410	447,909
Service and other	147,199	199,477
Total revenues	695,260	912,253
Cost of revenues:		
License	14,021	18,039
Customer support	59,843	72,193
Service and other	117,967	164,843
Amortization of acquired technology-based intangible assets	42,044	52,012
Total cost of revenues	233,875	307,087
Gross profit	461,385	605,166
Operating expenses:		
Research and development	108,620	136,014
Sales and marketing	175,364	236,589
General and administrative	66,971	88,719
Depreciation	11,911	15,929
Amortization of acquired customer-based intangible assets	38,714	43,006
Special charges	17,324	(577)
Total operating expenses	418,904	519,680
Income (loss) from operations	42,481	85,486
Other income (expense)	1,675	736
Interest income (expense), net	(8,518)	(14,887)
Income (loss) before income taxes	35,638	71,335
Provision for (recovery of) income taxes	11,321	12,859
Income (loss) before minority interest	24,317	58,476
Minority interest	51	498
Net income (loss) for the year	\$ 24,266	\$ 57,978
Net income per share basic	\$ 0.44	\$ 1.07
Net income per share diluted	\$ 0.43	\$ 1.03
Weighted average number of Common Shares outstanding:		
Basic	55,287	54,242
Diluted	56,584	56,066

Table of Contents**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA****PER SHARE INFORMATION**

The following tables set forth information derived from Open Text's and Vignette's audited, unaudited and pro forma combined results.

Historical Open Text data includes (i) audited historical basic and diluted earnings per share for the year ended June 30, 2008, (ii) unaudited historical basic and diluted earnings per share for the nine months ended March 31, 2009, and (iii) unaudited historical book value per share of Open Text common stock as of March 31, 2009 and June 30, 2008.

Historical Vignette data includes (i) audited historical basic and diluted earnings per share for the year ended December 31, 2008, (ii) unaudited historical basic and diluted earnings per share for the three months ended March 31, 2009, and (iii) unaudited historical book value per share of Vignette common stock as of March 31, 2009 and December 31, 2008.

For the nine months ended March 31, 2009 and the twelve months ended June 30, 2008, unaudited pro forma combined and combined equivalent data includes (i) unaudited pro forma combined basic and diluted earnings per share, and (ii) unaudited pro forma combined book value per share of Open Text common stock (after giving effect to the merger) as of March 31, 2009 and June 30, 2008.

Open Text and Vignette have not paid any cash dividends for any of the periods presented. The unaudited pro forma combined equivalent for Vignette is derived based on the exchange ratio of 0.1447 shares of Open Text common stock for each share of Vignette common stock.

The information in the tables should be read in conjunction with the audited and unaudited consolidated financial statements of Open Text and Vignette, and the notes thereto, which are incorporated by reference in this proxy statement/prospectus, and the unaudited pro forma combined financial information and notes thereto included elsewhere herein. The unaudited pro forma condensed combined financial information is not necessarily indicative of the earnings, dividends or book value per share that would have been achieved had the merger been consummated as of the beginning of the period presented and should not be construed as representative of such amounts for any future dates or periods.

	Nine months ended March 31, 2009	Year ended June 30, 2008
Historical Open Text		
Basic earnings per share	\$ 0.72	\$ 1.04
Diluted earnings per share	\$ 0.71	\$ 1.01
Book value per share (at end of period)	\$ 11.93	\$ 12.53
	Three months ended March 31, 2009	Year ended December 31, 2008
Historical Vignette		
Basic earnings per share	\$ (0.08)	\$ (0.27)
Diluted earnings per share	\$ (0.08)	\$ (0.27)
Book value per share (at end of period)	\$ 11.43	\$ 11.21

Table of Contents

	Nine months ended March 31, 2009	Year ended June 30, 2008
Unaudited Pro Forma Combined		
Basic earnings per share	\$ 0.44	\$ 1.07
Diluted earnings per share	\$ 0.43	\$ 1.03
Book value per share (at end of period)	\$ 13.34	N/A

	Nine months ended March 31, 2009	Year ended June 30, 2008
Unaudited Pro Forma Combined Equivalent Vignette		
Basic earnings per share	\$ 0.06	\$ 0.15
Diluted earnings per share	\$ 0.06	\$ 0.15
Book value per share (at end of period)	\$ 1.93	N/A

Table of Contents

COMPARATIVE MARKET PRICE INFORMATION

Vignette's common stock currently trades on the Nasdaq Global Select Market under the symbol VIGN. As of the record date, _____, 2009, Vignette had approximately _____ stockholders of record. Open Text's common stock currently trades on the Nasdaq Global Select Market under the symbol OTEX and on the Toronto Stock Exchange under the symbol OTC. The following table sets forth the closing sale prices of the common stock of Open Text and the common stock of Vignette on May 5, 2009, the last trading day before the public announcement of the execution and delivery of the merger agreement, and _____, 2009, the most recent date for which prices were practicably available prior to the date of this proxy statement/prospectus:

	Open Text	Vignette
Closing Price on May 5, 2009	\$ 32.50	\$ 9.02
Closing Price on _____, 2009	\$	\$

The above tables show only historical comparisons. These comparisons may not provide meaningful information to Vignette stockholders in determining whether to approve the principal terms of the merger agreement and to approve the merger. Vignette stockholders are urged to obtain current market quotations for Open Text and Vignette common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus, when considering whether to adopt and approve the merger agreement and the transactions contemplated thereby. See [Where You Can Find More Information](#) on page 113.

Open Text has historically not paid cash dividends on its capital stock. Open Text currently intends to retain earnings, if any, for use in its business and it does not anticipate paying any cash dividends in the foreseeable future.

Table of Contents

RISK FACTORS

IN ADDITION TO THE OTHER INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROXY STATEMENT/PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS IN DECIDING WHETHER TO PARTICIPATE IN THE MERGER OR VOTE IN FAVOR OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY. YOU SHOULD ALSO READ AND CONSIDER THE RISKS ASSOCIATED WITH EACH OF THE BUSINESSES OF OPEN TEXT AND VIGNETTE BECAUSE THESE RISKS WILL ALSO AFFECT THE COMBINED COMPANY.

General Risks Relating to the Proposed Merger

Open Text may fail to realize the anticipated benefits of the merger.

The success of the merger will depend on, among other things, Open Text's ability to realize anticipated cost savings and to combine the businesses of Open Text and Vignette in a manner that does not materially disrupt Vignette's existing customer relationships nor otherwise result in decreased revenues and that allows Open Text to capitalize on Vignette's growth opportunities. If Open Text is not able to successfully achieve these objectives, the anticipated benefits of the merger may not be realized fully or at all or may take longer to realize than expected.

Open Text and Vignette have operated and, until the completion of the merger, will continue to operate, independently. It is possible that the integration process could result in the loss of key employees, the disruption of Open Text's or Vignette's ongoing businesses or inconsistencies in standards, controls, procedures and policies that could adversely affect Open Text's ability to maintain relationships with customers and employees or to achieve the anticipated benefits of the merger. For instance, Open Text's employee compensation policies may differ from Vignette's employee compensation policies. To realize the benefits of the merger, Open Text must retain Vignette's key employees.

The Open Text common stock Vignette stockholders will receive in the merger is not adjustable based upon the market price of Open Text common stock, and the value of the stock could be much lower upon consummation of the merger.

The merger agreement has fixed the amount of Open Text common stock Vignette stockholders will receive in the merger and this amount is not adjustable based on the market price of Open Text common stock or any change in the financial condition or prospects of Open Text. Accordingly, any decrease in the market price of Open Text common stock or any adverse change in the financial condition or prospects of Open Text will not affect the number of shares that Vignette stockholders will be entitled to receive pursuant to the merger but may have a negative impact on the value of such Open Text stock.

The market price of the shares of Open Text common stock may be affected by factors different from those affecting the shares of Vignette common stock.

Upon completion of the merger, holders of Vignette common stock will become holders of Open Text common stock. Some of Open Text's current businesses and markets differ from those of Vignette and, accordingly, the results of operations of Open Text after the merger may be affected by factors different from those currently affecting the results of operations of Vignette. For a discussion of each of the businesses of Open Text and Vignette and of factors to consider in connection with their businesses, see the documents incorporated by reference into this document and referred to under "Where You Can Find More Information" beginning on page 113.

The failure of Open Text to operate and manage the combined company effectively could have a material adverse effect on Open Text's business, financial condition and operating results.

Open Text will need to meet significant challenges to realize the expected benefits and synergies of the merger. These challenges include:

integrating the management teams, strategies, cultures and operations of the two companies;

Table of Contents

retaining and assimilating the key personnel of each company;

integrating sales and business development operations;

retaining existing customers of each company;

developing new products and services that utilize the technologies and resources of both companies; and

creating uniform standards, controls, procedures, policies and information systems.

The accomplishment of these post-merger objectives will involve considerable risk, including:

the potential disruption of each company's ongoing business and distraction of their respective management teams;

the difficulty of incorporating acquired technology and rights into Open Text's products and services;

unanticipated expenses related to technology integration; and

potential unknown liabilities associated with the merger.

If Open Text does not succeed in addressing these challenges or any other problems encountered in connection with the merger, its operating results and financial condition could be adversely affected.

The market price of Open Text's common stock may decline as a result of the merger.

The market price of Open Text's common stock may decline as a result of the merger for a number of reasons, including:

the integration of Vignette by Open Text may be unsuccessful;

Open Text may not achieve the perceived benefits of the merger as rapidly as, or to the extent, anticipated by financial or industry analysts; or

the effect of the merger on Open Text's financial results may not be consistent with the expectations of financial or industry analysts. These factors are, to some extent, beyond Open Text's control. In addition, for Vignette stockholders who hold their shares in certificated form, there will be a time period between the effective time of the merger and the time when Vignette stockholders actually receive book-entry shares evidencing Open Text common stock. Until book-entry shares are received, Vignette stockholders will not be able to sell their shares of Open Text common stock in the open market and, thus, will not be able to avoid losses resulting from any decline in the market price of Open Text common stock during this period.

Vignette's officers and directors may have conflicts of interest that may influence them to support or approve the merger.

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Certain directors and officers of Vignette may become employees and participate in employment arrangements that become effective upon consummation of the merger that provide them with interests in the merger that are different from, or in addition to, those of Vignette's stockholders, although no agreements have been entered into and no terms, conditions or understandings have been finalized. In addition, all directors and officers of Vignette will receive indemnification and liability insurance benefits from Open Text as a result of the merger. These interests include the following:

Open Text has agreed to honor Vignette's obligations as provided in Vignette's organizational documents and indemnification agreements with respect to indemnification of each present and former Vignette officer and director against liabilities arising out of such person's services as an officer or director of Vignette prior to consummation of the merger. In addition, all directors and officers of Vignette will receive liability insurance benefits from Open Text as a result of the merger; and

stock options held by Vignette's directors and officers will become fully vested immediately prior to the closing of the merger.

Table of Contents

These directors and officers could be more likely to recommend the adoption and approval of the merger agreement and the transactions contemplated thereby than if they did not hold these interests. Vignette's directors and executive officers have also entered into voting agreements whereby they have agreed to vote their shares in favor of the adoption and approval of the merger agreement and the transactions contemplated thereby.

Vignette stockholders should consider whether these interests might have influenced these directors and officers to support or recommend the adoption and approval of the merger agreement and the transactions contemplated thereby.

Failure to complete the merger could negatively affect Vignette's stock price and its future business and operations.

If the merger is not completed for any reason, Vignette may be subject to a number of material risks, including the following:

Vignette may be required under certain circumstances to pay Open Text a termination fee of approximately \$10.9 million;

the price of Vignette's common stock may decline; and

costs related to the merger, such as financial advisory, legal, accounting and printing fees, must be paid even if the merger is not completed.

Finally, if the merger agreement is terminated, Vignette may be unable to find another business willing to engage in a similar transaction on terms as favorable as those set forth in the merger agreement, or at all. This could limit Vignette's ability to pursue its strategic goals.

Uncertainty regarding the merger may cause customers and suppliers to delay or defer decisions concerning Open Text and Vignette and adversely affect each company's ability to attract and retain key employees.

The merger will happen only if stated conditions are met, including the adoption and approval of the merger agreement and the transactions contemplated thereby by Vignette's stockholders, clearance of the merger under United States antitrust laws and CFIUS, and the absence of any material adverse effect in the business of Vignette or Open Text. Many of the conditions are outside the control of Vignette and Open Text, and both parties also have stated rights to terminate the merger agreement. Accordingly, there may be uncertainty regarding the completion of the merger. This uncertainty may cause customers and suppliers to delay or defer decisions concerning Vignette or Open Text, which could negatively affect their respective businesses. Customers and suppliers may also seek to change existing agreements with Vignette or Open Text as a result of the merger. Similarly, uncertainty regarding the completion of the merger may cause resellers to delay or defer decisions concerning, or seek to change existing agreements with, Vignette, which could negatively affect its business. Any delay or deferral of those decisions or changes in existing agreements could have a material adverse effect on the respective businesses of Vignette and Open Text, regardless of whether the merger is ultimately completed. Moreover, diversion of management focus and resources from the day-to-day operations of the business to matters relating to the merger could have a material adverse effect on each company's business, regardless of whether the merger is completed. Current and prospective employees of each company may experience uncertainty about their future roles with the combined company. This may adversely affect each company's ability to attract and retain key management, sales, marketing and technical personnel. Furthermore, under several third party contracts that are important to Vignette's business, the third parties may have the right to terminate their agreements with Vignette as a result of the merger, unless their consent to the merger is obtained. If Vignette is unable to obtain requisite third party consents, operation of its business after the closing could be adversely affected.

Failure to retain key employees could diminish the anticipated benefits of the merger.

The success of the merger will depend in part on the retention of personnel critical to the business and operations of the combined company due to, for example, their technical skills or management expertise.

Table of Contents

Employees may experience uncertainty about their future role with Vignette and Open Text until strategies with regard to these employees are announced or executed. If Vignette and Open Text are unable to retain personnel that are critical to the successful integration and future operations of the companies, Vignette and Open Text could face disruptions in their operations, loss of existing customers, loss of key information, expertise or know-how, and unanticipated additional recruitment and training costs. In addition, the loss of key personnel could diminish the anticipated benefits of the merger.

The merger may go forward in certain circumstances even if Open Text or Vignette suffers a material adverse effect.

In general, either party can refuse to complete the merger if a material adverse effect occurs with regard to the other party before the closing. However, neither party may refuse to complete the merger on that basis as a result of any change, event, circumstance or condition resulting from:

general economic or political conditions (or changes in such conditions) in the United States or any other country or region in the world in which the party or any of its subsidiaries operate or conduct business, the industries therein or conditions in the global economy generally (in any case only to the extent such effect has not had a disproportionate impact on the party relative to other companies in the industries in which the party and its subsidiaries operate or conduct business);

conditions (or changes in such conditions) in the industries in which the party or any of its subsidiaries operate or conduct business, including conditions (or changes in such conditions) in the software industry generally (in any case only to the extent such effect has not had a disproportionate impact on the party relative to other companies in the industries in which the party and its subsidiaries operate or conduct business);

any failure of the party to meet internal or analysts' estimates, projections or forecasts of revenues, earnings or other financial or business metrics, in and of itself (it being understood that, the underlying cause(s) of any such failure, as well as the business and financial performance of the party, may be taken into consideration when determining whether a material adverse effect has occurred or may, would or could occur);

acts of war, sabotage or terrorism (including any escalation or general worsening of any such acts of war, sabotage or terrorism) in the United States or any other country or region in the world in which the party or any of its subsidiaries operate or conduct business, and any other force majeure events in the United States or any other country or region in which the party or any of its subsidiaries operate or conduct business;

the public announcement or pendency of the transactions contemplated by the merger agreement;

compliance with the terms of, or the taking of any action expressly required or contemplated by the merger agreement, or the failure to take any action expressly prohibited by the merger agreement;

changes in law applicable to the party or any of its subsidiaries;

changes in GAAP (or the interpretation thereof);

in and of itself, any decrease in the market price or change in the trading volume of the party's publicly traded stock (it being understood that the factors and circumstances giving rise to such decrease or change may be deemed to constitute, and may be taken into consideration when determining whether a material adverse effect has occurred or may, would or could occur);

any legal proceedings made or brought by any of the current or former stockholders of the party (on its own behalf or on behalf of the party) against the party arising out of the merger or in connection with any other transactions contemplated thereby; and

any facts expressly set forth in the schedules to the merger agreement relating to matters as of or prior to the date of the merger agreement, but only to the extent any such fact is readily apparent from the text setting forth such fact in the disclosure schedules to the merger agreement.

Table of Contents

If adverse changes occur but Open Text and Vignette must still complete the merger, Open Text's stock price may suffer. This in turn may reduce the value of the merger to Vignette stockholders.

The termination fee and restrictions on solicitation contained in the merger agreement may discourage other companies from trying to acquire Vignette.

Until the completion of the merger, with limited exceptions, the merger agreement prohibits Vignette from entering into or soliciting any acquisition proposal or offer for a merger or other business combination with a party other than Open Text. However, Vignette may engage in discussions with certain third parties making unsolicited offers to acquire the company in compliance with the provisions of the merger agreement. Vignette has agreed to pay Open Text a termination fee of approximately \$10.9 million in specified circumstances, including where Vignette's board of directors withdraws its support of the merger with Open Text to support a business combination with a third party. These provisions could discourage other companies from trying to acquire Vignette even though those other companies might be willing to offer greater value to Vignette stockholders than Open Text has offered pursuant to the merger agreement.

The rights of holders of Vignette common stock will change as a result of the merger.

After the merger, the rights of those stockholders of Vignette who will become stockholders of Open Text will be governed by Open Text's organizational documents, which are different from Vignette's certificate of incorporation and by-laws. As a result of these differences, Vignette stockholders may have less control over corporate actions proposed to be taken by Open Text than they would have had over corporate actions proposed to be taken by Vignette. For more information, see Comparison of Rights of Holders of Open Text Common Stock and Vignette Common Stock, beginning on page 105.

Risks Relating to Open Text's Business

Open Text's success depends on Open Text's relationships with strategic partners and distributors and any reduction in the sales efforts by distributors, or cooperative efforts from Open Text's partners, could materially impact Open Text's revenues.

Open Text relies on close cooperation with partners for sales and product development as well as for the optimization of opportunities which arise in Open Text's competitive environment. As well, a significant portion of Open Text's revenue is derived from the license of Open Text's products through third parties. Open Text's success will depend, in part, upon Open Text's ability to maintain access to existing channels of distribution and to gain access to new channels if and when they develop. Open Text may not be able to retain a sufficient number of Open Text's existing distributors or develop a sufficient number of future distributors. Distributors may also give higher priority to the sale of products other than Open Text's (which could include competitors' products) or may not devote sufficient resources to marketing Open Text's products. The performance of third party distributors is largely outside of Open Text's control and Open Text is unable to predict the extent to which these distributors will be successful in marketing and licensing Open Text's products. A reduction in partner cooperation, sales efforts, a decline in the number of distributors, or a decision by Open Text's distributors to discontinue the sale of Open Text's products could materially reduce revenue.

If Open Text does not continue to develop new technologically advanced products that successfully integrate with the software products and enhancements used by Open Text's customers, then future revenues will be negatively affected.

Open Text's success depends upon Open Text's ability to design, develop, test, market, license and support new software products and enhancements of current products on a timely basis in response to both competitive threats and marketplace demands. In addition, new software products and enhancements must remain compatible with standard platforms and file formats. Open Text must continue to enhance the capability of Open Text's Livelink software to enable users to form workgroups and collaborate on private intranets as well as on the

Table of Contents

Internet. Often, Open Text must integrate software licensed or acquired from third parties with Open Text's proprietary software to create or improve Open Text's products. These products are important to the success of Open Text's strategy. If Open Text is unable to achieve a successful integration with third party software, Open Text may not be successful in developing and marketing Open Text's new software products and enhancements. If Open Text is unable to successfully integrate the technologies to develop new software products and enhancements to existing products, or to complete products currently under development which Open Text licenses or acquires from third parties, Open Text's operating results will materially suffer. In addition, if the integrated or new products or enhancements do not achieve acceptance by the marketplace, Open Text's operating results will materially suffer. Also, if new industry standards emerge that Open Text does not anticipate or adapt to, Open Text's software products could be rendered obsolete and, as a result, Open Text's business, as well as Open Text's ability to compete in the marketplace, would be materially harmed.

Open Text's investment in current research and development efforts may not provide a sufficient, timely return.

The development of Enterprise Content Management, or ECM, software products is a costly, complex and time-consuming process, and the investment in ECM software product development often involves a long gestation period until a return is achieved on such an investment. Open Text makes and will continue to make significant investments in software research and development and related product opportunities. Investments in new technology and processes are inherently speculative. Commercial success depends on many factors including the degree of innovation of the products developed through Open Text's research and development efforts, sufficient support from Open Text's strategic partners, and effective distribution and marketing. Accelerated product introductions and short product life cycles require high levels of expenditures for research and development. These expenditures may adversely affect Open Text's operating results if they are not offset by revenue increases. Open Text believes that it must continue to dedicate a significant amount of resources to Open Text's research and development efforts in order to maintain Open Text's competitive position. However, significant revenue from new product and service investments may not be achieved for a number of years, if at all. Moreover, new products and services may not be profitable, and even if they are profitable, operating margins for new products and businesses may not be as high as the margins Open Text has experienced for its current or historical products and services.

If Open Text's products and services do not gain market acceptance, Open Text may not be able to increase its revenues.

Open Text intends to pursue its strategy of growing the capabilities of Open Text's ECM software offerings through Open Text's proprietary research and the development of new product offerings. In response to customer requests, Open Text continues: (i) to enhance its software and many of its optional components; and (ii) to strive to set the standard for ECM capabilities. The primary market for Open Text's software and services is rapidly evolving which means that the level of acceptance of products and services that have been released recently or that are planned for future release by the marketplace is not certain. If the markets for Open Text's products and services fail to develop, develop more slowly than expected or become subject to intense competition, Open Text's business will suffer. As a result, Open Text may be unable to: (i) successfully market Open Text's current products and services, (ii) develop new software products, services and enhancements to current products and services, (iii) complete customer installations on a timely basis, or (iv) complete products and services currently under development. If Open Text's products and services are not accepted by Open Text's customers or by other businesses in the marketplace, Open Text's business and operating results will be materially affected.

Current and future competitors could have a significant impact on Open Text's ability to generate future revenue and profits.

The markets for Open Text's products are intensely competitive, and are subject to rapid technological change and other pressures created by changes in Open Text's industry. Open Text expects competition to increase and intensify in the future as the pace of technological change and adaptation quickens and as additional

Table of Contents

companies enter into each of Open Text's markets. Numerous releases of competitive products have occurred in recent history and may be expected to continue in the near future. Open Text may not be able to compete effectively with current competitors and potential entrants into Open Text's marketplace. Open Text could lose market share if Open Text's current or prospective competitors introduce new competitive products, add new functionality to existing products, acquire competitive products, reduce prices or form strategic alliances with other companies. If other businesses were to engage in aggressive pricing policies with respect to competing products, or if the dynamics in Open Text's marketplace resulted in increasing bargaining power by the consumers of Open Text's products and services, Open Text would need to lower the prices Open Text charges for the products it offers. This could result in lower revenues or reduced margins, either of which may materially and adversely affect Open Text's business and operating results.

Consolidation in the industry, particularly by large, well capitalized companies, could hurt Open Text's ability to deliver goods and services at a competitive price, which could negatively impact Open Text's financial results of operations.

Recent acquisitions by some large, well-capitalized technology companies have materially altered the competitive landscape that Open Text faces. Acquisitions in the market have changed the marketplace for Open Text's goods and services by replacing competitors which are comparable in size to Open Text with larger and better capitalized companies. In addition, other large corporations with considerable financial resources either have products that compete with the products Open Text offers, or have the ability to encroach on Open Text's competitive position within Open Text's marketplace. These companies have considerable financial resources; thus, they can engage in competition with Open Text's products and services on the basis of marketing, services or support. They also have the ability to introduce items that compete with Open Text's maturing products and services. The threat posed by larger competitors and the goods and services that these companies may be able to produce to Open Text's target customers at a lower cost may materially increase Open Text's expenses and reduce Open Text's revenues. Any material adverse effect on Open Text's revenue or cost structure may materially reduce the price of Open Text's Common Shares.

Acquisitions, investments, joint ventures and other business initiatives may negatively affect Open Text's operating results.

Open Text continues to seek out opportunities to acquire or invest in businesses, products and technologies that expand, complement or otherwise relate to Open Text's current business. Open Text also considers, from time to time, opportunities to engage in joint ventures or other business collaborations with third parties to address particular market segments. These activities create risks such as the need to integrate and manage the businesses and products acquired with Open Text's own business and products, additional demands on Open Text's management, resources, systems, procedures and controls, disruption of Open Text's ongoing business, and diversion of management's attention from other business concerns. Moreover, these transactions could involve: (i) substantial investment of funds; (ii) substantial investment with respect to technology transfers; and (iii) the acquisition or disposition of product lines or businesses. Also, such activities could result in one-time charges and expenses and have the potential to either dilute the interests of existing shareholders or result in the assumption of debt. Such acquisitions, investments, joint ventures or other business collaborations may involve significant commitments of financial and other resources of Open Text. Any such activity may not be successful in generating revenue, income or other returns to Open Text, and the resources committed to such activities will not be available to Open Text for other purposes. Open Text's inability to address limited growth opportunities for products, as well as Open Text's inability to address other risks associated with other acquisitions or investments in businesses, may negatively affect Open Text's operating results. Impairment of goodwill or other intangible assets acquired in an acquisition or in an investment, or charges to earnings associated with any acquisition or investment activity, may materially reduce Open Text's earnings which, in turn, may have an adverse material effect on the price of Open Text's Common Shares. In addition, if Open Text assumes debt in response to an acquisition or investment opportunity, the interest costs generated by the incremental debt obligation may materially increase Open Text's operating expenses which may materially and adversely affect Open Text's profitability as well as the price of Open Text's Common Shares.

Table of Contents

Businesses Open Text acquires may have disclosure controls and procedures and internal controls over financial reporting that are weaker than or otherwise not in conformity with Open Text's.

Open Text has a history of acquiring businesses with varying levels of organizational size and complexity. Upon consummating an acquisition, Open Text seeks to implement Open Text's disclosure controls and procedures as well as Open Text's internal controls over financial reporting at the acquired company as promptly as possible. Depending upon the size and complexity of the business acquired, the implementation of Open Text's disclosure controls and procedures as well as the implementation of Open Text's internal controls over financial reporting at an acquired company may be a lengthy process. Typically, Open Text conducts due diligence prior to consummating an acquisition; however, Open Text's integration efforts may periodically expose deficiencies in the disclosure controls and procedures as well as in internal controls over financial reporting of an acquired company. Open Text expects that the process involved in completing the integration of Open Text's own disclosure controls and procedures as well as Open Text's own internal controls over financial reporting at an acquired business will sufficiently correct any identified deficiencies. However, if such deficiencies exist, Open Text may not be in a position to comply with Open Text's periodic reporting requirements and, as a result, Open Text's business and financial condition may be materially harmed.

Open Text must continue to manage Open Text's i