



Report of the Audit Committee

The Audit Committee, consisting entirely of independent trustees, assists the Board of Trustees in its oversight of OCLC's financial reporting process, and is responsible for, among other things, reviewing with BDO USA LLP, independent auditors, the scope and results of its audit engagement.

The management of OCLC has the primary responsibility for the preparation and integrity of OCLC's financial statements, accounting and financial reporting principles and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. OCLC's independent auditors are responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on their conformity with accounting principles generally accepted in the United States of America.

The financial highlights and other financial information included elsewhere in the annual report are derived from the audited consolidated financial statements and include amounts that represent the best estimates and judgments of management.

In fulfilling its oversight responsibilities, the Audit Committee has:

- Reviewed and discussed with management the audited consolidated financial statements of OCLC for fiscal 2017.
- Discussed with BDO USA LLP the matters required by AICPA AU 380, The Auditor's Communication With Those Charged With Governance.
- Received from and discussed with BDO USA LLP the communications required by AICPA Independence Rule 101.

Based on the Audit Committee's independent discussions with management and the independent auditors, and the Audit Committee's review of the representations of management, and the report of the independent auditors to the Audit Committee, the Audit Committee recommended to the Board of Trustees that the audited consolidated financial statements for the year ended June 30, 2017 be accepted. The audited consolidated financial statements, accepted by the Board of Trustees, appear at OCLC's website: www.oclc.org/about/finance.en.html.

Audit Committee:

John Szabo, Chair
Madeleine Lefebvre
Barbara Preece
Ellen Tise
Sandra Yee
Cindy Hilsheimer (non-voting as Chair of Finance & Investment Committee)

Management Representatives:

Skip Prichard
President and Chief Executive Officer, OCLC

Bill Rozek
Chief Financial Officer and Treasurer, OCLC