UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2010

or

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 1-9247

CA, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**13-2857434**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
One CA Plaza **Islandia, New York** (Address of principal executive offices)	**11749** (Zip Code)

1-800-225-5224
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No o

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

Large accelerated filer ☑	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Title of Class	Shares Outstanding
Common Stock par value $0.10 per share	as of January 18, 2011 510,053,016

CA, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
CA, Inc.:

We have reviewed the condensed consolidated balance sheet of CA, Inc. and subsidiaries as of December 31, 2010, the related condensed consolidated statements of operations for the three-month and nine-month periods ended December 31, 2010 and 2009, and the related condensed consolidated statements of cash flows for the nine-month periods ended December 31, 2010 and 2009. These condensed consolidated financial statements are the responsibility of the Company’s management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of CA, Inc. and subsidiaries as of March 31, 2010, and the related consolidated statements of operations, stockholders’ equity, and cash flows for the year then ended (not presented herein); and in our report dated May 14, 2010, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of March 31, 2010, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP

New York, New York
January 26, 2011

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Item 1.

CA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(in millions, except share and per share amounts)

	December 31, 2010	March 31, 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,518	$ 2,583
Marketable securities — current	59	—
Trade and installment accounts receivable, net	866	931
Deferred income taxes — current	194	360
Other current assets	159	116
TOTAL CURRENT ASSETS	3,796	3,990
Marketable securities — noncurrent	108	—
Installment accounts receivable, due after one year, net	—	46
Property and equipment, net of accumulated depreciation of $711 and $630, respectively	439	452
Goodwill	5,742	5,667
Capitalized software and other intangible assets, net	1,299	1,150
Deferred income taxes — noncurrent	309	355
Other noncurrent assets, net	198	178
TOTAL ASSETS	$ 11,891	$ 11,838
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt and loans payable	$ 16	$ 15
Accounts payable	81	81
Accrued salaries, wages and commissions	256	348
Accrued expenses and other current liabilities	358	425
Deferred revenue (billed or collected) — current	2,342	2,555
Taxes payable, other than income taxes payable — current	82	82
Federal, state and foreign income taxes payable — current	25	31
Deferred income taxes — current	53	51
TOTAL CURRENT LIABILITIES	3,213	3,588
Long-term debt, net of current portion	1,539	1,530
Federal, state and foreign income taxes payable — noncurrent	387	400
Deferred income taxes — noncurrent	143	134
Deferred revenue (billed or collected) — noncurrent	995	1,068
Other noncurrent liabilities	149	135
TOTAL LIABILITIES	6,426	6,855
STOCKHOLDERS' EQUITY		
Preferred stock, no par value, 10,000,000 shares authorized; No shares issued and outstanding	—	—
Common stock, $0.10 par value, 1,100,000,000 shares authorized; 589,695,081 and 589,695,081 shares issued; 504,092,317 and 509,469,998 shares outstanding, respectively	59	59
Additional paid-in capital	3,598	3,657
Retained earnings	3,938	3,361
Accumulated other comprehensive loss	(79)	(130)
Treasury stock, at cost, 85,602,764 shares and 80,225,083 shares, respectively	(2,051)	(1,964)
TOTAL STOCKHOLDERS' EQUITY	5,465	4,983
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 11,891	$ 11,838

See accompanying Notes to the Condensed Consolidated Financial Statements.

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CA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(in millions, except per share amounts)

	For the Three Months Ended December 31,		For the Nine Months Ended December 31,	
	2010	2009	2010	2009
REVENUE				
Subscription and maintenance revenue	$ 995	$ 995	$ 2,917	$ 2,905
Professional services	88	73	245	213
Software fees and other	82	54	204	115
TOTAL REVENUE	1,165	1,122	3,366	3,233
EXPENSES				
Costs of licensing and maintenance	82	73	233	211
Costs of professional services	77	66	223	191
Amortization of capitalized software costs	52	34	145	101
Selling and marketing	348	315	955	879
General and administrative	114	129	344	358
Product development and enhancements	110	117	363	348
Depreciation and amortization of other intangible assets	47	39	136	116
Other expenses (gains), net	5	(3)	9	11
Restructuring and other	(8)	2	(11)	4
TOTAL EXPENSES BEFORE INTEREST AND INCOME TAXES	827	772	2,397	2,219
Income from continuing operations before interest and income taxes	338	350	969	1,014
Interest expense, net	10	23	35	62
Income from continuing operations before income taxes	328	327	934	952
Income tax expense	128	71	289	283
INCOME FROM CONTINUING OPERATIONS	200	256	645	669
Income (loss) from discontinued operations, net of income taxes	—	1	(6)	1
NET INCOME	$ 200	$ 257	$ 639	$ 670
BASIC INCOME (LOSS) PER SHARE				
Income from continuing operations	$ 0.39	$ 0.49	$ 1.26	$ 1.28
Loss from discontinued operations	—	—	(0.01)	—
Net income	$ 0.39	$ 0.49	$ 1.25	$ 1.28
Basic weighted average shares used in computation	505	515	507	516
DILUTED INCOME (LOSS) PER SHARE				
Income from continuing operations	$ 0.39	$ 0.49	$ 1.25	$ 1.27
Loss from discontinued operations	—	—	(0.01)	—
Net income	$ 0.39	$ 0.49	$ 1.24	$ 1.27
Diluted weighted average shares used in computation	506	535	508	539

See accompanying Notes to the Condensed Consolidated Financial Statements.

CA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in millions)

	For the Nine Months Ended December 31, 2010	2009
OPERATING ACTIVITIES:		
Net income	$ 639	$ 670
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	281	220
Provision for deferred income taxes	187	52
Provision for bad debts	5	3
Share-based compensation expense	61	75
Amortization of discount on convertible debt	—	29
Asset impairments and other non-cash activities	—	3
Foreign currency transaction losses (gains)	3	(3)
Changes in other operating assets and liabilities, net of effect of acquisitions:		
Decrease in trade and current installment accounts receivable, net	112	13
Decrease in deferred revenue	(304)	(266)
(Decrease) increase in taxes payable, net	(82)	14
Decrease in accounts payable, accrued expenses and other	(18)	(39)
Decrease in accrued salaries, wages and commissions	(56)	(2)
Decrease in restructuring liabilities	(56)	(40)
Changes in other operating assets and liabilities	(29)	(5)
NET CASH PROVIDED BY OPERATING ACTIVITIES	743	724
INVESTING ACTIVITIES:		
Acquisitions of businesses, net of cash acquired, and purchased software	(252)	(203)
Purchases of property and equipment	(73)	(57)
Cash proceeds from divestiture of assets	29	—
Capitalized software development costs	(116)	(133)
Purchases of marketable securities	(168)	—
Other investing activities	(17)	(3)
NET CASH USED IN INVESTING ACTIVITIES	(597)	(396)
FINANCING ACTIVITIES:		
Dividends paid	(61)	(63)
Purchases of common stock	(188)	(90)
Debt repayments	(9)	(1,203)
Debt borrowings	—	744
Debt issuance costs	—	(6)
Proceeds from call spread option	—	55
Exercise of common stock options and other	7	6
NET CASH USED IN FINANCING ACTIVITIES	(251)	(557)
DECREASE IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES ON CASH	(105)	(229)
Effect of exchange rate changes on cash	40	141
DECREASE IN CASH AND CASH EQUIVALENTS	(65)	(88)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,583	2,712
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 2,518	$ 2,624

See accompanying Notes to the Condensed Consolidated Financial Statements.

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010
(unaudited)

NOTE A — ACCOUNTING POLICIES

Basis of Presentation:

The accompanying unaudited Condensed Consolidated Financial Statements of CA, Inc. (the Company) have been prepared in accordance with U.S. generally accepted accounting principles (GAAP), as defined in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 270, for interim financial information and with the instructions to Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. For further information, refer to the Company's Consolidated Financial Statements and Notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2010 (2010 Form 10-K).

In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal, recurring nature.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, these estimates may ultimately differ from actual results.

Operating results for the three and nine months ended December 31, 2010 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2011.

Divestitures:

In June 2010, the Company sold its Information Governance business to Autonomy Corporation plc (Autonomy). The results of operations and loss on discontinued operations associated with this business have been presented as discontinued operations in the accompanying Condensed Consolidated Statements of Operations for the nine months ended December 31, 2010 and for the three and nine months ended December 31, 2009. The effects of the discontinued operations were considered immaterial to the Company's Condensed Consolidated Balance Sheet at March 31, 2010 and Condensed Consolidated Statements of Cash Flows for the nine months ended December 31, 2010 and 2009. See Note N, "Discontinued Operations," for additional information.

In September 2010, the Company sold an equity investment and recognized a gain of approximately $10 million, which is included in "Other expenses (gains), net" in the Company's Condensed Consolidated Statements of Operations for the nine months ended December 31, 2010.

Cash Dividends:

The Company's Board of Directors declared the following dividends during the nine months ended December 31, 2010 and 2009:

Declaration Date	Dividend Per Share	Record Date	Total Amount *(in millions)*	Payment Date
Nine Months Ended December 31, 2010:				
May 12, 2010	$0.04	May 31, 2010	$ 21	June 16, 2010
July 28, 2010	$0.04	August 9, 2010	$ 20	August 19, 2010
December 2, 2010	$0.04	December 13, 2010	$ 20	December 22, 2010
Nine Months Ended December 31, 2009:				
May 20, 2009	$0.04	May 31, 2009	$ 21	June 16, 2009
July 29, 2009	$0.04	August 10, 2009	$ 21	August 19, 2009
November 5, 2009	$0.04	November 17, 2009	$ 21	November 30, 2009

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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(unaudited)

Cash and Cash Equivalents:

The Company's cash and cash equivalents are held in numerous locations throughout the world, with approximately 52% being held outside the United States by the Company's foreign subsidiaries at December 31, 2010.

Marketable Securities:

All marketable securities are classified as available-for-sale securities and are recorded at fair value. Unrealized holding gains and losses, net of the related tax effect, are excluded from earnings and are reported as a separate component of accumulated other comprehensive income until realized. Premiums and discounts on debt securities recorded at the date of purchase are recognized in "Interest expense, net" using the effective interest method. Realized gains and losses on sales of all such investments are reported in "Interest expense, net" and are computed using the specific identification cost method.

For marketable securities in an unrealized loss position, the Company is required to assess whether it intends to sell the security or will more likely than not be required to sell the security before the recovery of its amortized cost basis less any current-period credit loss. If either of these conditions is met, an other-than-temporary impairment on the security is recognized in "Interest expense, net" equal to the entire difference between its fair value and amortized cost basis. See Note E, "Marketable Securities" for additional information.

Deferred Revenue (Billed or Collected):

The Company accounts for unearned revenue on billed amounts due from customers on a gross basis. Unearned revenue on billed installments (collected or uncollected) is reported as deferred revenue in the liability section of the Company's Condensed Consolidated Balance Sheets. Deferred revenue (billed or collected) excludes unbilled contractual commitments executed under license and maintenance agreements that will be billed in future periods.

Stock Repurchases:

In April 2010, the Company completed the $250 million stock repurchase program authorized by its Board of Directors on October 29, 2008 by repurchasing approximately 0.8 million shares of its common stock for approximately $19 million. On May 12, 2010, the Company's Board of Directors approved a new stock repurchase program that authorizes the Company to acquire up to $500 million of its common stock. Under the new program, the Company has repurchased approximately 8.5 million shares of its common stock for approximately $170 million as of December 31, 2010.

Statements of Cash Flows:

For the nine months ended December 31, 2010 and 2009, interest payments were approximately $67 million and $60 million, respectively, and taxes paid were approximately $161 million and $197 million, respectively.

Non-cash financing activities for the nine months ended December 31, 2010 and 2009 consisted of treasury shares issued in connection with the following: share-based incentive awards granted under the Company's equity compensation plans of approximately $63 million (net of approximately $27 million of taxes withheld) and $63 million (net of approximately $22 million of taxes withheld), respectively; and discretionary stock contributions to the CA, Inc. Savings Harvest Plan of approximately $25 million and $24 million, respectively. Non-cash financing activities for the nine months ended December 31, 2009 included approximately $21 million in treasury common shares issued in connection with the Company's Employee Stock Purchase Plan. The Company discontinued its Employee Stock Purchase Plan on June 30, 2009.

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010
(unaudited)

NOTE B — COMPREHENSIVE INCOME

Comprehensive income includes net income, unrealized gains on cash flow hedges, unrealized gains and losses on marketable securities and foreign currency translation adjustments. The components of comprehensive income for the three and nine months ended December 31, 2010 and 2009 are as follows:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2010	2009	2010	2009
	(in millions)			
Net income	$ 200	$ 257	$ 639	$ 670
Net unrealized gain on cash flow hedges, net of tax	—	1	2	2
Unrealized gain/(loss) on marketable securities, net of tax(1)	—	—	—	—
Foreign currency translation adjustments	9	(3)	49	70
Total comprehensive income	$ 209	$ 255	$ 690	$ 742

(1) Less than $1 million.

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010
(unaudited)

NOTE C — INCOME FROM CONTINUING OPERATIONS PER COMMON SHARE

Unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and are included in the computation of net income per share under the two-class method. Under the two-class method, net income is reduced by the amount of dividends declared in the period for each class of common stock and participating securities. The remaining undistributed income is then allocated to common stock and participating securities as if all of the net income for the period had been distributed. Basic net income per common share excludes dilution and is calculated by dividing net income allocable to common shares by the weighted-average number of common shares outstanding for the period. Diluted net income per common share is calculated by dividing net income allocable to common shares by the weighted-average number of common shares as of the balance sheet date, as adjusted for the potential dilutive effect of non-participating share-based awards and convertible notes. The following table reconciles net income per common share for the three and nine months ended December 31, 2010 and 2009.

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2010	2009	2010	2009
	(in millions, except per share amounts)			
Basic income from continuing operations per common share:				
Income from continuing operations	$ 200	$ 256	$ 645	$ 669
Less: Income from continuing operations allocable to participating securities	(2)	(3)	(8)	(7)
Income from continuing operations allocable to common shares	$ 198	$ 253	$ 637	$ 662
Weighted-average common shares outstanding	505	515	507	516
Basic income from continuing operations per common share	$ 0.39	$ 0.49	$ 1.26	$ 1.28
Diluted income from continuing operations per common share:				
Income from continuing operations	$ 200	$ 256	$ 645	$ 669
Add: Interest expense associated with Convertible Senior Notes, net of tax	—	7	—	22
Less: Income from continuing operations allocable to participating securities	(2)	(3)	(8)	(7)
Income from continuing operations allocable to common shares	$ 198	$ 260	$ 637	$ 684
Weighted average shares outstanding and common share equivalents				
Weighted average common shares outstanding	505	515	507	516
Weighted average shares outstanding upon conversion of Convertible Senior Notes	—	18	—	21
Weighted average effect of share-based payment awards	1	2	1	2
Denominator in calculation of diluted income per share	506	535	508	539
Diluted income from continuing operations per common share	$ 0.39	$ 0.49	$ 1.25	$ 1.27

For the three months ended December 31, 2010 and 2009, respectively, approximately 5 million and 8 million restricted stock awards and options to purchase common stock were excluded from the calculation because their effect on income per share was anti-dilutive during the respective periods.

CA, INC. AND SUBSIDIARIES
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For the nine months ended December 31, 2010 and 2009, respectively, approximately 8 million and 12 million restricted stock awards and options to purchase common stock were excluded from the calculation because their effect on income per share was anti-dilutive during the respective periods.

Weighted average restricted stock awards of 6 million and 6 million common shares for both the three months and nine months ended December 31, 2010 and 2009 were considered participating securities in the allocation of net income available to common shareholders used in the computation of earnings per share.

NOTE D — ACCOUNTING FOR SHARE-BASED COMPENSATION

The Company recognized share-based compensation in the following line items on the Condensed Consolidated Statements of Operations for the periods indicated:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2010	2009	2010	2009
		(in millions)		
Costs of licensing and maintenance	$ 1	$ —(1)	$ 3	$ 2
Costs of professional services	1	1	3	2
Selling and marketing	8	8	23	25
General and administrative	7	7	17	29
Product development and enhancements	4	6	15	17
Share-based compensation expense before tax	21	22	61	75
Income tax benefit	(7)	(8)	(20)	(26)
Net share-based compensation expense	$ 14	$ 14	$ 41	$ 49

(1) Less than $1 million.

There were no capitalized share-based compensation costs for the three and nine months ended December 31, 2010 or 2009.

The following table summarizes information about unrecognized share-based compensation costs as of December 31, 2010:

	Unrecognized Compensation Costs	Weighted Average Period Expected to be Recognized
	(in millions)	*(in years)*
Stock option awards	$ 4	2.5
Restricted stock units	13	2.1
Restricted stock awards	63	1.9
Performance share units	31	2.6
Total unrecognized share-based compensation costs	$ 111	2.1

The value of performance share unit (PSU) awards is determined using the closing price of the Company's common stock on the last trading day of the quarter until the PSUs are granted. Compensation costs for the PSUs are amortized over the requisite service periods based on the expected level of achievement of the performance targets. At the conclusion of the performance periods for the PSUs, the applicable number of shares of restricted stock awards (RSAs), restricted stock units (RSUs) or unrestricted shares granted may vary based upon the level of achievement of the performance targets and the approval of the Company's Compensation and Human Resources Committee (who may reduce any award for any reason in their discretion).

For the nine months ended December 31, 2010, the Company issued options for approximately 1.2 million shares of common stock. The weighted average fair value and assumptions used for these options were: weighted average fair value, $5.55; dividend yield, 0.83%; expected volatility factor, 0.34; risk-free interest rate, 1.8%; and expected term, 4.5 years.

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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(unaudited)

The table below summarizes all of the RSUs and RSAs, including PSU grants made pursuant to the long-term incentive plans discussed above, granted during the three and nine months ended December 31, 2010 and 2009:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2010	2009	2010	2009
	(shares in millions)			
RSUs				
Shares	—(1)	—(1)	0.6	0.6
Weighted Avg. Grant Date Fair Value (2)	$ 21.69	$ 22.58	$ 21.30	$ 17.52
RSAs				
Shares	—(1)	0.1	4.7	4.3
Weighted Avg. Grant Date Fair Value (3)	$ 22.19	$ 21.82	$ 21.39	$ 18.43

(1) Less than 0.1 million.

(2) The fair value is based on the quoted market value of the Company's common stock on the grant date reduced by the present value of dividends expected to be paid on the Company's common stock prior to vesting of the RSUs, which is calculated using a risk free interest rate.

(3) The fair value is based on the quoted market value of the Company's common stock on the grant date.

NOTE E — MARKETABLE SECURITIES

At December 31, 2010 available-for-sale securities consisted of the following:

	December 31, 2010 *(in millions)*			
	Aggregate Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Aggregate Fair Value
U.S. treasury and agency securities	$ 24	$ —	$ —	$ 24
Municipal securities	1	—	—	1
Corporate debt securities	142	—	—	142
Equity securities	1	—	(1)	—
	$ 168	$ —	$ (1)	$ 167

At December 31, 2010, the Company did not have any debt securities that were in a continuous unrealized loss position for greater than twelve months.

At March 31, 2010, the Company had less than $1 million of marketable securities.

At December 31, 2010, approximately $59 million of marketable securities had scheduled maturities of less than one year. At December 31, 2010, approximately $108 million of marketable securities have maturities of greater than one year, but do not exceed three years.

Proceeds from the sale of marketable securities, realized gains and realized losses were less than $1 million for the three and nine months ended December 31, 2010 and 2009.

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CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010
(unaudited)

NOTE F — TRADE AND INSTALLMENT ACCOUNTS RECEIVABLE

Trade and installment accounts receivable, net represent amounts due from the Company’s customers. These balances are presented net of allowance for doubtful accounts and unamortized discounts. Unamortized discounts reflect imputed interest for the time value of money for license and maintenance agreements signed prior to October 2000 (prior business model). These balances include revenue recognized in advance of customer billings but do not include unbilled contractual commitments executed under license agreements implemented since October 2000. The components of trade and installment accounts receivable, net are as follows:

	December 31, 2010	March 31, 2010
	(in millions)	
Current:		
Accounts receivable — billed	$ 740	$ 768
Accounts receivable — unbilled	83	72
Other receivables	20	26
Unbilled amounts due within the next 12 months — prior business model	47	93
Less: Allowance for doubtful accounts	(23)	(24)
Less: Unamortized discounts	(1)	(4)
Trade and installment accounts receivable, net	$ 866	$ 931
Noncurrent:		
Unbilled amounts due beyond the next 12 months — prior business model	$ —	$ 46
Installment accounts receivable, due after one year, net	$ —	$ 46

NOTE G — GOODWILL, CAPITALIZED SOFTWARE AND OTHER INTANGIBLE ASSETS

The gross carrying amounts and accumulated amortization for capitalized software and other intangible assets at December 31, 2010 were approximately $7,359 million and $6,060 million, respectively. These amounts include fully amortized intangible assets of approximately $5,274 million, composed of purchased software of approximately $4,656 million, internally developed software of approximately $498 million and other identified intangible assets subject to amortization of approximately $120 million. The remaining gross carrying amounts and accumulated amortization for capitalized software and other intangible assets that are not fully amortized are as follows:

	At December 31, 2010		
	Gross Amortizable Assets	Accumulated Amortization	Net Assets
		(in millions)	
Purchased software products	$ 772	$ 179	$ 593
Capitalized development cost and other intangibles:			
Internally developed software products	649	187	462
Other identified intangible assets subject to amortization	650	420	230
Other identified intangible assets not subject to amortization	14	—	14
Total capitalized software and other intangible assets	$ 2,085	$ 786	$ 1,299

CA, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010
(unaudited)

Based on the capitalized software and other intangible assets recorded through December 31, 2010, the annual amortization expense over the next five fiscal years is expected to be as follows:

	Year Ended March 31, 2011	2012	2013	2014	2015
	(in millions)				
Capitalized software:					
Purchased	$ 89	$ 85	$ 79	$ 71	$ 60
Internally developed	103	118	110	92	66
Other identified intangible assets subject to amortization	72	55	46	42	37
Total	$ 264	$ 258	$ 235	$ 205	$ 163

For the nine months ended December 31, 2010, goodwill activity was as follows:

	Amounts *(in millions)*
Balance at March 31, 2010	$ 5,667
Revisions to purchase price allocation of prior year acquisitions	(59)
Balance at March 31, 2010 as revised	$ 5,608
Amounts allocated to loss on discontinued operations	(11)
Current year acquisitions	137
Foreign currency translation adjustment	8
Balance at December 31, 2010	$ 5,742

NOTE H — DERIVATIVES AND FAIR VALUE MEASUREMENTS

The Company is exposed to financial market risks arising from changes in interest rates and foreign exchange rates. Changes in interest rates could affect the Company's monetary assets and liabilities, and foreign exchange rate changes could affect the Company's foreign currency denominated monetary assets and liabilities and forecasted transactions. The Company enters into derivative contracts with the intent of mitigating a portion of these risks.

Interest rate swaps: During the first nine months of fiscal year 2011, the Company entered into interest rate swaps with a total notional value of $200 million to swap a total of $200 million of its 6.125% Senior Notes due December 2014 into floating interest rate debt through December 1, 2014. As a result, the Company has interest rate swaps with a total notional value of $500 million to swap a total of $500 million of its 6.125% Senior Notes due December 2014 into floating interest rate debt through December 1, 2014. These swaps are designated as fair value hedges and are being accounted for in accordance with the shortcut method of FASB ASC Topic 815.

As of December 31, 2010, the fair value of these derivatives was approximately $19 million, of which approximately $12 million is included in "Other current assets" and approximately $7 million is included in "Other noncurrent assets, net" in the Company's Condensed Consolidated Balance Sheet. As of March 31, 2010, the fair value of these derivatives was approximately $1 million and is included in "Other current assets" in the Company's Condensed Consolidated Balance Sheet.

During fiscal year 2009, the Company entered into separate interest rate swaps with a total notional value of $250 million to hedge a portion of its variable interest rate payments. These derivatives were designated as cash flow hedges and matured in October 2010.

The effective portion of these cash flow hedges was recorded as "Accumulated other comprehensive loss" in the Company's Condensed Consolidated Balance Sheets and was reclassified into "Interest expense, net," in the Company's Condensed Consolidated Statements of Operations in the same period during which the hedged transaction affected earnings. Any ineffective portion of the cash flow hedges would

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have been recorded immediately to “Interest expense, net”; however, no ineffectiveness existed for the periods ended December 31, 2010 and 2009.

Foreign currency contracts: The Company enters into foreign currency option and forward contracts to manage foreign currency risks. The Company has not designated its foreign exchange derivatives as hedges. Accordingly, changes in fair value from these contracts are recorded as “Other expenses (gains), net” in the Company’s Condensed Consolidated Statements of Operations. As of December 31, 2010, foreign currency contracts outstanding consisted of purchase and sales contracts with a total notional value of approximately $470 million, and durations of less than three months. The net fair value of these contracts at December 31, 2010 was approximately $2 million, of which approximately $8 million is included in “Other current assets” and approximately $6 million is included in “Accrued expenses and other current liabilities” in the Company’s Condensed Consolidated Balance Sheet.

A summary of the effect of the interest rate and foreign exchange derivatives on the Company’s Condensed Consolidated Statements of Operations is as follows:

	Amount of Net (Gain)/Loss Recognized in the Condensed Consolidated Statements of Operations *(in millions)*	
Location of Amounts Recognized	Three Months Ended December 31, 2010	Three Months Ended December 31, 2009
Interest expense, net — interest rate swaps designated as cash flow hedges	$ 1	$ 2
Interest expense, net — interest rate swaps designated as fair value hedges	$(3)	$—
Other expenses (gains), net — foreign currency contracts	$ 1	$—

	Amount of Net (Gain)/Loss Recognized in the Condensed Consolidated Statements of Operations *(in millions)*	
Location of Amounts Recognized	Nine Months Ended December 31, 2010	Nine Months Ended December 31, 2009
Interest expense, net — interest rate swaps designated as cash flow hedges	$ 4	$ 5
Interest expense, net — interest rate swaps designated as fair value hedges	$(9)	$—
Other expenses (gains), net — foreign currency contracts	$ 9	$25

The amount of loss reclassified from “Accumulated other comprehensive income” into “Interest expense, net” in the Company’s Condensed Consolidated Statements of Operations was less than $1 million and approximately $4 million for the three and nine months ended December 31, 2010, respectively.

The Company is party to collateral security arrangements with most of its major counterparties. These arrangements require the Company to hold or post collateral when the derivative fair values exceed contractually established thresholds. The aggregate fair value of all derivative instruments under these collateralized arrangements were in a net asset position at December 31, 2010 and therefore the Company posted no collateral. Under these agreements, if the Company's credit ratings had been downgraded one rating level, the Company would still not have been required to post collateral.

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Items Measured at Fair Value on a Recurring Basis

The following table presents the Company's assets and liabilities that are measured at fair value on a recurring basis at December 31 and March 31, 2010.

Description	Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)(1)	Significant Other Observable Inputs (Level 2)(2)
	Fair Value Measurement at Reporting Date Using (in millions)		
At December 31, 2010			
Assets:			
Money markets (3)	$ 1,612	$ 1,612	$ —
Marketable securities(4)	167	—	167
Foreign exchange derivatives not designated as hedges	8	—	8
Interest rate derivatives designated as fair value hedges(5)	19	—	19
Total Assets	$ 1,806	$ 1,612	$ 194
Liabilities:			
Foreign exchange derivatives not designated as hedges	$ 6	$ —	$ 6
Total Liabilities	$ 6	$ —	$ 6
At March 31, 2010			
Assets:			
Money markets(6)	$ 1,805	$ 1,805	$ —
Interest rate derivatives designated as fair value hedges(5)	1	—	1
Total Assets	$ 1,806	$ 1,805	$ 1
Liabilities:			
Interest rate derivatives designated as cash flow hedges	$ 4	$ —	$ 4
Total Liabilities	$ 4	$ —	$ 4

(1) Level 1 is defined as quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities.

(2) Level 2 is defined as quoted prices for identical assets and liabilities in markets that are not active, quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly.

(3) At December 31, 2010, the Company had approximately $1,562 million and $50 million of investments in money market funds classified as "Cash and cash equivalents" and "Other noncurrent assets, net" for restricted cash amounts, respectively, in its Condensed Consolidated Balance Sheet.

(4) See Note E, "Marketable Securities" for additional information.

(5) Excludes accrued interest.

(6) At March 31, 2010, the Company had approximately $1,755 million and $50 million of investments in money market funds classified as "Cash and cash equivalents" and "Other noncurrent assets, net" for restricted cash amounts, respectively, in its Condensed Consolidated Balance Sheet.

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At December 31 and March 31, 2010, the Company did not have any assets or liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments that are not measured at fair value on a recurring basis at December 31, 2010:

	At December 31, 2010 *(in millions)*	
	Carrying Value	Estimated Fair Value
Liabilities:		
Total debt (1)	$1,555	$1,615
Facilities abandonment reserve (2)	$ 54	$ 59

(1) Estimated fair value of total debt was based on quoted prices for similar liabilities for which significant inputs are observable except for certain long-term lease obligations, for which fair value approximates carrying value.

(2) Estimated fair value for the facilities abandonment reserve was determined using the Company's current incremental borrowing rate. The facilities abandonment reserve includes approximately $17 million in "Accrued expenses and other current liabilities" and approximately $37 million in "Other noncurrent liabilities" on the Company's Condensed Consolidated Balance Sheet.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments that are not measured at fair value on a recurring basis at March 31, 2010:

	At March 31, 2010 *(in millions)*	
	Carrying Value	Estimated Fair Value
Assets:		
Noncurrent portion of installment accounts receivable (1)	$ 46	$ 46
Liabilities:		
Total debt (2)	$1,545	$1,600
Facilities abandonment reserve (3)	$ 69	$ 79

(1) Estimated fair value of the noncurrent portion of installment accounts receivable approximates carrying value due to the relatively short term to maturity.

(2) Estimated fair value of total debt is based on quoted prices for similar liabilities for which significant inputs are observable except for certain long-term lease obligations, for which fair value approximates carrying value.

(3) Estimated fair value for the facilities abandonment reserve was determined using the Company's incremental borrowing rate at March 31, 2010. The facilities abandonment reserve includes approximately $22 million in "Accrued expenses and other current liabilities" and approximately $47 million in "Other noncurrent liabilities" on the Company's Condensed Consolidated Balance Sheet.

The carrying values of financial instruments classified as current assets and current liabilities, such as cash and cash equivalents, accounts payable, accrued expenses, and short-term debt, approximate fair value due to the short-term maturity of the instruments. The fair values of total debt, including current maturities, have been based on quoted market prices.

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NOTE I — RESTRUCTURING

Fiscal 2010 restructuring plan: The fiscal 2010 restructuring plan (Fiscal 2010 Plan) was approved on March 31, 2010. The Fiscal 2010 Plan is composed of a workforce reduction of approximately 1,000 positions and global facilities consolidations. These actions are intended to better align the Company's cost structure with the skills and resources required to more effectively pursue opportunities in the marketplace and execute the Company's long-term growth strategy. Actions under the Fiscal 2010 Plan were substantially completed by the end of the second quarter of fiscal year 2011.

For the nine months ended December 31, 2010, restructuring activity under the Fiscal 2010 plan was as follows:

	Severance	Facilities Abandonment
	(in millions)	
Accrued balance at March 31, 2010	$ 46	$ 2
Changes in estimate	(3)	—
Payments	(34)	—
Accretion and other	(1)	—
Accrued balance at December 31, 2010	$ 8	$ 2

The liability balance for the severance portion of the remaining reserve is included in the "Accrued salaries, wages and commissions" line item on the Company's Condensed Consolidated Balance Sheet.

Fiscal 2007 restructuring plan: In August 2006, the Company announced the fiscal 2007 restructuring plan (Fiscal 2007 Plan) to improve the Company's expense structure. The Fiscal 2007 Plan's objectives included a workforce reduction, global facilities consolidations and other cost reduction initiatives. The Company has recognized substantially all of the costs associated with the Fiscal 2007 Plan.

The reduction in workforce included approximately 3,100 individuals under the Fiscal 2007 Plan. Most of these actions have been completed; however, final payment of the severance amounts is dependent upon settlement with the works councils in certain international locations. The Company has also recognized substantially all of the facilities abandonment costs associated with the Fiscal 2007 Plan.

For the nine months ended December 31, 2010, restructuring activity under the Fiscal 2007 Plan was as follows:

	Severance	Facilities Abandonment
	(in millions)	
Accrued balance at March 31, 2010	$ 8	$ 60
Changes in estimate	1	1
Payments	(4)	(14)
Accretion and other	—	1
Accrued balance at December 31, 2010	$ 5	$ 48

The liability balance for the severance portion of the remaining reserve is included in the "Accrued salaries, wages and commissions" line item on the Company's Condensed Consolidated Balance Sheet. The liability for the facilities abandonment portion of the remaining reserve is included in the "Accrued expenses and other current liabilities" and "Other noncurrent liabilities" line items on the Company's Condensed Consolidated Balance Sheet.

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NOTE J — INCOME TAXES

Income tax expense for the three and nine months ended December 31, 2010 was $128 million and $289 million, respectively, compared with the three and nine months ended December 31, 2009 of $71 million and $283 million, respectively.

For the three and nine months ended December 31, 2010, the Company recognized a net tax expense of approximately $26 million and a net tax benefit of approximately $10 million, respectively, resulting primarily from refinements of tax positions taken in prior periods, assertion of affirmative claims in the context of tax audits, the resolutions and accruals of uncertain tax positions relating to non-U.S. jurisdictions and the retroactive reinstatement in December 2010 of the research and development tax credit in the U.S. For the three and nine months ended December 31, 2009, the Company's income tax provision included net benefits of approximately $23 million and $30 million, respectively, resulting from reconciliations of tax returns to tax provisions, the resolution of uncertain tax positions relating to non-U.S. jurisdictions and refinements of estimates ascribed to tax positions taken in prior periods relating to the Company's international tax profile.

Additions and reductions to the liability for uncertain tax positions in the nine months ended December 31, 2010 were approximately $205 million and $61 million, respectively, which are primarily comprised of additions for uncertain tax positions related to the current and prior year, and reductions for prior year tax positions arising from settlement payments and statute of limitations expirations.

The Company's effective tax rate, excluding the impact of discrete items, for the nine months ended December 31, 2010 and December 31, 2009 was 32.0% and 31.9%, respectively. Changes in the anticipated results of the Company's international operations, the outcome of tax audits and any other changes in potential tax liabilities may result in additional tax expense or benefit in future periods, which are not considered in the Company's estimated annual effective tax rate. The Company does not currently view any such items as individually material to the results of the Company's operations or financial position. However, the impact of such items may yield additional tax expense in the fourth quarter of fiscal year 2011 and future periods and the Company is anticipating a fiscal year 2011 effective tax rate of approximately 32% to 33%.

NOTE K — COMMITMENTS AND CONTINGENCIES

Certain legal proceedings in which the Company is involved are discussed in Note 9, "Commitments and Contingencies," in the Notes to the Consolidated Financial Statements included in the Company's 2010 Form 10-K. The following discussion should be read in conjunction with those financial statements.

Stockholder Derivative Litigation

In June and July 2004, three purported derivative actions were filed in the United States District Court for the Eastern District of New York (the Federal Court), which were consolidated in November 2004 into *Computer Associates International, Inc., Derivative Litigation* , No. 04 Civ. 2697 (E.D.N.Y.) (the Derivative Action). The derivative plaintiffs filed a consolidated amended complaint (the Consolidated Complaint) on January 7, 2005. The Consolidated Complaint sought relief against certain current or former employees and/or directors and outside auditors of the Company based on a variety of claims. The Company was named as a nominal defendant.

On February 1, 2005, the Company established a Special Litigation Committee of members of its Board of Directors who were independent of the defendants to, among other things, control and determine the Company's response to the Derivative Action. The Special Litigation Committee and the Company served motions seeking to dismiss and realign the claims and parties in accordance with the Special Litigation Committee's recommendations. By an Order dated September 29, 2010, the Federal Court granted the Company's motion in all respects, granting relief including the following: (1) dismissing the claims against current and former Company directors Kenneth Cron, Alfonse D'Amato, William de Vogel, Gary Fernandes, Richard Grasso, Robert E. La Blanc, Jay W. Lorsch, Roel Pieper, Lewis Ranieri and Walter P. Schuetze and Ernst & Young LLP, KPMG LLP and Michael A. McElroy; and (2) realigning the Company as plaintiff with respect to certain of the claims against Charles Wang, Peter Schwartz, Russell Artzt, David Kaplan, Sanjay Kumar, Charles McWade, Stephen Richards, David Rivard, Lloyd Silverstein, Steven Woghin and Ira Zar (the realigned defendants). The Company has

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settled with all realigned defendants other than Messrs. Wang and Schwartz against whom an amended complaint was filed on December 23, 2010 seeking compensatory and punitive damages for (1) breach of fiduciary duty; (2) restitution and unjust enrichment; (3) fraud; and (4) other related actions.

During the three months ended December 31, 2010, the Company received approximately $10 million in connection with one-time litigation settlements associated with the above derivative litigation. The settlements received were recorded in the "Restructuring and other" line of the Condensed Consolidated Statements of Operations.

Other Civil Actions

In April 2010, a lawsuit captioned *Stragent, LLC et ano. v. Amazon.com, Inc., et al.* was filed in the United States District Court for the Eastern District of Texas against the Company and five other defendants. The complaint alleges, among other things, that Company technology, including the 2E product, infringes a patent assigned to plaintiff SeeSaw Foundation and licensed to plaintiff Stragent LLC, entitled "Method of Providing Data Dictionary-Driven Web-Based Database Applications," U.S. Patent No. 6,832,226. The complaint seeks monetary damages and interest in an undisclosed amount, and costs, based upon plaintiffs' patent infringement claims. In May 2010, the Company filed an answer and counterclaims that, among other things, dispute the plaintiffs' claims and seek a declaratory judgment that the Company does not infringe the patent-in-suit and that the patent is invalid. The parties are engaged in discovery. During discovery, plaintiffs identified the Company's ERwin Data Modeler, Gen and Plex products as allegedly infringing the patent-in-suit. Although the timing and ultimate outcome cannot be determined, the Company believes that the plaintiffs' claims are unfounded and that the Company has meritorious defenses.

In September 2010, a lawsuit captioned *Uniloc USA, Inc. et ano. v. National Instruments Corp., et al.* was filed in the United States District Court for the Eastern District of Texas against the Company and 10 other defendants. The complaint alleges, among other things, that Company technology, including Internet Security Suite Plus 2010, infringes a patent licensed to plaintiff Uniloc USA, Inc., entitled "System for Software Registration," U.S. Patent No. 5,490,216. The complaint seeks monetary damages and interest in an undisclosed amount, a temporary, preliminary and permanent injunction against alleged acts of infringement, attorneys' fees and costs, based upon the plaintiffs' patent infringement claims. In November 2010, the Company filed an answer that, among other things, disputes the plaintiffs' claims and seeks a declaratory judgment that the Company does not infringe the patent-in-suit and that the patent is invalid. To date, no discovery has commenced in this action. Although the timing and ultimate outcome cannot be determined, the Company believes that the plaintiffs' claims are unfounded and that the Company has meritorious defenses.

The Company, various subsidiaries, and certain current and former officers have been named as defendants in various other lawsuits and claims arising in the normal course of business. The Company believes that it has meritorious defenses in connection with such lawsuits and claims, and intends to vigorously contest each of them.

In the opinion of the Company's management based upon information currently available to the Company although the outcome of the matters listed in this Note as well as these other lawsuits and claims is uncertain, the results of pending matters against the Company, either individually or in the aggregate, are not expected to have a material adverse effect on the Company's financial position, results of operations, or cash flows, although the effect could be material to the Company's results of operations or cash flows for any interim reporting period.

The Company is obligated to indemnify its officers and directors under certain circumstances to the fullest extent permitted by Delaware law. As a part of that obligation, the Company has advanced and will continue to advance certain attorneys' fees and expenses incurred by current and former officers and directors in various litigations and investigations arising out of similar allegations, including the litigation described above.

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NOTE L — DEFERRED REVENUE

The components of "Deferred revenue (billed or collected) — current" and "Deferred revenue (billed or collected) — noncurrent" as of December 31, 2010 and March 31, 2010 are as follows:

	December 31, 2010	March 31, 2010
	(in millions)	
Current:		
Subscription and maintenance	$ 2,195	$ 2,389
Professional services	139	151
Financing obligations and other	8	15
Total deferred revenue (billed or collected) — current	2,342	2,555
Noncurrent:		
Subscription and maintenance	968	1,042
Professional services	24	24
Financing obligations and other	3	2
Total deferred revenue (billed or collected) — noncurrent	995	1,068
Total deferred revenue (billed or collected)	$ 3,337	$ 3,623

NOTE M — ACQUISITIONS

During the third quarter of fiscal year 2011, the Company acquired 100% of the voting equity interests of Arcot Systems, Inc. (Arcot), a privately held provider of authentication and fraud prevention solutions through on-premises software or cloud services. The acquisition of Arcot adds technology for fraud prevention and authentication to the Company's Identity and Access Management offerings. The purchase price of the acquisition was approximately $197 million.

The total purchase price was allocated to net tangible and intangible assets and liabilities based upon their estimated fair values as of October 4, 2010. The allocation of purchase price to acquired identifiable assets, including intangible assets, is preliminary because the Company has not completed its analysis of the fair value report of the acquired intangibles and the historical tax records of Arcot. The excess purchase price over the estimated value of the net tangible and identifiable intangible assets was recorded as goodwill. Goodwill recognized in the preliminary purchase price allocation includes synergies expected to be achieved through integration of the acquired technology with the Company's existing product portfolio.

The Company's other acquisitions during the first nine months of fiscal year 2011 were individually immaterial and had an aggregate purchase price of approximately $74 million.

The pro forma effects of the Company's fiscal year 2011 acquisitions on revenues and results of operations for fiscal years 2011 and 2010 were considered immaterial. The fiscal year 2011 acquisitions' effects on revenue and results of operations since the dates of acquisition were considered immaterial.

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The following represents the preliminary allocation of the purchase price and estimated useful lives to the acquired net assets of Arcot and the Company's other fiscal year 2011 acquisitions:

(dollars in millions)	Arcot	Other Fiscal 2011 Acquisitions	Estimated Useful Life
Finite-lived intangible assets[1]	$ 38	$ 12	5-8 years
Purchased software	86	42	10 years
Goodwill	108	29	Indefinite
Deferred tax liabilities	(46)	(13)	—
Other assets net of other liabilities assumed	11	4	—
Purchase Price	$197	$ 74	

(1) Includes customer relationships and trade names.

Most of the goodwill is not expected to be deductible for tax purposes.

The following represents the allocation of the purchase price and estimated useful lives to the acquired net assets of Nimsoft AS (Nimsoft), 3Tera, Inc. (3Tera) and Oblicore, Inc. (Oblicore), which were acquired during fiscal year 2010. The increase in the revision of the values assigned to purchased software from the original amounts reported for fiscal year 2010 was approximately $54 million. The amortization effects were immaterial. During the first six months of fiscal year 2011, the Company finalized the purchase price allocation for 3Tera and Oblicore. The Company expects to finalize the purchase price allocation for Nimsoft in the fourth quarter of fiscal year 2011. Any revisions are not expected to be material. The purchase price allocation as of December 31, 2010 for Nimsoft, 3Tera and Oblicore is as follows:

(dollars in millions)	Amount	Estimated Useful Life
Finite-lived intangible assets[1]	$ 46	5-6 years
Purchased software	319	10 years
Goodwill	136	Indefinite
Deferred taxes, net liabilities	(30)	—
Other assets net of other liabilities assumed	2	—
Purchase Price	$473	

(1) Includes customer relationships and trade names.

The excess purchase price over the estimated value of the net tangible and identifiable intangible assets was recorded as goodwill. The allocation of a significant portion of the purchase price to goodwill was predominantly due to the intangible assets that are not separable, such as assembled workforce and going concern.

The pro forma effects of the acquisitions to the Company's revenues and results of operations during fiscal year 2010 were considered immaterial, both individually and in the aggregate.

The Company had approximately $78 million and $74 million of accrued acquisition-related liabilities as of December 31, 2010 and March 31, 2010, respectively. Approximately $73 million and $64 million of the accrued acquisition related costs at December 31, 2010 and March 31, 2010, respectively, related to purchase price amounts withheld subject to indemnification protections.

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NOTE N — DISCONTINUED OPERATIONS

Discontinued Operations: In June 2010, the Company sold its Information Governance business, consisting primarily of the CA Records Manager and CA Message Manager software offerings and related professional services, for approximately $19 million to Autonomy. The loss from discontinued operations of approximately $6 million included in the Company's Condensed Consolidated Statement of Operations for the nine months ended December 31, 2010 consists of a loss from operations of approximately $1 million, net of taxes of approximately $1 million, and a loss upon disposal of approximately $5 million, inclusive of tax expense of approximately $4 million.

The Information Governance business results for the three and nine months ended December 31, 2009 consisted of revenue of $6 million and $17 million, respectively, and income from operations of $1 million in both periods.

Item 2:

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statement

This Quarterly Report on Form 10-Q (Form 10-Q) contains certain forward-looking information relating to CA, Inc. (the "Company," "Registrant," "CA," "we," "our," or "us"), that is based on the beliefs of, and assumptions made by, our management as well as information currently available to management. When used in this Form 10-Q, the words "anticipate," "believe," "estimate," "expect" and similar expressions are intended to identify forward-looking information. Such information includes, for example, the statements made in this Management Discussion and Analysis of Financial Condition and Results of Operations (MD&A), but also appears in other parts of this Form 10-Q. This forward-looking information reflects our current views with respect to future events and is subject to certain risks, uncertainties, and assumptions.

A number of important factors could cause actual results or events to differ materially from those indicated by such forward-looking statements, including: the ability to achieve success in the Company's strategy by, among other things, increasing sales in new and emerging enterprises and markets, enabling the sales force to sell new products and Software-as-a-Service offerings and improving the Company's brand in the marketplace; global economic factors or political events beyond the Company's control; general economic conditions, including concerns regarding a global recession and credit constraints, or unfavorable economic conditions in a particular region, industry or business sector; failure to expand channel partner programs; the ability to adequately manage and evolve financial reporting and managerial systems and processes; the ability to successfully acquire technology and software that are consistent with our strategy and to integrate acquired companies and products into existing businesses; competition in product and service offerings and pricing; the ability to retain and attract qualified key personnel; the ability to adapt to rapid technological and market changes; the ability of the Company's products to remain compatible with ever-changing operating environments; access to software licensed from third parties, third-party code and specifications for the development of code; use of software from open source code sources; discovery of errors in the Company's software and potential product liability claims; significant amounts of debt and possible future credit rating changes; the failure to protect the Company's intellectual property rights and source code; fluctuations in the number, terms and duration of our license agreements as well as the timing of orders from customers and channel partners; reliance upon large transactions with customers; risks associated with sales to government customers; breaches of the Company's software products and the Company's and customers' data centers and IT environments; access to third-party microcode; third-party claims of intellectual property infringement or royalty payments; fluctuations in foreign currencies; failure to successfully execute restructuring plans; successful outsourcing of various functions to third parties; potential tax liabilities; and these factors and the other factors described more fully in this Form 10-Q and the Company's other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties occur, or should our assumptions prove incorrect, actual results may vary materially from those described in this Form 10-Q as anticipated, believed, estimated, or expected. We do not intend to update these forward-looking statements, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. This MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying notes to the financial statements. References in this Form 10-Q to fiscal 2011 and fiscal 2010 are to our fiscal years ending on March 31, 2011 and 2010, respectively.

OVERVIEW

We are the leading independent enterprise IT management software and service company with deep expertise across IT environments — from mainframe and distributed to virtual and cloud. We develop and deliver software and services that help organizations manage and secure their IT infrastructures and deliver more flexible IT services. This allows companies to more effectively and efficiently respond to business needs. We address virtually all of the components of the computing environment, including

Item 2:

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

people, information, processes, systems, networks, applications and databases, regardless of the hardware or software customers are using.

We license our products worldwide. We service companies across most major industries worldwide, including banks, insurance companies, other financial services providers, governmental agencies, manufacturers, technology companies, retailers, and educational and health care institutions. These customers typically maintain IT infrastructures that are both complex and central to their objectives for operational excellence.

We offer our software products and solutions directly to our customers through our direct sales force and indirectly through global systems integrators, managed service providers, technology partners, value-added resellers, exclusive representatives and distributors and volume partners.

We are the leading independent software vendor in the mainframe space, and we continue to innovate on the platform that runs many of our largest customers' most important applications. As the IT landscape continues to evolve, more companies are seeking to improve the efficiency and availability of their IT resources and applications through virtualization, enabling users to run multiple virtual machines on each physical machine and thereby reduce operating costs associated with physical infrastructure. Virtualization is an essential enabling technology for many of the key cloud computing attributes. The increasing adoption of virtualization and the evolution of cloud computing is leading to more complex data centers that include physical servers, virtualized servers, private cloud environments and public cloud applications. As a result of this heightened complexity, it is increasingly important for companies to have a choice of robust, heterogeneous, virtualization-specific management solutions, covering multiple management disciplines across IT environments.

To address these market demands, we have built a broad portfolio of distributed and mainframe software products with a specific focus on mainframe; service management and service assurance; project and portfolio management; security (identity and access management); virtualization and service automation; and cloud computing. We deliver our products on-premises or, for certain products, via Software-as-a-Service (SaaS).

Our current strategy emphasizes accelerating our growth by continuing to build on our portfolio of software and services to address customer needs in the above-mentioned areas of focus through a combination of internal development and acquired technologies. We believe this strategy builds on our core strengths in IT management while also positioning us to compete in high-growth markets, including virtualization, cloud and SaaS. We are also seeking to expand our business beyond our traditional core customers, generally consisting of large enterprises, to reach emerging enterprises (which we also refer to as growth accounts and define as companies with revenue of $300 million to $2 billion) and customers in emerging geographies (which we also refer to as our growth geographies).

Our ability to achieve success in our growth strategy could be affected by many of the risk factors described in more detail in our Annual Report on Form 10-K for the fiscal year ended March 31, 2010 (the 2010 Form 10-K).

To enable us to execute our growth strategy more effectively, we have:

- Completed several key acquisitions since December 31, 2009 in an effort to expand our product portfolio, including Torokina Pty Ltd, Hyperformix, Inc., Arcot Systems, Inc., Nimsoft AS, 3Tera, Inc. and Oblicore, Inc.;
- Re-branded our company; and
- Realigned our operations with the intention of driving increased collaboration and accountability across the Company while enabling us to deliver even greater customer service and product innovation.

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While not necessarily material to our results in a period, management also looks to the following operational priorities to get a view as to how we are executing against our growth strategy:

- Increasing the number of freestanding sales with the introduction of new products;
- Responding to customer demand in growth geographies and growth accounts; and
- Continuing to align the organization to be more responsive to customer needs and emerging trends.

Increasing the number of freestanding sales with the introduction of new products. We define freestanding sales as new sales of products outside of a renewal and look at this in terms of how we engage our customers, including whether we are becoming less dependent on a renewal cycle as a compelling event to sell new products. Freestanding sales give us the opportunity to increase our share of customer spending through both cross-selling to current customers and the addition of new customers. Our success can be seen in our progress in increasing new product sales.

Responding to customer demand in growth geographies and growth accounts. We have increased our investment in growth geographies—which for us also includes Japan and Australia. Recently we brought new management talent into several key roles. While we do not expect these investments to have a material impact this fiscal year, we are encouraged by results in our growth geographies. Our Nimsoft acquisition also accelerates our ability to access both growth accounts and growth geographies through new channels, including managed service providers. In addition, we further enhanced our SaaS capabilities in growth accounts and growth geographies with our acquisition of Arcot Systems, Inc.

Continuing to align our organization to be more responsive to customer needs and emerging trends. We continue to align the organization to be more responsive to customer needs and emerging trends. This helps us drive results from both the assets we have developed and those that we have acquired. Our acquisition of Torokina Pty Ltd enhances our ability to access these emerging trends within the communication service provider market to solve the unique performance management needs for both internal IT and network operations requirements within that market.

As our growth strategy has evolved, our management also looks within bookings at total new product and capacity sales, which we define as sales of products or capacity that are new or in addition to products or capacity previously contracted for by a customer. The amount of new product and capacity sales for a period, as currently tracked by the Company, requires estimation by management and has not been historically reported. Within a given period, the amount of new product and capacity sales may not be material to the change in our total bookings or revenue compared with prior periods.

For further discussion of our business and business model, see our 2010 Form 10-K. For further discussion of our Critical Accounting Policies and Business Practices, see "Critical Accounting Policies and Business Practices."

Executive Summary

The following is a summary of the analysis of our results contained in our Management's Discussion and Analysis.

Total revenue backlog at December 31, 2010 of $8,015 million increased 1% compared with the balance of $7,899 million at December 31, 2009. The current portion of revenue backlog represents revenue to be recognized within the next 12 months. The current portion of revenue backlog at December 31, 2010 of $3,592 million increased by 4% compared with the balance of $3,456 million at December 31, 2009. Generally, we believe that an increase in the current portion of revenue backlog is a positive indicator of future subscription and maintenance revenue growth.

Total bookings in the third quarter of fiscal 2011 declined 6% to $1,281 million compared with $1,367 million from the year-ago period, due primarily to a decrease in license and maintenance renewal bookings. This was partially offset by favorable results for total new product and capacity sales for the quarter, which grew in low single digits year over year. Within new product and capacity sales for the third quarter

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of fiscal 2011, the increase in new distributed products and mainframe capacity was partially offset by a decrease in new mainframe product sales. Generally, total new product and capacity sales consist of new sales of distributed products, mainframe products and capacity. Renewal bookings increased sequentially from the second quarter of fiscal 2011, which is consistent with our expectation that our renewal portfolio would increase in the second half of fiscal 2011. It is our expectation that this sequential growth will continue in the fourth quarter of fiscal 2011. As a result, we expect higher levels of bookings in the second half of fiscal 2011, compared with the first half of fiscal 2011.

Total revenue for the third quarter of fiscal 2011 was $1,165 million and grew 4%, compared with $1,122 million in the year-ago period, primarily due to growth in the U.S. revenue of $43 million or 7%. International revenue remained flat for the third quarter of fiscal 2011, compared with the third quarter of fiscal 2010. Lower revenue in Europe, Middle East and Africa (EMEA) was mostly offset by revenue growth in the Asia-Pacific-Japan (APJ) and Latin America (LA) regions. Excluding an unfavorable foreign exchange effect of $8 million, international revenue would have increased by $8 million or 2%. Our revenue growth was 2% from existing products and services and 2% from acquired technologies (which we define as technology acquired within the prior 12 months). Excluding the unfavorable foreign currency effect, our revenue growth was split 3% for existing products and services and 2% for acquired technologies. Revenue from software fees and other for the third quarter of fiscal 2011 increased by $28 million or 52% compared with the year-ago period, primarily due to revenue from the successful integration of service assurance technologies associated with one of our fiscal 2010 acquisitions into our existing product portfolio. Professional service revenues for the third quarter of fiscal 2011 increased by 21% compared with the year-ago period.

Total expense before interest and income taxes of $827 million grew 7%, compared with $772 million in the year-ago period. This increase includes a favorable foreign currency effect of $2 million. The increase was primarily the result of acquisitions during fiscal 2010, offset by a one-time $10 million benefit received from certain derivative litigation settlements. We may experience similar additional costs associated with any future acquisitions.

Income before interest and income taxes decreased $12 million, or 3% in the third quarter of fiscal 2011. Tax expense increased $57 million compared with the year-ago period, primarily as a result of nonrecurring discrete items. Diluted income from continuing operations per share for the third quarter of fiscal 2011 was $0.39, compared with $0.49 in the year-ago period, reflecting primarily an increase in income tax expenses offset in part by the Company's repurchase of its common shares.

Cash flow from operations in the third quarter of fiscal 2011 was $496 million and grew 45%, compared with $342 million in the year-ago period. This growth reflects both a year-over-year increase of $78 million in up-front cash collections from single installment payments and an increase in collections on trade receivables of $122 million. This was partially offset by an increase in disbursements of $46 million, primarily attributable to acquisitions and personnel costs.

For the first nine months of fiscal 2011, cash flow from operations was $743 million and grew 3%, compared with $724 million in the year-ago period. This growth reflects both a year-over-year increase of $64 million in up-front cash collections from single installment payments and an increase in collections on trade receivables of $89 million. This was partially offset by an increase in disbursements of $134 million, primarily attributable to acquisitions and personnel costs.

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QUARTERLY UPDATE

- In October 2010, we announced the new release of CA 3Tera® AppLogic®, our new turnkey cloud computing platform. CA 3Tera AppLogic helps organizations increase business agility, reduce risks associated with cloud deployments and enter new markets more quickly than previously possible.
- In October 2010, we acquired Arcot Systems, Inc. (Arcot), a privately held provider of authentication and fraud prevention solutions through on-premises software or cloud services. The acquisition of Arcot added technology for fraud prevention and authentication to our Identity and Access Management offerings.
- In October 2010, we announced a next-generation of our Automation Suite to help customers migrate to a virtualized, dynamic cloud computing infrastructure. The Suite is designed to offer a comprehensive business service-centric approach to the deployment and scaling of IT infrastructure and services.
- In October 2010, we acquired Hyperformix, Inc., a privately held provider of capacity management software for dynamic physical, virtual and cloud IT infrastructures.
- In December 2010, we announced the availability of CA Mainframe Chorus, an important innovation to our Technologies Mainframe 2.0 strategy. It offers management capabilities that are designed to appeal to the next generation mainframe staff while also offering significant productivity improvements to today's mainframe experts.
- In December 2010, we acquired Torokina Pty Ltd (Torokina), an Australia-based provider of telecommunications management solutions to 2G, 3G, next generation networks and VoiP service providers and network operators worldwide. Prior to the acquisition, we worked with Torokina as a partner and independent vendor.

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PERFORMANCE INDICATORS

Management uses several quantitative performance indicators to assess our financial results and condition. Following is a summary of the principal quantitative performance indicators that management uses to review performance:

	Third Quarter Comparison Fiscal Year 2011 versus Fiscal Year 2010			
	2011	2010(1)	Change	Percent Change
	(dollars in millions)			
Total revenue	$1,165	$1,122	$ 43	4%
Subscription and maintenance revenue	$ 995	$ 995	$ —	—%
Net income	$ 200	$ 257	$ (57)	(22)%
Cash provided by operating activities	$ 496	$ 342	$ 154	45%
Total bookings	$1,281	$1,367	$ (86)	(6)%
Subscription and maintenance bookings	$1,099	$1,203	$ (104)	(9)%
Weighted average subscription and maintenance license agreement duration in years	3.20	3.23	(0.03)	(1)%
Annualized subscription and maintenance bookings	$ 343	$ 372	$ (29)	(8)%

	First Nine Months Comparison Fiscal Year 2011 versus Fiscal Year 2010			
	2011	2010(1)	Change	Percent Change
	(dollars in millions)			
Total revenue	$3,366	$3,233	$ 133	4%
Subscription and maintenance revenue	$2,917	$2,905	$ 12	—%
Net income	$ 639	$ 670	$ (31)	(5)%
Cash provided by operating activities	$ 743	$ 724	$ 19	3%
Total bookings	$3,049	$3,493	$ (444)	(13)%
Subscription and maintenance bookings	$2,601	$3,133	$ (532)	(17)%
Weighted average subscription and maintenance license agreement duration in years	3.22	3.58	(0.36)	(10)%
Annualized subscription and maintenance bookings	$ 808	$ 875	$ (67)	(8)%

	Dec. 31, 2010	March 31, 2010(1)	Change From Year End	Dec. 31, 2009	Change From Prior Year Quarter
			(in millions)		
Cash, cash equivalents and marketable securities(2)	$2,685	$2,583	$ 102	$2,624	$ 61
Total debt	$1,555	$1,545	$ 10	$1,545	$ 10
Total expected future cash collections from committed contracts(3)	$5,544	$5,555	$ (11)	$5,591	$ (47)
Total revenue backlog(3)	$8,015	$8,193	$(178)	$7,899	$116

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy where applicable.

(2) At December 31, 2010, marketable securities were $167 million. At March 31, 2010 and December 31, 2009, marketable securities were less than $1 million.

(3) Refer to the discussion in the "Liquidity and Capital Resources" section of this MD&A for additional information on expected future cash collections from committed contracts, billings backlog and revenue backlog.

Analyses of our performance indicators, including general trends, can be found in the “Results of Operations” and “Liquidity and Capital Resources” sections of this MD&A.

Subscription and Maintenance Revenue — Subscription and maintenance revenue is the amount of revenue recognized ratably during the reporting period from: (i) subscription license agreements that were in effect during the period, generally including maintenance that is bundled with and not separately identifiable from software usage fees or product sales, (ii) maintenance agreements associated with providing customer technical support and access to software fixes and upgrades that are separately identifiable from software usage fees or product sales, and (iii) license agreements bundled with additional products, maintenance or professional services for which Vendor Specific Objective Evidence (VSOE) has not been established. These amounts include the sale of products directly by us, as well as by distributors and volume partners, value-added resellers and exclusive representatives to end-users, where the contracts incorporate the right for end-users to receive unspecified future software products, and other contracts entered into in close proximity or contemplation of such agreements.

Total Bookings — Total bookings includes the incremental value of all subscription, maintenance and professional service contracts and software fees and other contracts entered into during the reporting period and is generally reflective of the amount of products and services during the period that our customers have agreed to purchase from us. Revenue for bookings attributed to sales of software products for which revenue is recognized on an up-front basis is reflected in the “software fees and other” line item of our Condensed Consolidated Statements of Operations.

Subscription and Maintenance Bookings — Subscription and maintenance bookings is the aggregate incremental amount we expect to collect from our customers over the terms of the underlying subscription and maintenance agreements entered into during a reporting period. These amounts include the sale of products directly by us and may include additional products, services or other fees for which we have not established VSOE of fair value. Subscription and maintenance bookings also includes indirect sales by distributors and volume partners, value-added resellers and exclusive representatives to end-users, where the contracts incorporate the right for end-users to receive unspecified future software products, and other contracts without these rights entered into in close proximity or contemplation of such agreements. These amounts are expected to be recognized ratably as subscription and maintenance revenue over the applicable term of the agreements. Subscription and maintenance bookings excludes the value associated with certain perpetual licenses, license-only indirect sales, and professional services arrangements.

The license and maintenance agreements that contribute to subscription and maintenance bookings represent binding payment commitments by customers over periods that range generally from three to five years on a weighted average basis, although in certain cases customer commitments can be for longer or shorter periods. These current period bookings are often renewals of prior contracts that also had various durations, usually from three-to-five years. The amount of new subscription and maintenance bookings recorded in a period is affected by the volume, duration and value of contracts renewed during that period. Our subscription and maintenance bookings typically increase in each consecutive quarter during a fiscal year, with the first quarter having the least bookings and the fourth quarter having the most bookings. However, subscription and maintenance bookings may not always follow the pattern of increasing in consecutive quarters during a fiscal year, and the quarter-to-quarter differences in subscription and maintenance bookings may vary. Given the varying durations of the contracts being renewed, year-over-year comparisons of bookings are not always indicative of the overall bookings trend. Management also looks within bookings at the yield on our renewal portfolio. We define this as the percentage of prior contract value realized from renewals during the period. The baseline for calculating renewal yield is an estimate affected by various factors including contractual renewal terms and other conditions. We estimate the yield based on a review of material transactions representing a substantial majority of the dollar value of renewals during the current period. Changes in renewal yield may not be material to changes in bookings compared with prior periods.

Generally, we believe that an increase in the current portion of revenue backlog is a positive indicator of future revenue growth due to the high percentage of our revenue that is recognized from license agreements that are already committed and being recognized ratably.

Additionally, period-to-period changes in subscription and maintenance bookings do not necessarily correlate to changes in cash receipts. The contribution to current period revenue from subscription and maintenance bookings from any single license or maintenance agreement is relatively small, since revenue is recognized ratably over the applicable term for these agreements.

Weighted Average Subscription and Maintenance License Agreement Duration in Years — The weighted average subscription and maintenance license agreement duration in years reflects the duration of all subscription and maintenance agreements executed during a period, weighted by the total contract value of each individual agreement. Weighted average subscription and maintenance license agreement duration in years can fluctuate from period to period depending on the mix of license agreements entered into during a period. Weighted average duration information is disclosed in order to provide additional understanding of the volume of our bookings.

Annualized Subscription and Maintenance Bookings — Annualized subscription and maintenance bookings is an indicator that normalizes the bookings recorded in the current period to account for contract length. It is calculated by dividing the total value of all new subscription and maintenance license agreements entered into during a period by the weighted average subscription and license agreement duration in years for all such subscription and maintenance license agreements recorded during the same period.

Total Revenue Backlog — Total revenue backlog represents the aggregate amount we expect to recognize as revenue in the future as either subscription and maintenance revenue, professional services revenue or software fees and other revenue associated with contractually committed amounts billed or to be billed as of the balance sheet date. Total revenue backlog is composed of amounts recognized as liabilities in our Condensed Consolidated Balance Sheets as deferred revenue (billed or collected) as well as unearned amounts yet to be billed under subscription and maintenance and software fees and other agreements. Classification of amounts as current and non-current depends on when such amounts are expected to be earned and therefore recognized as revenue. Amounts that are expected to be earned and therefore recognized as revenue in 12 months or less are classified as current, while amounts expected to be earned in more than 12 months are classified as non-current. The portion of total revenue backlog that relates to subscription and maintenance agreements is recognized as revenue evenly on a monthly basis over the duration of the underlying agreements and is reported as subscription and maintenance revenue in our Condensed Consolidated Statements of Operations. Generally, we believe that an increase in the current portion of revenue backlog is a positive indicator of future revenue growth.

Deferred revenue (billed or collected) is composed of: (i) amounts received from customers in advance of revenue recognition, (ii) amounts billed but not collected for which revenue has not yet been earned and (iii) amounts received in advance of revenue recognition from financial institutions where we have transferred our interest in committed installments (referred to as “Financing obligations and other” in Note L, “Deferred Revenue” in the Notes to our Condensed Consolidated Financial Statements).

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RESULTS OF OPERATIONS

The following tables present changes in the line items on our Condensed Consolidated Statements of Operations for the third quarter and first nine months of fiscal 2011 and 2010, respectively, measured by Dollar Change, Percentage of Dollar Change, and Percentage of Total Revenue. These comparisons of financial results are not necessarily indicative of future results.

	Third Quarter Comparison — Fiscal Year 2011 versus Fiscal Year 2010					
	2011	2010 (1)	Dollar Change 2011/2010	Percentage of Dollar Change 2011/2010	Percentage of Total Revenue 2011	2010
		(dollars in millions)				
Revenue						
Subscription and maintenance revenue	$ 995	$ 995	$ —	—%	85%	89%
Professional services	88	73	15	21	8	7
Software fees and other	82	54	28	52	7	4
Total revenue	1,165	1,122	43	4	100	100
Expenses						
Costs of licensing and maintenance	82	73	9	12	7	7
Costs of professional services	77	66	11	17	7	6
Amortization of capitalized software costs	52	34	18	53	4	3
Selling and marketing	348	315	33	10	30	28
General and administrative	114	129	(15)	(12)	10	11
Product development and enhancements	110	117	(7)	(6)	9	10
Depreciation and amortization of other intangible assets	47	39	8	21	4	3
Other expenses (gains), net	5	(3)	8	NM	—	—
Restructuring and other	(8)	2	(10)	NM	(1)	—
Total expenses before interest and income taxes	827	772	55	7	71	69
Income before interest and income taxes	338	350	(12)	(3)	29	31
Interest expense, net	10	23	(13)	(57)	1	2
Income before income taxes	328	327	1	—	28	29
Income tax expense	128	71	57	80	11	6
Income from continuing operations	200	256	(56)	(22)	17	23
Income (loss) from discontinued operations	—	(1)	1	NM	—	—
Net Income	$ 200	$ 257	$(57)	(22)%	17%	23%

Note — Amounts may not add to their respective totals due to rounding.

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

	First Nine Months Comparison — Fiscal Year 2011 versus Fiscal Year 2010					
	2011	2010 (1)	Dollar Change 2011/ 2010	Percentage of Dollar Change 2011/2010	Percentage of Total Revenue 2011	2010
		(dollars in millions)				
Revenue						
Subscription and maintenance revenue	$2,917	$2,905	$ 12	—%	87%	90%
Professional services	245	213	32	15	7	7
Software fees and other	204	115	89	77	6	3
Total revenue	3,366	3,233	133	4	100	100
Expenses						
Costs of licensing and maintenance	233	211	22	10	7	7
Costs of professional services	223	191	32	17	7	6
Amortization of capitalized software costs	145	101	44	44	4	3
Selling and marketing	955	879	76	9	28	27
General and administrative	344	358	(14)	(4)	10	11
Product development and enhancements	363	348	15	4	11	11
Depreciation and amortization of other intangible assets	136	116	20	17	4	4
Other expenses, net	9	11	(2)	(18)	—	—
Restructuring and other	(11)	4	(15)	NM	—	—
Total expenses before interest and income taxes	2,397	2,219	178	8	71	69
Income before interest and income taxes	969	1,014	(45)	(4)	29	31
Interest expense, net	35	62	(27)	(44)	1	2
Income before income taxes	934	952	(18)	(2)	28	29
Income tax expense	289	283	6	2	9	9
Income from continuing operations	645	669	(24)	(4)	19	21
Income (loss) from discontinued operations	6	(1)	7	NM	—	—
Net Income	$ 639	$ 670	$ (31)	(5)%	19%	21%

Note — Amounts may not add to their respective totals due to rounding.

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

Bookings

Total Bookings

For the third quarter of fiscal 2011 and 2010, total bookings were $1,281 million and $1,367 million, respectively. This decline was primarily due to a decrease in license and maintenance renewal bookings. This decline in total bookings was partially offset by favorable results for total new product and capacity sales for the third quarter of fiscal 2011, which grew in the low single digits year over year. Within new product and capacity sales for the third quarter of fiscal 2011, the increase in new distributed products and mainframe capacity was partially offset by a decrease in new mainframe product sales.

For the first nine months of fiscal 2011 and 2010, total bookings were $3,049 million and $3,493 million, respectively. The decrease in bookings was mainly attributable to a decrease in subscription and maintenance bookings in the first quarter of fiscal 2011, as described below, partially offset by favorable results for total new product and capacity sales.

Subscription and Maintenance Bookings

For the third quarter of fiscal 2011 and 2010, we added subscription and maintenance bookings of $1,099 million and $1,203 million, respectively. The decrease in subscription and maintenance bookings was primarily attributable to the decrease in license and maintenance renewals. During the third quarter of fiscal 2011, we renewed a total of 15 license and maintenance agreements with incremental contract values in excess of $10 million each, for an aggregate contract value of $456 million. During the third quarter of fiscal 2010, we renewed a total of 16 license and maintenance agreements with incremental contract values in excess of $10 million each, for an aggregate contract value of $514 million. For the third quarter of fiscal 2011, the renewal yield did not differ materially from its recent percentage range of high 80’s to low 90’s.

For the first nine months of fiscal 2011 and 2010, we added subscription and maintenance bookings of $2,601 million and $3,133 million, respectively. The decrease in subscription and maintenance bookings was primarily attributable to lower scheduled contract renewals occurring in the first quarter of fiscal 2011 and as described above for the third quarter of fiscal 2011. Generally, quarters with smaller renewal inventories result in a lower level of bookings not only because renewal bookings will be less but because renewals remain an important selling opportunity for new products. Renewal bookings in the third quarter of fiscal 2011 increased sequentially from the second quarter of fiscal 2011, which is consistent with our expectation that our renewal portfolio would increase in the second half of fiscal 2011. We expect this sequential increase in renewal bookings to continue in the fourth quarter of fiscal 2011. Currently, we expect total fiscal 2011 renewals to be about 10% lower than total fiscal 2010 renewals although this generally does not include new product and capacity sales and professional services arrangements.

For the third quarter of fiscal 2011, annualized subscription and maintenance bookings decreased $29 million from the prior-year period to $343 million. The weighted average subscription and maintenance license agreement duration in years decreased to 3.20 from 3.23 in the prior-year period. This decrease was primarily attributable to the shorter duration of the larger contracts executed during the third quarter of fiscal 2011.

Total Revenue

As more fully described below, the increase in total revenue in the third quarter and first nine months of fiscal 2011 compared with the third quarter and first nine months of fiscal 2010 was primarily attributable to an increase in our software fees and other revenue and to a lesser extent an increase in professional services revenue. During the third quarter of fiscal 2011, revenue reflected an unfavorable foreign exchange effect of $8 million compared with the third quarter of fiscal 2010. For the first nine months of fiscal 2011, the unfavorable foreign exchange effect was $7 million compared with the first nine months of fiscal 2010.

Price changes do not have a material impact on revenue in a given period as a result of our ratable subscription model.

Subscription and Maintenance Revenue

Subscription and maintenance revenue was flat for the third quarter of fiscal 2011 compared with the third quarter of fiscal 2010 and was unfavorably affected by a foreign exchange effect of $8 million. Excluding the unfavorable foreign exchange effect, subscription and maintenance revenue would have increased by $8 million.

The increase in subscription and maintenance revenue for the first nine months of fiscal 2011 compared with the first nine months of fiscal 2010 was primarily due to revenue associated with our acquisitions of NetQoS, Inc., Nimsoft AS and 3Tera, Inc. (our fiscal 2010 acquisitions), which occurred during the second half of fiscal 2010. For the first nine months of fiscal 2011, revenue reflected an unfavorable foreign exchange effect of $9 million.

Professional Services

Professional services revenue increased in the third quarter and first nine months of fiscal 2011 compared with the third quarter and first nine months of fiscal 2010, due to an increase in bookings of new services contracts, the increased execution of engagements under service contracts and an increase in professional services revenue associated with both our fiscal 2011 and fiscal 2010 acquisitions. Our fiscal 2010 acquisitions occurred during the second half of fiscal 2010.

Software Fees and Other

Software fees and other revenue primarily consists of revenue that is recognized on an up-front basis. This includes revenue associated with distributed products sold on an up-front basis directly by our sales force or through transactions with distributors and volume partners, value-added resellers and exclusive representatives (sometimes referred to as our “indirect” or “channel” revenue). Software fees and other revenue increased for the third quarter of fiscal 2011, compared with the third quarter of fiscal 2010, primarily due to $18 million in revenue from technologies associated with one of our fiscal 2010 acquisitions successfully integrated into our existing service assurance product portfolio. Approximately $10 million of the software fees and other revenue increase was attributable to our SaaS offerings, from two of our recent acquisitions.

Software fees and other revenue increased for the first nine months of fiscal 2011, compared with the first nine months of fiscal 2010 primarily due to $41 million in revenue from products acquired in one of our fiscal 2010 acquisitions, which occurred during the second half of fiscal 2010, $27 million from existing application management products sold on an up-front basis and $18 million from SaaS offerings as described above.

Total Revenue by Geography

The following tables present the revenue earned from the United States and international geographic regions and corresponding percentage changes for the third quarter and first nine months of fiscal 2011 and 2010, respectively. These comparisons of financial results are not necessarily indicative of future results.

	Third Quarter Comparison — Fiscal Year 2011 versus Fiscal Year 2010					
	2011	%	2010 (1)	%	Dollar Change	Percentage Change
					(dollars in millions)	
United States	$ 651	56%	$ 608	54%	$ 43	7%
International	514	44%	514	46%	—	—%
	$ 1,165	100%	$ 1,122	100%	$ 43	4%

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

	First Nine Months Comparison — Fiscal Year 2011 versus Fiscal Year 2010					
	2011	%	2010 (1)	%	Dollar Change	Percentage Change
					(dollars in millions)	
United States	$ 1,909	57%	$ 1,772	55%	$ 137	8%
International	1,457	43%	1,461	45%	(4)	—%
	$ 3,366	100%	$ 3,233	100%	$ 133	4%

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

Revenue in the United States increased by $43 million, or 7%, for the third quarter of fiscal 2011 primarily due to higher software fees and other revenue, as described above. International revenue remained flat for the third quarter of fiscal 2011, compared with the third quarter of fiscal 2010. Lower revenue in Europe, Middle East and Africa region (EMEA) was mostly offset by revenue growth in the Asia-Pacific-Japan (APJ) and Latin America (LA) regions. Excluding an unfavorable foreign exchange effect of $8 million, international revenue would have increased by $8 million or 2%.

Revenue in the United States increased by $137 million, or 8%, for the first nine months of fiscal 2011 primarily due to higher software fees and other revenue, as described above. International revenue decreased by $4 million, which was essentially flat for the first nine months of fiscal 2011, compared with the first nine months of fiscal 2010. Lower revenue in EMEA was mostly offset by revenue growth in APJ and LA.

Expenses

Costs of Licensing and Maintenance

Costs of licensing and maintenance include technical support, royalties, and other manufacturing and distribution costs. The increase in costs of licensing and maintenance for the third quarter and first nine months of fiscal 2011 compared with the third quarter and first nine months of fiscal 2010 was primarily due to costs associated with acquired technologies from one of our fiscal 2010 acquisitions.

Costs of Professional Services

Costs of professional services consist primarily of our personnel-related costs associated with providing professional services and training to customers. For the third quarter of fiscal 2011, the costs of professional services increased compared with the prior-year period primarily due to a $15 million increase in revenue. Our margins increased to 13% in the third quarter of fiscal 2011, compared with 10% in the third quarter of fiscal 2010 as a result of improved efficiency in executing on services projects with customers.

For the first nine months of fiscal 2011, the costs of professional services increased compared with the prior-year period primarily due to an increase in services projects, as reflected by the $32 million increase in revenue. These costs increased at a higher rate than revenue primarily as a result of a higher mix of engagements that required additional effort to meet customer requirements during the second quarter of fiscal 2011. These engagements resulted in lower margins. As a result, margins on professional services decreased to 9% for the first nine months of fiscal 2011, compared with 10% for the first nine months of fiscal 2010.

Amortization of Capitalized Software Costs

Amortization of capitalized software costs consists of the amortization of both purchased software and internally generated capitalized software development costs. Internally generated capitalized software development costs relate to new products and significant enhancements to existing software products that have reached the technological feasibility stage.

The increases in amortization of capitalized software costs for the third quarter and first nine months of fiscal 2011, compared with the third quarter and first nine months of fiscal 2010 was primarily due to the increase in amortization expense associated with our fiscal 2010 acquisitions and the increase in activities relating to projects that have reached technological feasibility in recent periods.

Selling and Marketing

Selling and marketing expenses include the costs relating to our sales force, our channel partners, our corporate and business marketing and our customer training programs. The increase in selling and marketing expenses for the third quarter of fiscal 2011 compared with the third quarter of fiscal 2010 was primarily related to an $18 million increase in personnel-related costs, which include costs associated with our fiscal 2010 acquisitions. In addition, promotional expenses increased $9 million, which include costs associated with our re-branding initiative that was announced in the first quarter of fiscal 2011.

The increase in selling and marketing expenses for the first nine months of fiscal 2011 compared with the first nine months of fiscal 2010 was primarily due to a $54 million increase in personnel-related costs, which include costs associated with our fiscal 2010 acquisitions. Promotional expenses also increased by $14 million due to costs attributable to CA World, our flagship customer and partner trade show, which occurred in the first quarter of fiscal 2011 and costs associated with our re-branding initiative. The previous CA World event occurred during the third quarter of fiscal 2009.

General and Administrative

General and administrative expenses include the costs of corporate and support functions, including our executive leadership and administration groups, finance, legal, human resources, corporate communications and other costs such as provisions for doubtful accounts. The decrease in general and administrative expenses for the third quarter of fiscal 2011 compared with the third quarter of fiscal 2010 was primarily related to the decrease in personnel-related and office costs of $13 million. During the third quarter of fiscal 2010, we recognized severance and other related expenses of $3 million for amounts owed to our former Chief Executive Officer pursuant to his employment agreement and other items relating to the transition to his successor.

The decrease in general and administrative expenses for the first nine months of fiscal 2011 compared with the first nine months of fiscal 2010 was primarily related to a decrease in personnel-related and office costs of $17 million. During the first nine months of fiscal 2010, we recognized severance and other related expenses of $10 million for amounts owed to our former Chief Executive Officer pursuant to his employment agreement and other items relating to the transition to his successor.

Product Development and Enhancements

For each of the third quarters of fiscal 2011 and 2010, product development and enhancements expenses represented approximately 9% and 10% of total revenue, respectively. Product development and enhancements expenses decreased in the third quarter of fiscal 2011 compared with the third quarter of fiscal 2010 as a result of reduced personnel costs.

For each of the first nine months of fiscal 2011 and 2010, product development and enhancements expenses represented approximately 11% of total revenue. For the first nine months of fiscal 2011, the increase in product development and enhancements expense was due to our investment in technologies to support our strategy, as well as a broadening of our enterprise product offerings. Expenses also increased as a result of our fiscal 2010 acquisitions, which occurred during the second half of fiscal 2010.

Depreciation and Amortization of Other Intangible Assets

The increase in depreciation and amortization of other intangible assets for the third quarter and first nine months of fiscal 2011 compared with the third quarter and first nine months of fiscal 2010 was primarily due to the increase in depreciation and amortization expenses for acquired assets.

Other Expenses (Gains), Net

Other expenses, net includes gains and losses attributable to divested assets, foreign currency exchange rate fluctuations, and certain other items. For the third quarter of fiscal 2011, other expenses, net included $1 million of expenses relating to our foreign exchange derivative contracts and $3 million of expenses in connection with litigation claims. For the third quarter of fiscal 2010, other expenses, net included $2 million of exchange gains.

For the first nine months of fiscal 2011, other expenses, net included $9 million of expenses relating to our foreign exchange derivative contracts and $8 million of expenses in connection with litigation claims, offset by a $10 million gain associated with the sale of an investment. For the first nine months of fiscal 2010, other expenses, net included $25 million of expenses relating to our foreign exchange derivative contracts and $6 million of expenses in connection with litigation claims, offset against $19 million of exchange gains.

Restructuring and Other

For the third quarter and first nine months of fiscal 2011, we recorded a benefit of $8 million and $11 million, respectively. The benefit included one-time litigation settlements of $10 million, partially offset by adjustments to changes in estimated costs of the fiscal 2010 and fiscal 2007 restructuring plans and certain litigation costs.

Refer to Note I, “Restructuring” and Note K, “Commitments and Contingencies” in the Notes to the Condensed Consolidated Financial Statements for additional information.

Interest Expense, Net

The decreases in interest expense, net, for the third quarter and first nine months of fiscal 2011, compared with the third quarter and first nine months of fiscal 2010, were primarily due to the decrease in interest expense resulting from our overall decrease in debt. During the third quarter of fiscal 2010, we reduced our debt outstanding and increased our weighted average maturity, enhancing our capital structure and financial flexibility.

Income Taxes

Income tax expense for the third quarter and first nine months of fiscal 2011 was $128 million and $289 million, respectively, compared with the third quarter and first nine months of fiscal 2010 of $71 million and $283 million, respectively.

For the third quarter and first nine months of fiscal 2011, we recognized a net tax expense of $26 million and a net tax benefit of $10 million, respectively, resulting primarily from refinements of tax positions taken in prior periods, assertion of affirmative claims in the context of tax audits, the resolutions and accruals of uncertain tax positions relating to non-U.S. jurisdictions and the retroactive reinstatement in December 2010 of the research and development tax credit in the U.S. For the third quarter and first nine months of fiscal 2010, our income tax provision included net benefits of approximately $23 million and $30 million, respectively, resulting from reconciliations of tax returns to tax provisions, the resolution of uncertain tax positions relating to non-U.S. jurisdictions, and refinements of estimates ascribed to tax positions taken in prior periods relating to our international tax profile.

Additions and reductions to the liability for uncertain tax positions in the first nine months of fiscal 2011 were approximately $205 million and $61 million, respectively, which are primarily comprised of additions for uncertain tax positions related to the current and prior year, and reductions for prior year tax positions arising from settlement payments and statute of limitations expirations.

Our effective tax rate, excluding the impact of discrete items, for the first nine months of fiscal 2011 and fiscal 2010 was 32.0% and 31.9%, respectively. Changes in the anticipated results of our international operations, the outcome of tax audits and any other changes in potential tax liabilities may result in additional tax expense or benefit in future periods, which are not considered in our estimated annual effective tax rate. We do not currently view any such items as individually material to the results of our operations or financial position. However, the impact of such items may yield additional tax expense in the last quarter of fiscal 2011 and future periods and we are anticipating a fiscal 2011 effective tax rate of approximately 32% to 33%.

LIQUIDITY AND CAPITAL RESOURCES

Our cash and cash equivalent balances are held in numerous locations throughout the world, with 52% held in our subsidiaries outside the United States at December 31, 2010. Cash and cash equivalents totaled $2,518 million as of December 31, 2010, representing a decrease of $65 million from the March 31, 2010 balance of $2,583 million. The decrease in cash and cash equivalents during the first nine months of fiscal 2011 included an investment of $167 million into marketable securities in order to enhance the yield of our investments while maintaining the safety of our portfolio. During the first nine months of fiscal 2011, there was a $40 million favorable translation effect that foreign currency exchange rates had on cash held outside the United States in currencies other than the U.S. dollar.

Sources and Uses of Cash

Under our subscription and maintenance agreements, customers generally make installment payments over the term of the agreement, often with at least one payment due at contract execution, for the right to use our software products and receive product support, software fixes and new products when available. The timing and actual amounts of cash received from committed customer installment payments under any specific agreement can be affected by several factors, including the time value of money and the customer’s credit rating. Often, the amount received is the result of direct negotiations with the customer when establishing pricing and payment terms. In certain instances, the customer negotiates a price for a single up-front installment payment and seeks its own internal or external financing sources. In other instances, we may assist the customer by arranging financing on their behalf through a third-party financial institution. Alternatively, we may decide to transfer our rights to the future committed installment payments due under the license agreement to a third-party financial institution in exchange for a cash payment. Once transferred, the future committed installments are payable by the customer to the third-party financial institution. Whether the future committed installments have been financed directly by the customer with our assistance or by the transfer of our rights to future committed installments to a third party, such financing agreements may contain limited recourse provisions with respect to our continued performance under the license agreements.

Based on our historical experience, we believe that any liability that we may incur as a result of these limited recourse provisions will be immaterial.

Amounts billed or collected as a result of a single installment for the entire contract value, or a substantial portion of the contract value, rather than being invoiced and collected over the life of the license agreement are reflected in the liability section of our Condensed Consolidated Balance Sheets as “Deferred revenue (billed or collected).” Amounts received from either a customer or a third-party financial institution that are attributable to later years of a license agreement have a positive impact on billings and cash provided by operating activities in the current period. Accordingly, to the extent such collections are attributable to the later years of a license agreement, billings and cash provided by operating activities during the license’s later years will be lower than if the payments were received over the license term. We are unable to predict with certainty the amount of cash to be collected from single installments for the entire contract value, or a substantial portion of the contract value, under new or renewed license agreements to be executed in future periods.

For the third quarter of fiscal 2011, gross receipts related to single installments for the entire contract value, or a substantial portion of the contract value, were $152 million compared with $74 million in the third quarter of fiscal 2010. For the first nine months of fiscal 2011, gross receipts related to single installments for the entire contract value, or a substantial portion of the contract value, were $366 million compared with $302 million in the first nine months of fiscal 2010.

In any quarter, we may receive payments in advance of the contractually committed date on which the payments were otherwise due. In limited circumstances, we may offer discounts to customers to ensure payment in the current period of invoices that have been billed, but might not otherwise be paid until a subsequent period because of payment terms or other factors. Historically, any such discounts have not been material.

Our estimate of the fair value of net installment accounts receivable recorded under the prior business model approximates carrying value. Amounts due from customers under our current business model are offset by deferred revenue related to these license agreements, leaving no or minimal net carrying value on the balance sheets for such amounts. The fair value of such amounts may exceed or be less than this carrying value but cannot be practically assessed since there is no existing market for a pool of customer receivables with contractual commitments similar to those owned by us. The actual fair value may not be known until these amounts are sold, securitized or collected. Although these customer license agreements commit the customer to payment under a fixed schedule, to the extent amounts are not yet due and payable by the customer, the agreements are considered executory in nature due to our ongoing commitment to provide maintenance and unspecified future software products as part of the agreement terms.

We can estimate the total amounts to be billed from committed contracts, referred to as our “billings backlog,” and the total amount to be recognized as revenue from committed contracts, referred to as our “revenue backlog.” The aggregate amounts of our billings backlog and trade and installment receivables already reflected on our Condensed Consolidated Balance Sheets represent the amounts we expect to collect in the future from committed contracts.

	Dec. 31, 2010 (in millions)	March 31, 2010 (1) (in millions)	Dec. 31, 2009 (1) (in millions)
Billings backlog:			
Amounts to be billed — current	$ 2,038	$ 1,887	$ 1,980
Amounts to be billed — noncurrent	2,640	2,691	2,633
Total billings backlog	$ 4,678	$ 4,578	$ 4,613
Revenue backlog:			
Revenue to be recognized within the next 12 months — current	$ 3,592	$ 3,521	$ 3,456
Revenue to be recognized beyond the next 12 months — noncurrent	4,423	4,672	4,443
Total revenue backlog	$ 8,015	$ 8,193	$ 7,899
Deferred revenue (billed or collected)	$ 3,337	$ 3,615	$ 3,286
Unearned revenue yet to be billed	4,678	4,578	4,613
Total revenue backlog	$ 8,015	$ 8,193	$ 7,899

Note: Revenue backlog includes deferred subscription and maintenance and professional services revenue.

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

Total revenue backlog of $8,015 million at December 31, 2010 increased 1% compared with $7,899 million at December 31, 2009. The current portion of revenue backlog of $3,592 million at December 31, 2010 increased 4% compared with $3,456 million at December 31, 2009. Generally, we believe that an increase in the current portion of revenue backlog is a positive indicator of future subscription and maintenance revenue growth. Total revenue backlog decreased from March 31, 2010, primarily because of the lower bookings in the first quarter of fiscal 2011 attributable to the smaller renewal portfolio compared with the renewals in the quarter ended March 31, 2010.

We can also estimate the total cash to be collected in the future from committed contracts, referred to as our “Expected future cash collections” by adding the total billings backlog to the current and non-current Trade and installment accounts receivable, net from our Condensed Consolidated Balance Sheets.

	Dec. 31, 2010 (in millions)	March 31, 2010(1) (in millions)	Dec. 31, 2009(1) (in millions)
Expected future cash collections:			
Total billings backlog	$ 4,678	$ 4,578	$ 4,613
Trade and installment accounts receivable — current, net	866	931	932
Installment accounts receivable — noncurrent, net	—	46	46
Total expected future cash collections	$ 5,544	$ 5,555	$ 5,591

(1) Previously reported information has been reclassified to exclude the discontinued operations sold to Autonomy.

In any fiscal year, cash generated by operating activities typically increases in each consecutive quarter throughout the fiscal year, with the fourth quarter being the highest and the first quarter being the lowest, which may even be negative. The timing of cash generated during the fiscal year is affected by many factors, including the timing of new or renewed contracts and the associated billings, as well as the timing of any customer financing or transfer of our interest in such contractual installments. Other factors that influence the levels of cash generated throughout the quarter can include the level and timing of expenditures.

Cash Generated by Operating Activities

Cash generated by operating activities, which represents our primary source of liquidity, for the third quarter and first nine months of fiscal 2011 and 2010 was as follows:

(in millions)	Third Quarter of Fiscal 2011	Third Quarter of Fiscal 2010	Change 2011/ 2010
Cash collections from billings(1)	$ 1,293	$ 1,093	$ 200
Vendor disbursements and payroll(1)	(746)	(697)	(49)
Income tax (payments) receipts, Net	(27)	(21)	(6)
Other disbursements, net(2)	(24)	(33)	9
Cash generated by operating activities	$ 496	$ 342	$ 154

(1) Amounts include value-added taxes and sales taxes.

(2) Amounts include interest, restructuring and miscellaneous receipts and disbursements.

(in millions)	First Nine Months of Fiscal 2011	First Nine Months of Fiscal 2010	Change 2011/ 2010
Cash collections from billings(1)	$ 3,356	$ 3,203	$ 153
Vendor disbursements and payroll(1)	(2,366)	(2,196)	(170)
Income tax (payments) receipts, Net	(161)	(197)	36
Other disbursements, net(2)	(86)	(86)	—
Cash generated by operating activities	$ 743	$ 724	$ 19

(1) Amounts include VAT and sales taxes.

(2) Amounts include interest, restructuring and miscellaneous receipts and disbursements.

Third Quarter Comparison — Fiscal Year 2011 versus Fiscal Year 2010

Operating Activities:

Cash generated by operating activities for the third quarter of fiscal 2011 was $496 million, representing an increase of $154 million compared with the third quarter of fiscal 2010. This growth reflects both a year-over-year increase of $78 million in up-front cash collections from single installment payments and an increase in collections on trade receivables of $122 million. This was partially offset by an increase in disbursements of $46 million, primarily attributable to acquisitions and personnel costs.

Investing Activities:

Cash used in investing activities for the third quarter of fiscal 2011 was $459 million, compared with $260 million for the third quarter of fiscal 2010. The increase in cash used in investing activities was primarily due to the purchase of investment securities of $168 million and an increase in the cash paid for acquisitions of $26 million.

Financing Activities:

Cash used in financing activities for the third quarter of fiscal 2011 was $52 million, compared with $468 million in the third quarter of fiscal 2010. The changes in cash used in financing activities were primarily a decrease in debt repayments of $1,196 million and an increase of $12 million in common shares repurchased, offset against debt borrowings, net of debt issuance costs, of $738 million, and proceeds of $55 million received from the exercise of a call spread option associated with our 1.625% Convertible Senior Notes due December 2009.

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First Nine Months Comparison — Fiscal Year 2011 versus Fiscal Year 2010

Operating Activities:

Cash generated by operating activities for the first nine months of fiscal 2011 was $743 million, representing an increase of $19 million compared with the first nine months of fiscal 2010. This growth reflects both a year-over-year increase of $64 million in up-front cash collections from single installment payments and an increase in collections on trade receivables of $89 million. This was partially offset by an increase in disbursements of $134 million, primarily attributable to acquisitions and personnel costs.

Investing Activities:

Cash used in investing activities for the first nine months of fiscal 2011 was $597 million, compared with $396 million for the first nine months of fiscal 2010. The increase in cash used in investing activities was primarily due to the purchase of investment securities of $168 million and an increase of $49 million in cash paid for acquisitions that occurred in the first nine months of fiscal 2011, compared with the first nine months of fiscal 2010, which was partially offset by a decrease in capitalized development costs of $17 million.

Financing Activities:

Cash used in financing activities for the first nine months of fiscal 2011 was $251 million, compared with $557 million in the first nine months of fiscal 2010. The changes in cash used in financing activities were primarily a decrease in debt repayments of $1,194 million, offset against debt borrowings, net of debt issuance costs, of $738 million, proceeds of $55 million received from the exercise of a call spread option associated with our 1.625% Convertible Senior Notes due December 2009 and a decrease of $98 million in common shares repurchased.

Debt Obligations

As of December 31, 2010 and March 31, 2010, our debt obligations consisted of the following:

	December 31, 2010		March 31, 2010	
	Maximum Available	Outstanding Balance	Maximum Available	Outstanding Balance
		(in millions)		
2008 Revolving Credit Facility (expires August 2012)	$ 1,000	$ 250	$ 1,000	$ 250
5.375% Senior Notes due November 2019	—	750	—	750
6.125% Senior Notes due December 2014	—	519	—	501
International line of credit	25	—	25	—
Capital lease obligations and other	—	36	—	44
Total		$ 1,555		$ 1,545

Our debt obligations at December 31, 2010 remain unchanged from March 31, 2010, except for the fair value adjustment of $19 million relating to our interest rates swaps on our 6.125% Senior Notes due December 2014.

For additional information concerning our debt obligations, refer to our Consolidated Financial Statements and Notes thereto included in our 2010 Form 10-K.

Other Matters

As of December 31, 2010, our senior unsecured notes were rated Baa2 (stable), BBB (positive), and BBB+ (stable) by Moody’s Investors Service, Standard and Poor’s and Fitch Ratings, respectively.

Peak borrowings under all debt facilities during the third quarter of fiscal 2011 totaled $1,570 million, with a weighted average interest rate of 4%.

As of December 31, 2010, we remained authorized to purchase an aggregate amount of up to $330 million of additional common shares under our $500 million stock repurchase program that was approved by our Board of Directors in May 2010.

We expect that existing cash, cash equivalents, the availability of borrowings under existing and renewable credit lines, and cash expected to be provided from operations will be sufficient to meet ongoing cash requirements. We expect our long-standing history of providing extended payment terms to our customers to continue.

We expect to use existing cash balances and future cash generated from operations to fund capital spending, including our continued investment in our enterprise resource planning implementation, future acquisitions and financing activities such as the repayment of our debt balances as they mature, the payment of dividends, and the potential repurchase of shares of common stock in accordance with any plans approved by our Board of Directors.

Effect of Exchange Rate Changes

There was a $40 million favorable impact to our cash balances in the first nine months of fiscal 2011 predominantly due to the weakening of the U.S. dollar against the Japanese yen, the Australian dollar, Brazilian real, New Zealand dollar and the Swiss franc of 15%, 12%, 8%, 10% and 13%, respectively.

There was a $141 million favorable impact to our cash balances in the first nine months of fiscal 2010 predominantly due to the weakening of the U.S. dollar against the euro, the Australian dollar, the British pound, the Canadian dollar, the Israeli shekel and the Brazilian real of 8%, 29%, 13%, 20%, 11% and 33%, respectively.

CRITICAL ACCOUNTING POLICIES AND BUSINESS PRACTICES

The preparation of financial statements in accordance with generally accepted accounting principles requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses. We base our estimates on historical experience and various other assumptions that we believe are reasonable under the circumstances. Our estimates form the basis for making judgments about amounts and timing of revenue and expenses, the carrying values of assets and the recorded amounts of liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and such estimates may change if the underlying conditions or assumptions change. Information with respect to our critical accounting policies that we believe could have the most significant effect on our reported results or require subjective or complex judgments by management is contained in our 2010 Form 10-K under Management's Discussion and Analysis of Financial Condition and Results of Operations. We believe that at December 31, 2010, there has been no material change to this information.

Item 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of risks, including foreign currency exchange rate fluctuations, interest rate changes and changes in the market value of our investments. In the normal course of business, we employ established policies and procedures to manage these risks including the use of derivative instruments. There have been no material changes in our financial risk management strategy or our portfolio management strategy, which is described in our 2010 Form 10-K, subsequent to March 31, 2010.

Item 4: CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, the Company has evaluated the effectiveness of its disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act). Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that these disclosure controls and procedures are effective as of the end of the period covered by this quarterly report.

Changes in Internal Control over Financial Reporting

Except as disclosed in the following paragraph, there were no changes in the Company's internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during the period covered by this quarterly report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

In the third quarter of fiscal year 2011, the Company began the deployment of updates to its existing enterprise resource planning system in Europe, Middle East and Africa to accommodate changes to the processing of intercompany transactions. The changes in the Company's internal control over financial reporting associated with this deployment will continue through the fourth quarter of fiscal year 2011.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Refer to Note K, “Commitments and Contingencies,” in the Notes to the Condensed Consolidated Financial Statements for information regarding certain legal proceedings, the contents of which are herein incorporated by reference.

Item 1A. RISK FACTORS

Current and potential stockholders should consider carefully the risk factors described in more detail in our 2010 Form 10-K. We believe that as of December 31, 2010, there has been no material change to this information. Any of these factors, or others, many of which are beyond our control, could materially adversely affect our business, financial condition, operating results, cash flow and stock price.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table sets forth, for the months indicated, our purchases of common stock in the third quarter of fiscal year 2011:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
		(dollars in thousands, except per share amounts)		
October 1, 2010 — October 31, 2010	346,059	$ 22.85	346,059	$ 356,843
November 1, 2010 — November 30, 2010	350,953	$ 22.90	350,953	$ 348,806
December 1, 2010 — December 31, 2010	779,900	$ 24.43	779,900	$ 329,753
Total	1,476,912		1,476,912	

During April 2010, we completed the stock repurchase program of $250 million authorized by our Board of Directors on October 29, 2008, by repurchasing approximately 0.8 million shares of our common stock for approximately $19 million.

On May 12, 2010, our Board of Directors approved a stock repurchase program that authorizes us to acquire up to $500 million of our common stock. We will fund the program with available cash on hand and repurchase shares on the open market from time to time based on market conditions and other factors.

Under the new program, we have repurchased approximately 8.5 million shares of our common stock for approximately $170 million as of December 31, 2010.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. REMOVED AND RESERVED

Item 5. OTHER INFORMATION

None.

Item 6. EXHIBITS

Regulation S-K Exhibit Number		
3.1	Amended and Restated Certificate of Incorporation.	Previously filed as Exhibit 3.3 to the Company's Current Report on Form 8-K dated March 6, 2006.**
3.2	By-Laws of the Company, as amended.	Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K dated February 23, 2007.**
10.1*	CA, Inc. Special Retirement Vesting Benefit Policy.	Filed herewith.
10.2*	CA, Inc. 2003 Compensation Plan for Non-Employee Directors (amended and restated dated December 31, 2010).	Filed herewith.
12.1	Statement of Ratio of Earnings to Fixed Charges.	Filed herewith.
15	Accountants' acknowledgment letter.	Filed herewith.
31.1	Certification of the Principal Executive Officer pursuant to §302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
31.2	Certification of the Principal Financial Officer pursuant to §302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
32	Certification pursuant to §906 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
101	The following financial statements from CA, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2010, formatted in XBRL (eXtensible Business Reporting Language): (i) Unaudited Condensed Consolidated Balance Sheets — December 31, 2010 and March 31, 2010. (ii) Unaudited Condensed Consolidated Statements of Operations — Three and Nine Months Ended December 31, 2010 and 2009. (iii) Unaudited Condensed Consolidated Statements of Cash Flows — Nine Months Ended December 31, 2010 and 2009. (iv) Notes to Unaudited Condensed Consolidated Financial Statements — December 31, 2010.	Furnished herewith.

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* Management contract or compensatory plan or arrangement.

** Incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CA, INC.

By: /s/ William E. McCracken
William E. McCracken
Chief Executive Officer

By: /s/ Nancy E. Cooper
Nancy E. Cooper
Executive Vice President and Chief
Financial Officer

Dated: January 26, 2011

2008 Special Retirement Vesting Benefit Policy

"Incentive Plans" means the CA, Inc. 2002 and 2007 Incentive Plans, as in effect from time to time.

"LTIP Participant" means any member of the CA, Inc. Executive Management Team or any CA, Inc. executive at the level of Senior Vice President or higher.

"Special Retirement" means (1) the attainment of age 60 or (2) the attainment of age 55 with at least 5 years of service with CA, Inc. and its subsidiaries and (3) the LTIP Participant's written election of his or her intention to retire during the next fiscal year in accordance with applicable administrative procedures.

"Special Retirement Vesting" means:

1. With respect to any outstanding one-year performance share award, the restricted shares granted after completion of the one-year Performance Cycle for the award shall vest as follows:

   a. 70% of the shares on the grant date

   b. 20% of the shares on the first anniversary of the grant date,

   c. 10% of the shares on the second anniversary of the grant date.

2. With respect to any outstanding three-year performance share award, the shares granted after completion of the applicable three-year Performance Cycle shall be based on the actual performance achieved over the Performance Cycle for the award, pro-rated based on the portion of the Performance Cycle representing the number of days worked from the beginning of the Performance Cycle through the date of Special Retirement.

Upon the occurrence of the Special Retirement of an LTIP Participant specified on Appendix A, the LTIP Participant shall continue to be eligible to receive Special Retirement Vesting in accordance with the terms as set forth herein on Exhibit A.

The Chief Human Resources Officer and the Chief Executive Officer shall have the authority to administer and interpret the 2008 Special Retirement Vesting Benefit Policy.

2010 Special Retirement Vesting Benefit Policy

“Incentive Plans” means the CA, Inc. 2002 and 2007 Incentive Plans, as in effect from time to time.

“LTIP Participant” means any member of the CA, Inc. Executive Management Team or any CA, Inc. executive at the level of Senior Vice President or higher.

“Special Retirement” means (1) the attainment of age 65 or (2) the attainment of age 60 with at least 10 years of service with CA, Inc. and its subsidiaries and (3) the LTIP Participant‘s written election of his or her intention to retire during the next fiscal year in accordance with applicable administrative procedures.

“Special Retirement Vesting” means:

1. With respect to any outstanding one-year performance share award, the restricted shares granted after completion of the one-year Performance Cycle for the award shall vest as follows, provided the LTIP Participant is employed by CA, Inc. or one of its subsidiaries on the vesting date:

    a. 70% of the shares on the grant date

    b. 20% of the shares on the first anniversary of the grant date,

    c. 10% of the shares on the second anniversary of the grant date.

2. With respect to any outstanding three-year performance share award, the shares granted after completion of the applicable three-year Performance Cycle shall be based on the actual performance achieved over the Performance Cycle for the award, pro-rated based on the portion of the Performance Cycle representing the number of days worked from the beginning of the Performance Cycle through the date of Special Retirement.

Upon the occurrence of the Special Retirement of an LTIP Participant, the LTIP Participant shall be eligible for Special Retirement Vesting.

The Chief Human Resources Officer and the Chief Executive Officer shall have the authority to administer and interpret the 2010 Special Retirement Vesting Benefit Policy.

Exhibit 10.2

CA, INC.

2003 COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

Amended and Restated dated December 31, 2010

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CA, INC.
AMENDED AND RESTATED 2003 COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

ARTICLE I

ESTABLISHMENT AND PURPOSE

1.01 ***Purpose.*** The purposes of the Plan are to attract and retain the services of highly qualified and talented non-employee directors, whose present and future contributions to the welfare, growth and continued business success of the Company will be of benefit to the Company.

1.02 ***Effective Date; Stockholder Approval.*** The Plan is effective as of the date of the Company's 2003 Annual Meeting of Stockholders, subject to the approval by a vote at such Annual Meeting, or any adjournment of such meeting, of the holders of at least a majority of the Shares of the Company, present in person or by proxy and entitled to vote at such meeting. If such approval is not obtained, the Plan shall have no effect.

ARTICLE II

DEFINITIONS

For purposes of the Plan, the following terms shall have the following meanings, unless another definition is clearly indicated by particular usage and context:

2.01 ***"Annual Meeting"*** means the Annual Meeting of Stockholders of the Company, as specified in the Company's By-Laws.

2.02 ***"Board"*** means the board of directors of the Company.

2.03 ***"Change in Control"*** means the happening of any of the following events:

(a) an acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"))(a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of either (i) the then-outstanding Shares (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); excluding, however, the following: (i) any acquisition directly from the Company, other than an acquisition by virtue of the exercise of a conversion privilege unless the security being so converted was itself directly acquired from the Company, (ii) any acquisition by the Company, (iii) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company, or (iv) any acquisition pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2.03; or

(b) a change in the composition of the Board such that the individuals who, as of the effective date of the Plan, constitute the Board (such individuals shall be hereinafter collectively referred to as the "Incumbent Board") cease for any reason to constitute a majority of the Board; provided, however, for purposes of this Section 2.03, that any individual who becomes a member of the Board subsequent to the effective date of the Plan, whose election, or nomination for election by the Company's shareholders, was approved by a majority of the individuals who comprise the Incumbent Board and who are also members of the Board, shall be considered as though such individual was a member of the Incumbent

Board; but, provided further, that any such individual whose initial assumption of office occurs as a result of any actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be considered a member of the Incumbent Board; or

(c) consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company ("Corporate Transaction"); excluding, however, a Corporate Transaction pursuant to which (i) all or substantially all of the individuals and entities who are beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as the result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Corporate Transaction) will beneficially own, directly or indirectly, 25% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors, except to the extent that such ownership existed prior to the Corporate Transaction, and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(d) the approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

2.04 *"Code"* means the Internal Revenue Code of 1986, as amended.

2.05 *"Committee"* means the Corporate Governance Committee of the Board, any successor committee or subcommittee of the Board, or any other committee of the Board authorized or instructed by the Board to administer the Plan.

2.06 *"Company"* means CA, Inc.

2.07 *"Deferred Stock Compensation Account" or "Account"* means the bookkeeping account maintained by the Company to track Stock Deferrals in accordance with Section 4.03. A separate Deferred Stock Compensation Account shall be maintained for each Eligible Director.

2.08 *"Director Fees"* means an Eligible Director's fees payable for services as a member of the Board and as a member of any committee thereof.

2.09 *"Director Service Year"* Beginning on the date of the 2010 Annual Meeting, "Director Service Year" shall coincide with the calendar year and starting on January 1, 2011 shall mean, with respect to an Eligible Director, the period beginning on the later of (i) January 1st or (ii) the date such Eligible Director is first deemed to be a member of the Board (as determined in accordance with Section 2.11) and ending on the earlier of (x) December 31st of the same calendar year or (y) the date the Eligible Director ceases to be an Eligible Director for any reason. For the period of time following the 2010 Annual Meeting through December 31, 2010, "Director Service Year" shall mean, with respect to an Eligible Director, the period beginning on the later of (i) the date of the 2010 Annual Meeting or (ii) the date such Eligible Director is first deemed to be a member of the Board (as determined in accordance with Section 2.11) and ending on the earlier of (x) December 31, 2010 or (y) the date the Eligible Director ceases to be an Eligible Director for any reason. For purposes of the Plan, a Director Service Year in respect of an Eligible Director may be less than one year.

2.10 ***"Disabled" or "Disability"*** means permanently and totally disabled within the meaning of Section 22(e) of the Code.

2.11 ***"Eligible Director"*** means any member of the Board, elected or appointed, who (i) is not an employee of the Company or a Related Company, (ii) is not a party to a separately compensated consulting arrangement with the Company and (iii) does not hold a paid directorship or paid advisory position with any organization of which another director of the Company is an executive officer. An individual who is elected to the Board at an Annual Meeting shall be deemed to be a member of the Board as of the date of such Annual Meeting. An individual who is appointed to the Board between Annual Meetings shall be deemed to become a member of the Board as of the date of the first meeting of the Board (or any committee thereof to which such individual has been appointed) that occurs on or after the date of such appointment, whether or not the individual participates in such meeting. An individual shall cease to be an Eligible Director on the date his or her Board membership is terminated for any reason, including without limitation, resignation, removal, death or Disability.

2.12 "***Fair Market Value"*** means the closing sales price of a Share as reported on the New York Stock Exchange (or any other reporting system selected by the Committee, in its sole discretion) on the date as of which the determination is being made or, if no sale of Shares is reported on such date, on the next preceding day on which sales of Shares were reported.

2.13 ***"Payment Commencement Date"*** means the first business day of the calendar year following the Director Service Year in which the Eligible Director ceases to be a member of the Board for any reason, including without limitation, resignation, removal, death or Disability, provided that such cessation of Board service must constitute a "separation from service" within the meaning of Section 409A of the Code.

2.14 ***"Plan"*** means the CA, Inc. Amended and Restated 2003 Compensation Plan For Non-Employee Directors, as set forth in this document and as may be amended from time to time.

2.15 ***"Related Company"*** means a consolidated subsidiary of the Company for purposes of reporting in the Company's consolidated financial statements.

2.16 ***"Rights Agreement"*** means the Rights Agreement dated June 18, 1991, as amended from time to time, between the Company and Mellon Investor Services LLC (as successor rights agent to Manufacturers Hanover Trust Company).

2.17 ***"Shares"*** means shares of Common Stock, $.10 par value per share, of the Company.

2.18 ***"Stock Deferral"*** means the deferral of the issuance of Shares by the Company to an Eligible Director in accordance with Section 4.03 of the Plan.

ARTICLE III

ADMINISTRATION

3.01 ***The Committee.*** The Plan shall be administered by the Committee.

3.02 ***Authority of the Committee.*** The Committee shall have authority, in its sole and absolute discretion and subject to the terms of the Plan, to (1) interpret the Plan; (2) prescribe such rules and regulations as it deems necessary for the proper operation and administration of the Plan, and amend or rescind any rules or regulations relating to the Plan; (3) in accordance with Article V, make such adjustments to the Plan (including but not limited to adjustment of the number of Shares available under the Plan, that underlie any Stock Deferral or that are credited to a Deferred Stock Compensation Account) as may be appropriate; and (4) take any and all other action it deems necessary or advisable for the proper operation or administration of the Plan.

3.03 ***Effect of Determinations.*** All determinations of the Committee shall be final, binding and conclusive on all persons having an interest in the Plan.

3.04 ***No Liability; Indemnification.*** No member of the Committee, nor any person acting under the authority of the Committee in respect of the Plan, shall be liable for any losses incurred by any person resulting from any action, interpretation or construction made in good faith with respect to the Plan or any Stock Deferral. The Company shall indemnify, to the full extent permitted by law, each person made or threatened to be made a party to any civil or criminal action or proceeding by reason of the fact that he or she, or his or her testator or intestate, is or was a member of the Committee or is or was acting under the authority of the Committee.

ARTICLE IV

DIRECTOR FEES

4.01 ***Eligibility.*** Each non-employee director of the Company shall be entitled to Director Fees under the Plan in respect of each Director Service Year during which he or she is an Eligible Director.

4.02 ***Director Fees.*** Director Fees payable under the Plan shall be subject to the following terms and conditions:

(a) **Amount of Director Fees.** Subject to Paragraph (d) of this Section 4.02, each Eligible Director's annual Director Fees for a Director Service Year shall initially be set at $150,000; provided, however, that the Board may from time to time, at the recommendation of the Committee, change the amount of Director Fees that will be payable in respect of a Director Service Year; and provided further, however, that the Board may from time to time, at the recommendation of the Committee, authorize the payment of additional fees to the chair of any committee of the Board who is an Eligible Director or to an Eligible Director serving as the lead director.

(b) **Form of Payment.** Except to the extent that an Eligible Director has elected to receive a portion of his or her annual Director Fees in cash pursuant to Section 4.04, Director Fees shall be paid exclusively in Stock Deferrals, in accordance with Section 4.03.

(c) **Timing of Payments.** Unless the Committee determines otherwise, subject to Paragraph (d) of this Section 4.02,

(i) that portion of an Eligible Director's Director Fees for a Director Service Year that are payable in Stock Deferrals shall be credited in arrears to such Eligible Director's Deferred Stock Compensation Account in accordance with Section 4.03 in substantially equal quarterly amounts as of the last business day of each fiscal quarter of the Company that ends within such Director Service Year and

(ii) that portion of an Eligible Director's Director Fees for a Director Service Year that is subject to a cash election made in accordance with Section 4.04 shall be paid in arrears in substantially equal quarterly cash payments as of the last business day of each fiscal quarter of the Company that ends within such Director Service Year, but in no event shall any such cash payments be paid later than two and one-half (2 1/2) months after the end of the calendar year in which the Director Service Year for which such Director Fees were earned.

(d) **Pro-Ration and Adjustment for Short Director Service Years.** In the event that a Director Service Year of an Eligible Director is less than 12 months, the amount of Director Fees payable to such Eligible Director in respect of such Director Service Year (and the number, amount and timing of quarterly payments of such Director Fees) shall be subject to pro-ration and adjustment in such manner as the Committee, in its discretion, deems appropriate to reflect such short Director Service Year.

(e) **Reports to Eligible Directors.** As soon as practical after the close of each fiscal quarter of the Company, the Company shall provide to each Eligible Director a report containing such information regarding his or her Deferred Stock Compensation Account, and changes therein during such quarter, as the Committee deems appropriate.

4.03 ***Stock Deferrals.*** Stock Deferrals credited under the Plan shall be subject to the following terms and conditions:

(a) **General.** On each day that Stock Deferrals are scheduled to be credited in accordance with Paragraph (c) of Section 4.02, the Company shall credit each Eligible Director's Deferred Stock Compensation Account with a Stock Deferral of a number of Shares (including fractional Shares) equal to (x) the dollar amount of Director Fees payable as Stock Deferrals on such date to the Eligible Director pursuant to Section 4.02 divided by (y) the Fair Market Value of a Share on such date.

(b) **Dividends on Deferred Shares.** If a dividend or distribution is paid on Shares in cash or property other than Shares, then, unless the Committee determines otherwise, each Eligible Director shall, on the date of payment of the dividend or distribution to the holders of Shares, be paid in cash an amount equal to (x) the number of Shares in respect of Stock Deferrals that have been credited to such Eligible Director's Deferred Stock Compensation Account as of the date fixed for determining the stockholders entitled to receive the dividend or distribution multiplied by (y) the amount of the dividend or distribution paid per Share. If the dividend or distribution is paid in property, the amount of the dividend or distribution for purposes of the foregoing calculation shall be the fair market value of the property on the date on which such dividend or distribution is paid. Amounts remaining in an Eligible Director's Deferred Stock Compensation Account pending completion of installment payments elected pursuant to Paragraph (d) of this Section 4.03 shall continue to be subject to this Paragraph (b) until such Deferred Stock Compensation Account is fully distributed.

(c) **Payment of Stock Deferrals.** Subject to Paragraph (d) of this Section 4.03, Shares in respect of Stock Deferrals credited to a Deferred Stock Compensation Account shall be issued in one lump-sum on the Payment Commencement Date, but in no event shall any such Shares be issued later than two and one-half (2 1/2) months after the end of the calendar year in which the Payment Commencement Date occurs.

(d) **Election to Receive Installment Payments.** Election to Receive Installment Payments. An Eligible Director may elect, on a form and manner prescribed by the Committee, to be issued Shares in respect of his or her Stock Deferrals in annual installments rather than a lump sum, provided, however, that (i) such election is made and received by the Committee prior to December 31 of the year preceding the Director Service Year to which such Stock Deferrals pertain, and (ii) the payment period for the installment payments does not exceed ten (10) years following the Payment Commencement Date.

(e) **Hardship Withdrawals.** Upon the request of an Eligible Director, if the Committee determines that the Eligible Director is confronted with an unforeseeable emergency, the Committee may, in its sole and absolute discretion, permit the issuance of Shares in respect of Stock Deferrals credited to a Deferred Stock Compensation Account prior to the Payment Commencement Date or, in the case of installment payments elected pursuant to Paragraph (d) of this Section 4.03, after the Payment Commencement Date but prior to the complete payment of the Eligible Director's Deferred Stock Compensation Account balance. For this purpose, an unforeseeable emergency is an unanticipated emergency caused by an event that is beyond the control of the Eligible Director, and that would result in severe financial hardship to the Eligible Director resulting from an illness or accident of the Eligible Director, the Eligible Director's spouse, the Eligible Director's beneficiary, or the Eligible Director's dependent (as defined in Section 152 of the Code, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B) of the Code); loss of the Eligible Director's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, not as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the service provider. In addition, the need to pay for medical expenses, including nonrefundable deductibles, as well as for the costs of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse, a beneficiary, or a dependent (as defined in Section 152 of the Code, without regard to section 152(b)(1), (b)(2), and (d)(1)(B)) of the Code may also constitute an unforeseeable emergency. The Eligible Director shall provide to the Committee such evidence as the Committee, in its discretion, may require to demonstrate that such emergency exists and financial hardship would occur if the withdrawal were not permitted. The withdrawal shall be limited to the number of Shares necessary to meet the unforeseen financial hardship if the Eligible Director has an unexpected need for cash to pay for expenses incurred by him or her or a member of his or her immediate family (spouse and/or natural or adopted children), such as those arising from illness, casualty loss or death. Cash needs arising from foreseeable events, such as the purchase or building of a house or education expenses, will not be considered to be the result of an unforeseen financial emergency.

The Shares subject to the hardship withdrawal shall be issued as soon as practicable after the Board approves the payment and determines the number of Shares that shall be withdrawn in a single lump sum from the Eligible Director's Deferred Stock Compensation Account. An Eligible Director shall not participate in any decision of the Board regarding such Eligible Director's request for a hardship withdrawal under this Section 4.03(e).

4.04 ***Election to Receive Cash in Lieu of Stock Deferrals.*** In lieu of Stock Deferrals, an Eligible Director may elect to receive up to a maximum 50% of each quarterly payment of his or her Director Fees payable in respect of a Director Service Year in cash, provided however, that starting with elections made for Director Service Years beginning on or after January 1, 2011, the Committee may determine that such maximum cash percentage shall be less than 50%. If no cash election is in force for an Eligible Director in respect of a Director Service Year, payment of Director Fees to such Eligible Director for such Director Service Year shall be made exclusively in Stock Deferrals in accordance with Section 4.02. Cash elections under the Plan shall be subject to the following terms and conditions:

(a) **Form and Manner of Cash Elections.** Elections to receive cash payments in lieu of Stock Deferrals shall be made on the form and in the manner prescribed by the Committee for this purpose.

(b) **Timing of Cash Elections.** Except as provided in the following sentence, cash elections in respect of a Director Service Year must be made and received by the Company prior to December 31 of the year immediately preceding the first day of such Director Service Year. Notwithstanding the foregoing, a cash election in respect of either the Director Service Year beginning on the effective date of the Plan or, if later, an Eligible Director's first Director Service Year under the Plan, must be made and received by the Company within 30 days after the start of such Director Service Year. Elections made after the election deadline for a Director Service Year shall be void as to that Director Service Year. Cash elections in respect of a Director Service Year may not be revoked or modified on or after the election deadline for such Director Service Year.

(c) **Subsequent Elections.** An Eligible Director's cash election in respect of a Director Service Year shall remain in full force and effect as to the next succeeding Director Service Year, and all subsequent Director Service Years, unless the Eligible Director submits, prior to December 31 of the year immediately preceding the first day of any such subsequent Director Service Year, a new election revoking or modifying the Eligible Director's existing cash election. For the avoidance of doubt, subsequent elections shall only be applied on a prospective basis and shall not modify or revoke any elections made with respect to a current or prior Director Service Year.

(d) **Timing of Cash Payments.** Cash payments pursuant to this Section 4.04 shall be made in accordance with Paragraph (c) of Section 4.02.

ARTICLE V

SHARES SUBJECT TO THE PLAN; ADJUSTMENTS

5.01 S***hares Available.*** The Shares issuable under the Plan shall be authorized but unissued Shares or Shares held in the Company's treasury. Subject to adjustment in accordance with Section 5.03, the total number of Shares that may be issued under the Plan may equal but shall not exceed in the aggregate 200,000 Shares. Moreover, any Shares that have been approved by Company shareholders for issuance under the Company's 2002 Compensation Plan For Non-Employee Directors (the "2002 Plan"), but which have not been awarded under such 2002 Plan (or have been awarded, but will not be issued due to expiration, forfeiture, cancellation, settlement in cash in lieu of Shares or otherwise) and which are no longer available for issuance under such 2002 Plan for any reason (including, without limitation, the termination of such 2002 Plan) shall be available for issuance under this Plan in addition to the 200,000 Shares reserved hereunder.

5.02 ***Adjustments.*** In the event of a change in the outstanding Shares by reason of any stock split, reverse stock split, dividend or other distribution (whether in the form of cash, Shares, other securities or other property), extraordinary cash dividend, recapitalization, merger, consolidation, split-up, spin-off, reorganization, combination, repurchase or exchange of Shares or other securities, the exercisability of stock purchase rights received under the Rights Agreement, the issuance of warrants or other rights to purchase Shares or other securities, or other similar corporate transaction or event, if the Committee shall determine, in its sole discretion, that, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, such transaction or event equitably requires an adjustment in the number or kind of Shares that may be issued under the Plan, or in the number or kind of Shares underlying a Stock Deferral or credited to a Deferred Stock Compensation Account, such adjustment shall be made by the Committee and shall be conclusive and binding for all purposes under the Plan.

5.03 ***Consolidation; Merger or Sale of Assets.*** Upon the occurrence of (i) a merger, consolidation, acquisition of property or stock, reorganization or otherwise involving the Company in which the Company is not to be the surviving corporation, (ii) a merger, consolidation, acquisition of property or stock, reorganization or otherwise involving the Company in which the Company is the surviving corporation but holders of Shares receive securities of another corporation, or (iii) a sale of all or substantially all of the Company's assets (as an entirety) or capital stock to another person, any Stock Deferral credited hereunder shall be deemed to apply to the securities, cash or other property (subject to adjustment by cash payment in lieu of fractional interests) to which a holder of the number of Shares equal to the number of Shares the Eligible Director would have been entitled, and proper provisions shall be made to ensure that this clause is a condition to any such transaction.

5.04 ***Fractional Shares.*** No fractional Shares shall be issued under the Plan. In the event that an Eligible Director acquires the right to receive a fractional Share under the Plan, such Eligible Director shall receive, in lieu of such fractional Share, cash equal to the Fair Market Value of the fractional Share as of the date of settlement.

ARTICLE VI

AMENDMENT AND TERMINATION

6.01 ***Amendment.*** The Plan may be amended at any time and from time to time by the Board without the approval of shareholders of the Company, except that no amendment that increases the aggregate number of Shares that may be issued pursuant to the Plan or materially modifies the eligibility requirements for participation in the Plan shall be effective unless and until the same is approved by the shareholders of the Company. No amendment of the Plan shall adversely affect any right of any Eligible Director with respect to any Stock Deferral theretofore credited to the Eligible Director's Deferred Stock Compensation Account without such Eligible Director's written consent. For purposes of the preceding sentence, an amendment that accelerates the time period within which any installment payments elected pursuant to Section 4.03(d) shall be paid shall not be considered an amendment that adversely affects a right of such Eligible Director with respect to any Stock Deferral.

6.02 ***Termination.*** The Plan shall terminate upon the earlier of the following dates or events to occur:

(a) the adoption of a resolution of the Board terminating the Plan; or

(b) the 10-year anniversary of the date of the Company's 2003 Annual Meeting. No Director Fees shall be paid and no Stock Deferrals shall be credited to any Deferred Stock Compensation Accounts under this Plan after it has been terminated. However, the termination of the Plan shall not alter or impair any of the rights or obligations of any person, without such person's consent, under any Deferred Stock Compensation Account under the Plan; except, however, that the Board, in its sole discretion, may, at any time after the termination of the Plan and without the consent of the affected individuals, accelerate the time period within which any installment payments elected pursuant to Section 4.03(d) shall be paid, or determine that the remaining balance of Deferred Stock Compensation Accounts under the Plan shall be paid in one lump sum on such date as the Board shall determine. Subject to the preceding sentence, any existing Stock Deferrals shall remain in effect and shall continue to be governed by the terms of the Plan after the Plan is terminated.

ARTICLE VII

GENERAL PROVISIONS

7.01 ***Nontransferability of Awards.*** The rights to receive Shares hereunder shall not be subject in any manner to alienation, anticipation, sale, assignment, pledge, encumbrance or transfer, other than by will or by the laws of descent or distribution, by an Eligible Director, and no other persons shall otherwise acquire any rights therein. Nothing in the preceding sentence, however, shall bar the payment of all or a portion of an Eligible Director's Director Fees or Deferred Stock Compensation Account balance to such Eligible Director's spouse pursuant to a qualified domestic relations order as defined by Section 414(p) of the Code.

7.02 ***No Implied Rights.*** Neither the establishment and subsequent operation of the Plan, nor the payment of Director Fees, nor the crediting of Stock Deferrals to a Deferred Stock Compensation Account, nor any other action taken pursuant to the Plan, shall constitute or be evidence of any agreement or understanding, express or implied, that an individual has a right to continue as a Director for any period of time or at any particular rate of compensation.

7.03 ***No Rights as Stockholders.*** Neither the recipient of a Stock Deferral under the Plan nor such person's successor(s) in interest shall have any rights as a stockholder of the Company with respect to any Shares underlying such Stock Deferral unless and until such time as certificates for the Shares are registered in such person's name.

7.04 ***Nature of Payments.*** All Director Fees payable pursuant to the Plan are in consideration of services rendered for the Company as member of the Board.

7.05 ***Nature of Deferred Stock Compensation Accounts.*** Deferred Stock Compensation Accounts established and maintained under the Plan, and all credits and adjustments to such Accounts, shall be bookkeeping entries only and reflect a mere unfunded and unsecured promise by the Company to issue Shares in the future. No Shares or other assets or funds of the Company shall be removed from the claims of the Company's general or judgment creditors or otherwise be made available until Shares are actually issued to Eligible Directors or their heirs as provided herein. The Eligible Directors and their heirs shall have the status of, and their rights to be issued Shares in settlement of amounts credited to their Deferred Stock Compensation Accounts shall be no greater than the rights of, general unsecured creditors of the Company. The Company may, however, in its discretion, set aside funds in a trust or other vehicle, subject to the claims of its creditors, in order to assist it in meeting its obligations under the Plan, if such arrangement will not cause the Plan to be considered a funded deferred compensation plan under the Code.

7.06 ***Securities Law Compliance.*** The obligation of the Company to issue Shares under the Plan shall be subject to (i) the effectiveness of a registration statement under the Securities Act of 1933, as amended, with respect to such Shares, if deemed necessary or appropriate by counsel to the Company, (ii) the condition that the Shares shall have been be listed (or authorized for listing upon official notice of issuance) upon each stock exchange, if any, upon which Shares may then be listed, and (iii) all other applicable laws, regulations, rules and orders which may then be in effect.

Stock Deferrals under the Plan are intended to satisfy the requirements of Rule 16b-3 under the Securities Exchange Act of 1934. If any provision of this Plan or of any grant of a Stock Option would otherwise frustrate or conflict with such intent, that provision shall be interpreted and deemed amended so as to avoid such conflict.

7.07 ***Section 409A of the Code*** To the extent an Eligible Director would otherwise be entitled to any payment that, under this Plan, constitutes "deferred compensation" subject to Section 409A of the Code, such payments shall be paid or provided to an Eligible Director only upon a "separation from service" as defined in Treasury Regulation §1.409A-1(h). Notwithstanding anything to the contrary in the Plan or elsewhere, any payment or benefit under this Plan that is exempt from Section 409A of the Code pursuant to Treasury Regulation §1.409A-1(b)(9)(v)(A) or (C) shall be paid or provided to the Eligible Director only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of the Eligible Director's second taxable year following the taxable year in which the "separation from service" occurs; and provided further that such expenses are reimbursed no later than the last day of the third taxable year following the taxable year in which an Eligible Director's "separation from service" occurs. Except as otherwise expressly provided herein, to the extent any expense reimbursement or the provision of any in-kind benefit under this Plan is determined to be subject to Section 409A of the Code, the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the expenses eligible for reimbursement in any other taxable year (except for any life-time or other aggregate limitation applicable to medical expenses), in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which an Eligible Director incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit. The Plan will be interpreted and administered in a manner consistent with Section 409A of the Code.

7.08 ***Governing Law; Severability.*** The Plan and all determinations made and actions taken thereunder shall be governed by the internal substantive laws, and not the choice of law rules, of the State of New York and construed accordingly, to the extent not superseded by applicable federal law. If any provision of the Plan shall be held unlawful or otherwise invalid or unenforceable in whole or in part, the unlawfulness, invalidity or unenforceability shall not affect any other provision of the Plan or part thereof, each of which shall remain in full force and effect.

Exhibit 12.1

CA, Inc.

STATEMENT OF RATIOS OF EARNINGS TO FIXED CHARGES

(in millions, except ratios)

	Years Ended March 31, 2006	2007	2008	2009	2010	Nine Months Ended December 31, 2010
Earnings available for fixed charges:						
Earnings from continuing operations before income taxes, minority interest and discontinued operations	$ 98	$ 130	$ 775	$1,065	$1,171	$ 934
Add: Fixed charges	192	229	248	191	162	80
Less: Minority interest in pre-tax loss of subsidiaries that have not incurred fixed charges	1	—	—	—	—	—
Total earnings available for fixed charges	$ 291	$ 359	$1,023	$1,256	$1,333	$1,014
Fixed charges:						
Interest expense(1)	$ 122	$ 153	$ 169	$ 130	$ 102	$ 52
Interest portion of rental expense	70	76	79	61	60	28
Total fixed charges	$ 192	$ 229	$ 248	$ 191	$ 162	$ 80
RATIOS OF EARNINGS TO FIXED CHARGES	1.52	1.57	4.13	6.58	8.23	12.68
Deficiency of earnings to fixed charges	n/a	n/a	n/a	n/a	n/a	n/a

(1) Includes amortization of discount related to indebtedness

Exhibit 15

January 26, 2011
CA, Inc.
One CA Plaza
Islandia, New York 11749

Re: Registration Statement No. 333-151619 on Form S-3 and Registration Statement Nos. 333-146173, 333-120849, 333-108665, 333-100896, 333-88916, 333-32942, 333-31284, 333-83147, 333-80883, 333-79727, 333-62055, 333-19071, 333-04801, 333-127602, 333-127601, 333-126273, 33-64377, 33-53915, 33-53572, 33-34607, 33-18322, 33-20797, 2-92355, 2-87495 and 2-79751 on Form S-8.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated January 26, 2011 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/KPMG LLP

New York, New York

Exhibit 31.1

CEO CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William E. McCracken, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CA, Inc. for its most recent fiscal quarter;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 26, 2011

/s/ William E. McCracken
William E. McCracken
Chief Executive Officer
CA, Inc.

Exhibit 31.2

CFO CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Nancy E. Cooper, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CA, Inc. for its most recent fiscal quarter;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 26, 2011

/s/Nancy E. Cooper
Nancy E. Cooper
Executive Vice President and Chief Financial Officer
CA, Inc.

Exhibit 32

**CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

In connection with the Quarterly Report on Form 10-Q of CA, Inc., a Delaware corporation (the "Company"), for the fiscal quarter ended December 31, 2010 as filed with the Securities and Exchange Commission (the "Report"), each of William E. McCracken, Chief Executive Officer of the Company, and Nancy E. Cooper, Executive Vice President and Chief Financial Officer of the Company, hereby certifies, pursuant to §906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. §1350), that to his or her knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William E. McCracken
William E. McCracken
Chief Executive Officer
January 26, 2011

/s/Nancy E. Cooper
Nancy E. Cooper
Executive Vice President and Chief Financial Officer
January 26, 2011

The foregoing certification will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liability of that Section. The foregoing certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates it by reference.