

**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 June 30, 2014

or

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

For the transition period from _____ to _____

Commission File Number 1-9247

CA, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

**520 Madison Avenue,
New York, New York**

(Address of principal executive offices)

13-2857434

(I.R.S. Employer
Identification Number)

10022

(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

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

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

Non-accelerated filer

(Do not check if a smaller reporting company)

Smaller reporting company

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

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
Common Stock
par value \$0.10 per share

Shares Outstanding
as of July 17, 2014
445,060,827

CA, INC. AND SUBSIDIARIES

INDEX

	<u>Page</u>
PART I. Financial Information	
Report of Independent Registered Public Accounting Firm	1
Item 1. Unaudited Condensed Consolidated Financial Statements	2
Condensed Consolidated Balance Sheets – June 30, 2014 and March 31, 2014	2
Condensed Consolidated Statements of Operations – Three Months Ended June 30, 2014 and 2013	3
Condensed Consolidated Statements of Comprehensive Income – Three Months Ended June 30, 2014 and 2013	4
Condensed Consolidated Statements of Cash Flows – Three Months Ended June 30, 2014 and 2013	5
Notes to the Condensed Consolidated Financial Statements	6
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	20
Overview	21
Executive Summary	22
Quarterly Update	23
Performance Indicators	24
Results of Operations	26
Liquidity and Capital Resources	32
Critical Accounting Policies and Business Practices	37
Item 3. Quantitative and Qualitative Disclosures About Market Risk	37
Item 4. Controls and Procedures	37
PART II. Other Information	37
Item 1. Legal Proceedings	37
Item 1A. Risk Factors	37
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	38
Item 3. Defaults Upon Senior Securities	38
Item 4. Mine Safety Disclosures	38
Item 5. Other Information	38
Item 6. Exhibits	39
Signatures	40

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 June 30, 2014, and the related condensed consolidated statements of operations, comprehensive income, and cash flows for the three-month periods ended June 30, 2014 and 2013. 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, 2014, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated May 19, 2014, 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, 2014, 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

July 24, 2014

Item 1.

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

	June 30, 2014	March 31, 2014
	<i>(unaudited)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,255	\$ 3,252
Trade accounts receivable, net	553	800
Deferred income taxes	336	315
Other current assets	154	192
Total current assets	\$ 4,298	\$ 4,559
Property and equipment, net of accumulated depreciation of \$847 and \$828, respectively	\$ 291	\$ 295
Goodwill	5,922	5,922
Capitalized software and other intangible assets, net	978	1,063
Deferred income taxes	58	59
Other noncurrent assets, net	119	118
Total assets	\$ 11,666	\$ 12,016
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of long-term debt	\$ 515	\$ 514
Accounts payable	115	129
Accrued salaries, wages and commissions	179	275
Accrued expenses and other current liabilities	473	510
Deferred revenue (billed or collected)	2,205	2,419
Taxes payable, other than income taxes payable	42	66
Federal, state and foreign income taxes payable	26	—
Deferred income taxes	7	9
Total current liabilities	\$ 3,562	\$ 3,922
Long-term debt, net of current portion	\$ 1,254	\$ 1,252
Federal, state and foreign income taxes payable	185	182
Deferred income taxes	67	67
Deferred revenue (billed or collected)	805	872
Other noncurrent liabilities	125	151
Total liabilities	\$ 5,998	\$ 6,446
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; 440,239,855 and 438,740,478 shares outstanding, respectively	59	59
Additional paid-in capital	3,566	3,610
Retained earnings	5,924	5,818
Accumulated other comprehensive loss	(161)	(171)
Treasury stock, at cost, 149,455,226 and 150,954,603 shares, respectively	(3,720)	(3,746)
Total stockholders' equity	\$ 5,668	\$ 5,570
Total liabilities and stockholders' equity	\$ 11,666	\$ 12,016

See accompanying Notes to the Condensed Consolidated Financial Statements

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

	For the Three Months Ended June 30,	
	2014	2013
Revenue:		
Subscription and maintenance	\$ 909	\$ 922
Professional services	87	98
Software fees and other	73	75
Total revenue	\$ 1,069	\$ 1,095
Expenses:		
Costs of licensing and maintenance	\$ 72	\$ 68
Cost of professional services	81	88
Amortization of capitalized software costs	67	66
Selling and marketing	246	269
General and administrative	92	91
Product development and enhancements	150	132
Depreciation and amortization of other intangible assets	34	36
Other expenses, net	14	126
Total expenses before interest and income taxes	\$ 756	\$ 876
Income from continuing operations before interest and income taxes	\$ 313	\$ 219
Interest expense, net	14	11
Income from continuing operations before income taxes	\$ 299	\$ 208
Income tax expense (benefit)	87	(122)
Income from continuing operations	\$ 212	\$ 330
Income from discontinued operations, net of income taxes	5	5
Net income	\$ 217	\$ 335
Basic income per common share:		
Income from continuing operations	\$ 0.48	\$ 0.72
Income from discontinued operations	0.01	0.01
Net income	\$ 0.49	\$ 0.73
Basic weighted average shares used in computation	440	450
Diluted income per common share:		
Income from continuing operations	\$ 0.48	\$ 0.72
Income from discontinued operations	0.01	0.01
Net income	\$ 0.49	\$ 0.73
Diluted weighted average shares used in computation	441	451

See accompanying Notes to the Condensed Consolidated Financial Statements

CA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)
(in millions)

	For the Three Months Ended June 30,	
	2014	2013
Net income	\$ 217	\$ 335
Other comprehensive gain (loss):		
Foreign currency translation adjustments	10	(43)
Total other comprehensive gain (loss)	\$ 10	\$ (43)
Comprehensive income	<u>\$ 227</u>	<u>\$ 292</u>

See accompanying Notes to the Condensed Consolidated Financial Statements

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

	For the Three Months Ended June 30,	
	2014	2013
Operating activities from continuing operations:		
Net income	\$ 217	\$ 335
Income from discontinued operations	(5)	(5)
Income from continuing operations	\$ 212	\$ 330
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	101	102
Deferred income taxes	(20)	(48)
Provision for bad debts	(1)	2
Share-based compensation expense	20	20
Asset impairments and other non-cash items	1	2
Foreign currency transaction gains	—	(1)
Changes in other operating assets and liabilities, net of effect of acquisitions:		
Decrease in trade accounts receivable	251	316
Decrease in deferred revenue	(285)	(317)
Increase (decrease) in taxes payable, net	17	(338)
(Decrease) increase in accounts payable, accrued expenses and other	(30)	8
Decrease in accrued salaries, wages and commissions	(97)	(38)
Changes in other operating assets and liabilities	(3)	(35)
Net cash provided by operating activities - continuing operations	\$ 166	\$ 3
Investing activities from continuing operations:		
Acquisitions of businesses, net of cash acquired, and purchased software	\$ (11)	\$ (122)
Purchases of property and equipment	(21)	(13)
Capitalized software development costs	—	(25)
Maturities of short-term investments	—	184
Net cash (used in) provided by investing activities - continuing operations	\$ (32)	\$ 24
Financing activities from continuing operations:		
Dividends paid	\$ (111)	\$ (114)
Purchases of common stock	(50)	(49)
Notional pooling borrowings	1,334	725
Notional pooling repayments	(1,323)	(723)
Debt repayments	(2)	(4)
Debt issuance costs	—	(1)
Exercise of common stock options and other	12	28
Net cash used in financing activities - continuing operations	\$ (140)	\$ (138)
Effect of exchange rate changes on cash	\$ 1	\$ (29)
Net change in cash and cash equivalents - continuing operations	\$ (5)	\$ (140)
Cash provided by operating activities - discontinued operations	\$ 8	\$ 8
Net effect of discontinued operations on cash and cash equivalents	\$ 8	\$ 8
Increase (decrease) in cash and cash equivalents	\$ 3	\$ (132)
Cash and cash equivalents at beginning of period	\$ 3,252	\$ 2,593
Cash and cash equivalents at end of period	\$ 3,255	\$ 2,461

See accompanying Notes to the Condensed Consolidated Financial Statements

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

NOTE A – ACCOUNTING POLICIES

Basis of Presentation: The accompanying unaudited Condensed Consolidated Financial Statements of CA, Inc. (Company) have been prepared in accordance with U.S. generally accepted accounting principles (GAAP), as defined in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 270, for interim financial information and with the instructions to Rule 10-01 of Securities and Exchange Commission 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, 2014 (2014 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 months ended June 30, 2014 are not necessarily indicative of the results that may be expected for the fiscal year ending March 31, 2015.

Divestitures: In the first quarter of fiscal year 2015, the Company entered into a definitive agreement to divest its CA arcsolve data protection solution assets (arcsolve). In the fourth quarter of fiscal year 2014, the Company entered into a definitive agreement to divest its CA ERwin Data Modeling solution assets (ERwin). The results of operations associated with these businesses have been presented as discontinued operations in the accompanying Condensed Consolidated Statements of Operations and Condensed Consolidated Statement of Cash Flows for the three months ended June 30, 2014 and 2013. The effects of the discontinued operations were immaterial to the Company's Condensed Consolidated Balance Sheets at June 30, 2014 and March 31, 2014. See Note B, "Divestitures," for additional information.

Cash and Cash Equivalents: The Company's cash and cash equivalents are held in numerous locations throughout the world, with approximately 67% being held by the Company's foreign subsidiaries outside the United States at June 30, 2014.

Fair Value Measurements: Fair value is the price that would be received for an asset or the amount paid to transfer a liability in an orderly transaction between market participants. The Company is required to classify certain assets and liabilities based on the following fair value hierarchy:

- Level 1: Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2: Quoted prices for identical assets and liabilities in markets that are not active, or quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly; and
- Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

See Note H, "Fair Value Measurements," 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. See Note F, "Deferred Revenue," for additional information.

New Accounting Pronouncements: In May 2014, the FASB issued Accounting Standards Update No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for annual and interim periods in fiscal years beginning after December 15, 2016. Early application is not permitted. ASU 2014-09 is effective for the Company in its first quarter of fiscal year 2018 using either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU 2014-09 will have on its consolidated financial statements and related disclosures. ASU 2014-09 is expected to have a significant impact on the Company's revenue recognition policies and disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

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

NOTE B – DIVESTITURES

In the first quarter of fiscal year 2015, the Company entered into a definitive agreement to divest arcserve. In the fourth quarter of fiscal year 2014, the Company entered into a definitive agreement to divest ERwin. The Company currently expects to close the sale of each of arcserve and ERwin during fiscal year 2015. The sale of each of arcserve and ERwin results from an effort to rationalize the Company's product portfolio within the Enterprise Solutions segment.

The income from operations of discontinued components for the three months ended June 30, 2014 and 2013 consisted of the following:

<i>(in millions)</i>	Three Months Ended June 30,	
	2014	2013
Subscription and maintenance	\$ 21	\$ 22
Software fees and other	10	11
Total revenue	\$ 31	\$ 33
Income from operations of discontinued components, net of tax expense of \$4 million and \$4 million, respectively	\$ 5	\$ 5

NOTE C – SEVERANCE AND EXIT COSTS

Fiscal Year 2014 Rebalancing Plan: In fiscal year 2014, the Company's Board of Directors approved and committed to a rebalancing plan (Fiscal 2014 Plan) to better align its business priorities. This included a termination of approximately 1,800 employees and global facility consolidations. Costs associated with the Fiscal 2014 Plan are presented in "Other expenses, net" in the Company's Condensed Consolidated Statement of Operations. The total amount incurred to date for severance and facility exit costs under the Fiscal 2014 Plan is approximately \$158 million and \$22 million, respectively. The Company expects total costs of the Fiscal 2014 Plan to be approximately \$190 million (including severance costs of approximately \$168 million and global facility exit costs of approximately \$22 million). Severance and facility consolidation actions under the Fiscal 2014 Plan were substantially completed by the end of fiscal year 2014.

Accrued severance and exit costs and changes in the accruals during the three months ended June 30, 2014 and 2013 were as follows:

<i>(in millions)</i>	Accrued Balance at March 31, 2014	Expense	Change in Estimate	Payments	Accretion and Other	Accrued Balance at June 30, 2014
Severance charges	\$ 55	\$ 8	\$ 1	\$ (28)	\$ (3)	\$ 33
Facility exit charges	29	—	—	(2)	(2)	25
Total accrued liabilities	\$ 84					\$ 58

<i>(in millions)</i>	Accrued Balance at March 31, 2013	Expense	Change in Estimate	Payments	Accretion and Other	Accrued Balance at June 30, 2013
Severance charges	\$ 16	\$ 103	\$ (1)	\$ (28)	\$ 3	\$ 93
Facility exit charges	23	17	—	(4)	(3)	33
Total accrued liabilities	\$ 39					\$ 126

Balances at June 30, 2014 and 2013 include facility exit accruals of approximately \$12 million and \$16 million, respectively, for plans and actions prior to fiscal year 2014. Balance at June 30, 2013 included a severance accrual of approximately \$10 million for plans and actions prior to fiscal year 2014.

The severance liabilities are included in "Accrued salaries, wages and commissions" in the Condensed Consolidated Balance Sheets. The facility exit liabilities are included in "Accrued expenses and other current liabilities" and "Other noncurrent liabilities" in the Condensed Consolidated Balance Sheets.

Accretion and other includes accretion of the Company's lease obligations related to facility exits as well as changes in the assumptions related to future sublease income. These costs are included in "General and administrative" expense in the Condensed Consolidated Statements of Operations.

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

NOTE D – TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable, net represents amounts due from the Company’s customers and is presented net of allowances. These balances include revenue recognized in advance of customer billings but do not include unbilled contractual commitments executed under license agreements. The components of “Trade accounts receivable, net” were as follows:

	June 30, 2014	March 31, 2014
	<i>(in millions)</i>	
Accounts receivable – billed	\$ 512	\$ 739
Accounts receivable – unbilled	51	61
Other receivables	8	19
Less: Allowances	(18)	(19)
Trade accounts receivable, net	\$ 553	\$ 800

NOTE E – GOODWILL, CAPITALIZED SOFTWARE AND OTHER INTANGIBLE ASSETS

The gross carrying amounts and accumulated amortization for capitalized software and other intangible assets at June 30, 2014 were as follows:

	At June 30, 2014				
	Gross Amortizable Assets	Less: Fully Amortized Assets	Remaining Amortizable Assets	Accumulated Amortization on Remaining Amortizable Assets	Net Assets
	<i>(in millions)</i>				
Purchased software products	\$ 5,706	\$ 4,849	\$ 857	\$ 337	\$ 520
Internally developed software products	1,561	771	790	425	365
Other intangible assets	846	490	356	263	93
Total capitalized software and other intangible assets	\$ 8,113	\$ 6,110	\$ 2,003	\$ 1,025	\$ 978

The gross carrying amounts and accumulated amortization for capitalized software and other intangible assets at March 31, 2014 were as follows:

	At March 31, 2014				
	Gross Amortizable Assets	Less: Fully Amortized Assets	Remaining Amortizable Assets	Accumulated Amortization on Remaining Amortizable Assets	Net Assets
	<i>(in millions)</i>				
Purchased software products	\$ 5,706	\$ 4,849	\$ 857	\$ 309	\$ 548
Internally developed software products	1,561	757	804	397	407
Other intangible assets	846	489	357	249	108
Total capitalized software and other intangible assets	\$ 8,113	\$ 6,095	\$ 2,018	\$ 955	\$ 1,063

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

Based on the capitalized software and other intangible assets recorded through June 30, 2014, the projected annual amortization expense for fiscal year 2015 and the next four fiscal years is expected to be as follows:

	Year Ended March 31,				
	2015	2016	2017	2018	2019
	<i>(in millions)</i>				
Purchased software products	\$ 113	\$ 111	\$ 108	\$ 105	\$ 62
Internally developed software products	142	112	81	38	10
Other intangible assets	57	35	8	3	1
Total	\$ 312	\$ 258	\$ 197	\$ 146	\$ 73

The Company evaluates the useful lives and recoverability of capitalized software and other intangible assets when events or changes in circumstances indicate that an impairment may exist. These evaluations require complex assumptions about key factors such as future customer demand, technology trends and the impact of those factors on the technology the Company acquires and develops for its products. Impairments or revisions to useful lives could result from the use of alternative assumptions that reflect reasonably possible outcomes related to future customer demand or technology trends for assets within the Enterprise Solutions segment.

NOTE F – DEFERRED REVENUE

The current and noncurrent components of “Deferred revenue (billed or collected)” at June 30, 2014 and March 31, 2014 were as follows:

	June 30, 2014	March 31, 2014
		<i>(in millions)</i>
Current:		
Subscription and maintenance	\$ 2,033	\$ 2,237
Professional services	145	149
Software fees and other	27	33
Total deferred revenue (billed or collected) – current	\$ 2,205	\$ 2,419
Noncurrent:		
Subscription and maintenance	\$ 778	\$ 845
Professional services	24	26
Software fees and other	3	1
Total deferred revenue (billed or collected) – noncurrent	\$ 805	\$ 872
Total deferred revenue (billed or collected)	\$ 3,010	\$ 3,291

NOTE G – DERIVATIVES

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: The Company has interest rate swaps with a total notional value of \$500 million, which 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.

At June 30, 2014, the fair value of these derivatives was an asset of approximately \$5 million, which is included in “Other current assets” in the Company’s Condensed Consolidated Balance Sheet.

At March 31, 2014, the fair value of these derivatives was an asset of approximately \$8 million, which is included in “Other current assets” in the Company’s Condensed Consolidated Balance Sheet.

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

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, net” in the Company’s Condensed Consolidated Statements of Operations.

At June 30, 2014, foreign currency contracts outstanding consisted of purchase and sales contracts with a total gross notional value of approximately \$1,079 million and durations of less than nine months. The net fair value of these contracts at June 30, 2014 was a net asset of approximately \$8 million, of which approximately \$10 million is included in “Other current assets” and approximately \$2 million is included in “Accrued expenses and other current liabilities” in the Company’s Condensed Consolidated Balance Sheet.

At March 31, 2014, foreign currency contracts outstanding consisted of purchase and sales contracts with a total gross notional value of approximately \$250 million and durations of less than three months. The net fair value of these contracts at March 31, 2014 was a net asset of approximately \$1 million, of which approximately \$2 million is included in “Other current assets” and approximately \$1 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 was as follows:

<i>(in millions)</i>	Amount of Net (Gain)/Loss Recognized in the Condensed Consolidated Statements of Operations	
	Three Months Ended June 30, 2014	Three Months Ended June 30, 2013
Interest expense, net – interest rate swaps designated as fair value hedges	\$ (3)	\$ (3)
Other expenses, net – foreign currency contracts	\$ 5	\$ (9)

The Company is subject to collateral security arrangements with most of its major counterparties. These arrangements require the Company or the counterparty to post collateral when the derivative fair values exceed contractually established thresholds. The aggregate fair values of all derivative instruments under these collateralized arrangements were in a net asset position at June 30, 2014 and March 31, 2014. The Company posted no collateral at June 30, 2014 or March 31, 2014. 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.

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

NOTE H – FAIR VALUE MEASUREMENTS

The following table presents the Company’s assets and liabilities that were measured at fair value on a recurring basis at June 30, 2014 and March 31, 2014:

<i>(in millions)</i>	At June 30, 2014			At March 31, 2014		
	Fair Value Measurement Using Input Types		Estimated Fair Value	Fair Value Measurement Using Input Types		Estimated Fair Value
	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets:						
Money market funds	\$ 1,000	\$ —	\$ 1,000 ⁽¹⁾	\$ 1,277	\$ —	\$ 1,277 ⁽²⁾
Foreign exchange derivatives ⁽³⁾	—	10	10	—	2	2
Interest rate derivatives ⁽³⁾	—	5	5	—	8	8
Total assets	\$ 1,000	\$ 15	\$ 1,015	\$ 1,277	\$ 10	\$ 1,287
Liabilities:						
Foreign exchange derivatives ⁽³⁾	\$ —	\$ 2	\$ 2	\$ —	\$ 1	\$ 1
Total liabilities	\$ —	\$ 2	\$ 2	\$ —	\$ 1	\$ 1

- (1) At June 30, 2014, the Company had approximately \$1,000 million and less than \$1 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.
- (2) At March 31, 2014, the Company had approximately \$1,277 million and less than \$1 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.
- (3) See Note G, “Derivatives” for additional information. Interest rate derivatives fair value excludes accrued interest.

At June 30, 2014 and March 31, 2014, the Company did not have any assets or liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

The carrying values of financial instruments classified as current assets and current liabilities, such as cash and cash equivalents, short-term investments, accounts payable, accrued expenses, and short-term borrowings, approximate fair value due to the short-term maturity of the instruments.

The following table presents the carrying amounts and estimated fair values of the Company’s other financial instruments that were not measured at fair value on a recurring basis at June 30, 2014 and March 31, 2014:

<i>(in millions)</i>	At June 30, 2014		At March 31, 2014	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Liabilities:				
Total debt ⁽¹⁾	\$ 1,769	\$ 1,890	\$ 1,766	\$ 1,884
Facility exit reserve ⁽²⁾	\$ 25	\$ 29	\$ 29	\$ 33

- (1) 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 (Level 2).
- (2) Estimated fair value for the facility exit reserve is determined using the Company’s incremental borrowing rate at June 30, 2014 and March 31, 2014. At June 30, 2014 and March 31, 2014, the facility exit reserve included approximately \$10 million and \$11 million, respectively, in “Accrued expenses and other current liabilities” and approximately \$15 million and \$18 million, respectively, in “Other noncurrent liabilities” in the Company’s Condensed Consolidated Balance Sheets (Level 3).

NOTE I – COMMITMENTS AND CONTINGENCIES

The Company, various subsidiaries, and certain current and former officers have been or, from time to time, may be named as defendants in various lawsuits and claims arising in the normal course of business. The Company may also become involved with contract issues and disputes with customers, including government customers.

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

On March 24, 2014, the U.S. Department of Justice (DOJ) filed under seal in the United States District Court for the District of Columbia a complaint against the Company in partial intervention under the *qui tam* provisions of the civil False Claims Act (FCA). The underlying complaint was filed under seal by an individual plaintiff on August 24, 2009. On May 29, 2014, the case was unsealed. Both the DOJ and the individual plaintiff have filed amended complaints. The current complaints relate to government sales transactions under the Company's General Services Administration (GSA) schedule contract, entered into in 2002 and extended until present through subsequent amendments. In sum and substance, the current complaints allege that the Company provided inaccurate commercial discounting information to the GSA during contract negotiations and that, as a result, the GSA's contract discount was lower than it otherwise would have been. In addition, the complaints allege that the Company failed to apply the full negotiated discount in some instances and to pay sufficient rebates pursuant to the contract's price reduction clause. In addition to FCA claims, the current complaints also assert common law causes of action. The DOJ complaint seeks an unspecified amount of damages, including treble damages and civil penalties. The complaint by the individual plaintiff alleges that the U.S. government has suffered damages in excess of \$100 million and seeks an unspecified amount of damages, including treble damages and civil penalties. The Company has filed motions to dismiss the current complaints. Those motions are pending and discussions with the DOJ and GSA are continuing. The Company cannot predict the amount of damages likely to result from this matter. Although the timing and ultimate outcome of this matter cannot be determined, the Company believes that the material aspects of the liability theories set forth in the complaints are unfounded. The Company also believes that it has meritorious defenses and intends to vigorously contest the lawsuit.

Based on the Company's experience, management believes that the damages amounts claimed in a case are not a meaningful indicator of the potential liability. Claims, suits, investigations and proceedings are inherently uncertain and it is not possible to predict the ultimate outcome of cases. The Company believes that it has meritorious defenses in connection with its current lawsuits and material claims and disputes, and intends to vigorously contest each of them.

In the opinion of the Company's management based upon information currently available to the Company, while the outcome of these lawsuits, claims and disputes is uncertain, the likely results of these lawsuits, claims and disputes are not expected, either individually or in the aggregate, 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. For some of these matters, the Company is unable to estimate a range of reasonably possible loss due to the stage of the matter and/or other particular circumstances of the matter. For others, a range of reasonably possible loss can be estimated. For those matters for which such a range can be estimated, the Company estimates that, in the aggregate, the range of reasonably possible loss is from zero to \$30 million. This is in addition to amounts, if any, that have been accrued for those matters.

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 may, from time to time, advance certain attorneys' fees and expenses incurred by officers and directors in various lawsuits and investigations, as permitted under Delaware law.

NOTE J – STOCKHOLDERS' EQUITY

Stock Repurchases: In May 2014, the Company's Board of Directors approved a stock repurchase program that authorizes the Company to acquire up to \$1 billion of its common stock. During the three months ended June 30, 2014, the Company repurchased approximately 1.7 million shares of its common stock for approximately \$50 million. At June 30, 2014, the Company remained authorized to purchase approximately \$950 million of its common stock under its current stock repurchase program.

Accumulated Other Comprehensive Loss: Foreign currency translation losses included in "Accumulated other comprehensive loss" in the Company's Condensed Consolidated Balance Sheets at June 30, 2014 and March 31, 2014 were approximately \$161 million and \$171 million, respectively.

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

Cash Dividends: The Company's Board of Directors declared the following dividends during the three months ended June 30, 2014 and 2013:

Three Months Ended June 30, 2014:

(in millions, except per share amounts)

Declaration Date	Dividend Per Share	Record Date	Total Amount	Payment Date
May 15, 2014	\$0.25	May 29, 2014	\$111	June 17, 2014

Three Months Ended June 30, 2013:

(in millions, except per share amounts)

Declaration Date	Dividend Per Share	Record Date	Total Amount	Payment Date
May 9, 2013	\$0.25	May 23, 2013	\$114	June 11, 2013

NOTE K – INCOME FROM CONTINUING OPERATIONS PER COMMON SHARE

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 adjusted for the potential dilutive effect of non-participating share-based awards.

The following table presents basic and diluted income from continuing operations per common share information for the three months ended June 30, 2014 and 2013:

	Three Months Ended June 30,	
	2014	2013
	<i>(in millions, except per share amounts)</i>	
Basic income from continuing operations per common share:		
Income from continuing operations	\$ 212	\$ 330
Less: Income from continuing operations allocable to participating securities	(2)	(4)
Income from continuing operations allocable to common shares	<u>\$ 210</u>	<u>\$ 326</u>
Weighted average common shares outstanding	440	450
Basic income from continuing operations per common share	\$ 0.48	\$ 0.72
Diluted income from continuing operations per common share:		
Income from continuing operations	\$ 212	\$ 330
Less: Income from continuing operations allocable to participating securities	(2)	(4)
Income from continuing operations allocable to common shares	<u>\$ 210</u>	<u>\$ 326</u>
Weighted average shares outstanding and common share equivalents:		
Weighted average common shares outstanding	440	450
Weighted average effect of share-based payment awards	1	1
Denominator in calculation of diluted income per share	<u>441</u>	<u>451</u>
Diluted income from continuing operations per common share	\$ 0.48	\$ 0.72

For the three months ended June 30, 2014 and 2013, respectively, approximately 1 million and 4 million shares of Company common stock underlying 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 approximately 4 million and 5 million for the three months ended June 30, 2014 and 2013, respectively, were considered participating securities in the calculation of net income allocable to common stockholders.

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

NOTE L – ACCOUNTING FOR SHARE-BASED COMPENSATION

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

	Three Months Ended June 30,	
	2014	2013
	<i>(in millions)</i>	
Costs of licensing and maintenance	\$ 1	\$ 1
Cost of professional services	1	1
Selling and marketing	7	7
General and administrative	6	6
Product development and enhancements	5	5
Share-based compensation expense before tax	\$ 20	\$ 20
Income tax benefit	(6)	(7)
Net share-based compensation expense	\$ 14	\$ 13

The following table summarizes information about unrecognized share-based compensation costs at June 30, 2014:

	Unrecognized Share- Based Compensation Costs	Weighted Average Period Expected to be Recognized
	<i>(in millions)</i>	<i>(in years)</i>
Stock option awards	\$ 9	2.2
Restricted stock units	28	2.4
Restricted stock awards	93	2.4
Performance share units	36	3.1
Total unrecognized share-based compensation costs	\$ 166	2.5

There were no capitalized share-based compensation costs for the three months ended June 30, 2014 and 2013.

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 (which may reduce any award for any reason in its discretion).

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

For the three months ended June 30, 2014 and 2013, the Company issued stock options for approximately 0.6 million shares and 1.2 million shares, respectively. The weighted average fair values and assumptions used for the options granted were as follows:

	Three Months Ended June 30,	
	2014	2013
Weighted average fair value	\$ 5.87	\$ 4.89
Dividend yield	3.29%	4.09%
Expected volatility factor ⁽¹⁾	29%	30%
Risk-free interest rate ⁽²⁾	2.1%	1.3%
Expected life (in years) ⁽³⁾	6.0	6.0

- (1) Expected volatility is measured using historical daily price changes of the Company's stock over the respective expected term of the options and the implied volatility derived from the market prices of the Company's traded options.
- (2) The risk-free rate for periods within the contractual term of the stock options is based on the U.S. Treasury yield curve in effect at the time of grant.
- (3) The expected life is the number of years the Company estimates that options will be outstanding prior to exercise. The Company's computation of expected life was determined based on the simplified method (the average of the vesting period and option term).

The shares under the 1-year PSU awards for the fiscal year 2014 and 2013 incentive plan years under the Company's long-term incentive plans were granted in the first quarter of fiscal years 2015 and 2014, respectively. The awards vest 34% on the date of grant and 33% on the first and second anniversaries of the grant date. The table below summarizes the RSAs and RSUs granted under these PSUs:

Incentive Plans for Fiscal Years	Performance Period	RSAs		RSUs	
		Shares (in millions)	Weighted Average Grant Date Fair Value	Shares (in millions)	Weighted Average Grant Date Fair Value
2014	1 year	0.7	\$29.91	0.1	\$28.92
2013	1 year	0.4	\$27.11	0.1	\$26.12

Share-based awards were granted under the Company's fiscal year 2014 and 2013 sales retention equity programs in the first quarter of fiscal years 2015 and 2014, respectively. These awards vest on the third anniversary of the grant date. The table below summarizes the RSAs and RSUs granted under these programs:

Incentive Plans for Fiscal Years	Performance Period	RSAs		RSUs	
		Shares (in millions)	Weighted Average Grant Date Fair Value	Shares (in millions)	Weighted Average Grant Date Fair Value
2014	1 year	0.2	\$28.69	0.1	\$25.73
2013	1 year	0.2	\$27.11	0.1	\$24.13

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

The table below summarizes all of the RSAs and RSUs, including grants made pursuant to the long-term incentive plans discussed above, granted during the three months ended June 30, 2014 and 2013:

	Three Months Ended June 30,	
	2014	2013
<i>(shares in millions)</i>		
RSAs:		
Shares	2.9	2.7
Weighted average grant date fair value ⁽¹⁾	\$ 28.96	\$ 27.01
RSUs:		
Shares	0.8	0.7
Weighted average grant date fair value ⁽²⁾	\$ 26.92	\$ 25.00

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

(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.

Employee Stock Purchase Plan: The Company maintains the 2012 Employee Stock Purchase Plan (ESPP) for all eligible employees. The ESPP offer period is semi-annual and allows participants to purchase the Company's common stock at 95% of the closing price of the stock on the last day of the offer period. The ESPP is non-compensatory. For the six-month offer period ended June 30, 2014, the Company issued approximately 0.1 million shares under the ESPP at \$27.30 per share. As of June 30, 2014, approximately 29.5 million shares are available for future issuances under the ESPP.

NOTE M – INCOME TAXES

Income tax expense for the three months ended June 30, 2014 was approximately \$87 million compared with an income tax benefit of approximately \$122 million for the three months ended June 30, 2013. For the three months ended June 30, 2013, the Company recognized a net discrete tax benefit of approximately \$181 million, resulting primarily from the resolutions of uncertain tax positions upon the completion of the examination of the Company's U.S. federal income tax returns for the tax years ended March 31, 2005, 2006 and 2007.

The Company's estimated annual effective tax rate, which excludes the impact of discrete items, for the three months ended June 30, 2014 and 2013 was 29.0% and 28.5%, respectively. Changes in tax laws, the outcome of tax audits and any other changes in potential tax liabilities may result in additional tax expense or benefit in fiscal year 2015, which are not considered in the Company's estimated annual effective tax rate. While the Company does not currently view any such items as individually material to the results of the Company's consolidated financial position or results of operations, the impact of certain items may yield additional tax expense or benefit in the remaining quarters of fiscal year 2015 and the Company is anticipating a fiscal year 2015 effective tax rate of approximately 30%.

While it is difficult to predict the final outcome or the timing of resolution of any particular tax matter, the Company believes that its financial statements reflect the probable outcome of uncertain tax positions. The Company may adjust these uncertain tax positions, as well as any related interest or penalties, in light of changing facts and circumstances, including the settlement of income tax audits and the expirations of statutes of limitation. To the extent a settlement differs from the amounts previously reserved, that difference generally would be recognized as a component of income tax expense in the period of resolution. Although the timing of the resolution of income tax examinations is highly uncertain, it is reasonably possible that settlements, payments and new information in the next 12 months related to certain federal, foreign and state tax issues may result in changes to the Company's uncertain tax positions, including issues involving taxation of international operations and other matters. The Company believes that such reasonably possible changes within the next 12 months may reduce the balance of unrecognized tax benefits by an amount up to \$30 million.

NOTE N – SUPPLEMENTAL STATEMENT OF CASH FLOWS INFORMATION

For the three months ended June 30, 2014 and 2013, interest payments, net were approximately \$25 million and \$26 million, respectively, and income taxes paid, net were approximately \$30 million and \$195 million, respectively. For the three months ended June 30, 2014 and 2013, the excess tax benefits from share-based incentive awards included in financing activities from continuing operations were approximately \$3 million and \$3 million, respectively.

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

Non-cash financing activities for the three months ended June 30, 2014 and 2013 consisted of treasury common shares issued in connection with the following: share-based incentive awards issued under the Company's equity compensation plans of approximately \$42 million (net of approximately \$27 million of income taxes withheld) and \$46 million (net of approximately \$27 million of income taxes withheld), respectively; and discretionary stock contributions to the CA, Inc. Savings Harvest Plan of approximately \$26 million and \$28 million, respectively. Non-cash financing activities for the three months ended June 30, 2014 and 2013 included approximately \$3 million and \$2 million, respectively, in treasury common shares issued in connection with the Company's Employee Stock Purchase Plan.

The Company uses a notional pooling arrangement with an international bank to help manage global liquidity. Under this pooling arrangement, the Company and its participating subsidiaries may maintain either cash deposit or borrowing positions through local currency accounts with the bank, so long as the aggregate position of the global pool is a notionally calculated net cash deposit. Because it maintains a security interest in the cash deposits and has the right to offset the cash deposits against the borrowings, the bank provides the Company and its participating subsidiaries favorable interest terms on both. The activity under this cash pooling arrangement for the three months ended June 30, 2014 and 2013 was as follows:

	Three Months Ended June 30,	
	2014	2013
	<i>(in millions)</i>	
Total borrowings outstanding at beginning of period ⁽¹⁾	\$ 139	\$ 136
Borrowings	1,334	725
Repayments	(1,323)	(723)
Foreign currency exchange effect	(10)	—
Total borrowings outstanding at end of period ⁽¹⁾	\$ 140	\$ 138

(1) Included in "Accrued expenses and other current liabilities" in the Company's Condensed Consolidated Balance Sheets.

NOTE O – SEGMENT INFORMATION

The Company's Mainframe Solutions and Enterprise Solutions segments comprise its software business organized by the nature of the Company's software offerings and the platform on which the products operate. The Services segment comprises product implementation, consulting, customer education and customer training, including those directly related to the Mainframe Solutions and Enterprise Solutions software that the Company sells to its customers.

Segment expenses do not include share-based compensation expense; amortization of purchased software; amortization of other intangible assets; certain foreign exchange derivative hedging gains and losses; costs associated with the Company's Fiscal 2014 Plan; and other miscellaneous costs. The Company considers all costs of internally developed software as segment expense in the period the costs are incurred and as a result, the Company will add back capitalized internal software costs and exclude amortization of internally developed software costs previously capitalized from segment expenses. A measure of segment assets is not currently provided to the Company's Chief Executive Officer and has therefore not been disclosed.

The Company's segment information for the three months ended June 30, 2014 and 2013 was as follows:

Three Months Ended June 30, 2014 <i>(dollars in millions)</i>	Mainframe Solutions	Enterprise Solutions	Services	Total
Revenue	\$ 614	\$ 368	\$ 87	\$ 1,069
Expenses	235	325	82	642
Segment profit	\$ 379	\$ 43	\$ 5	\$ 427
Segment operating margin	62%	12%	6%	40%
Depreciation	\$ 12	\$ 7	\$ —	\$ 19

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

Reconciliation of segment profit to income from continuing operations before income taxes for the three months ended June 30, 2014:

(in millions)

Segment profit	\$	427
Less:		
Purchased software amortization		28
Other intangibles amortization		15
Software development costs capitalized		—
Internally developed software products amortization		39
Share-based compensation expense		20
Other expenses, net ⁽¹⁾		12
Interest expense, net		14
Income from continuing operations before income taxes	\$	299

(1) Other expenses, net consists of approximately \$9 million of costs associated with the Fiscal 2014 Plan, certain foreign exchange derivative hedging gains and losses, and other miscellaneous costs.

Three Months Ended June 30, 2013
(dollars in millions)

	Mainframe Solutions	Enterprise Solutions	Services	Total
Revenue	\$ 619	\$ 378	\$ 98	\$ 1,095
Expenses	243	351	90	684
Segment profit	\$ 376	\$ 27	\$ 8	\$ 411
Segment operating margin	61%	7%	8%	38%
Depreciation	\$ 14	\$ 8	\$ —	\$ 22

Reconciliation of segment profit to income from continuing operations before income taxes for the three months ended June 30, 2013:

(in millions)

Segment profit	\$	411
Less:		
Purchased software amortization		28
Other intangibles amortization		14
Software development costs capitalized		(23)
Internally developed software products amortization		38
Share-based compensation expense		20
Other expenses, net ⁽¹⁾		115
Interest expense, net		11
Income from continuing operations before income taxes	\$	208

(1) Other expenses, net consists of approximately \$117 million of costs associated with the Fiscal 2014 Plan, certain foreign exchange derivative hedging gains and losses, and other miscellaneous costs.

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

The table below summarizes the Company's revenue from the United States and from international (i.e., non-U.S.) locations:

	Three Months Ended June 30,	
	2014	2013
	<i>(in millions)</i>	
United States	\$ 643	\$ 657
EMEA ⁽¹⁾	259	264
Other	167	174
Total revenue	\$ 1,069	\$ 1,095

(1) Consists of Europe, the Middle East and Africa.

Item 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (Form 10-Q) contains certain forward-looking information relating to CA, Inc. (which we refer to as the "Company," "Registrant," "CA Technologies," "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 "believes," "plans," "anticipates," "expects," "estimates," "targets" and similar expressions relating to the future are intended to identify forward-looking information. Forward-looking information includes, for example, the statements relating to the future made in this Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A), but also statements relating to the future that appear 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.

The declaration and payment of future dividends is subject to the determination of the Company's Board of Directors, in its sole discretion, after considering various factors, including the Company's financial condition, historical and forecast operating results, and available cash flow, as well as any applicable laws and contractual covenants and any other relevant factors. The Company's practice regarding payment of dividends may be modified at any time and from time to time.

Repurchases under the Company's stock repurchase program are expected to be made with cash on hand and may be made from time to time, subject to market conditions and other factors, in the open market, through solicited or unsolicited privately negotiated transactions or otherwise. The program does not obligate the Company to acquire any particular amount of common stock, and it may be modified or suspended at any time at the Company's discretion.

A number of important factors could cause actual results or events to differ materially from those indicated by forward-looking statements, including: the ability to achieve success in the Company's strategy by, among other things, effectively managing the Company's sales force to enable the Company to maintain and enhance its strong relationships in its traditional customer base and to increase penetration and accelerate growth in customer segments and geographic regions where the Company currently may not have a strong presence or the Company has underserved, enabling the sales force to sell new products, improving the Company's brand, technology and innovation awareness in the marketplace and ensuring the Company's set of cloud computing, application development and IT operations (DevOps), Software-as-a-Service, mobile device management and other new offerings address the needs of a rapidly changing market, while not adversely affecting the demand for the Company's traditional products or its profitability; global economic factors or political events beyond the Company's control; general economic conditions and credit constraints, or unfavorable economic conditions in a particular region, industry or business sector; the failure to innovate and/or adapt to technological changes and introduce new software products and services in a timely manner; competition in product and service offerings and pricing; the failure to expand partner programs; the ability to retain and attract adequate qualified personnel; the ability of the Company's products to remain compatible with ever-changing operating environments, platforms or third-party products; the ability to successfully integrate acquired companies and products into the Company's existing business; the ability to adequately manage, evolve and protect the Company's information systems, infrastructure and processes; risks associated with sales to government customers; breaches of the Company's data center, network and software products, and the IT environments of the Company's vendors and customers; discovery of errors or omissions in the Company's software products or documentation and potential product liability claims; the failure to protect the Company's intellectual property rights and source code; events or circumstances that would require the Company to record an impairment charge relating to the Company's goodwill or capitalized software and other intangible assets balances; access to software licensed from third parties; risks associated with the use of software from open source code sources; third-party claims of intellectual property infringement or royalty payments; fluctuations in the number, terms and duration of the Company's license agreements as well as the timing of orders from customers and channel partners; the failure to renew large license transactions on a satisfactory basis; potential tax liabilities; changes in market conditions or the Company's credit ratings; fluctuations in foreign currencies; the failure to effectively execute the Company's workforce reductions, workforce rebalancing and facilities consolidations; successful and secure outsourcing of various functions to third parties; and 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 the forward-looking information described in this Form 10-Q as believed, planned, anticipated, expected, estimated, targeted or similarly identified. 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, which 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 2015 and fiscal 2014 are to our fiscal years ending on March 31, 2015 and 2014, respectively.

OVERVIEW

We are one of the world's leading providers of information technology (IT) management software and solutions. Our solutions help organizations of all sizes develop, manage, and secure complex IT environments that increase productivity and enhance the competitiveness in their businesses. We do this across a wide range of environments such as mainframe, distributed, cloud, and mobile. The majority of the Global Fortune 500 relies on us to help manage their IT environments.

Our objective is to be the world's leading independent software provider for IT management and security solutions to help organizations and enterprises develop, manage, and secure modern IT architectures, across mainframe, distributed, mobile and cloud environments. To accomplish this, key elements of our strategy include:

- *Innovating in key product areas to extend our market leadership and differentiation.* Our product development strategy is built around three key growth areas, where we are focused on innovating and delivering differentiated products and solutions: application development and IT operations (DevOps), Management Cloud, and Security across multiple platforms.
- *Addressing shifts in market dynamics and technology.* We will innovate to deliver new differentiated solutions that enable our customers to manage the challenges and capture the opportunities of disruptive technologies such as the ability to harvest big data, the shift to software-defined IT, the proliferation of mobile technologies, social access (or social credentials) authentication, and the always on, ubiquitously connected "Internet of Things."
- *Accelerating growth in our global customer base.* We are focused on maintaining strong relationships with our core, large enterprise customer base, and will proactively target growth with these customers as well as new large enterprises we do not currently serve. In parallel, we are broadening our customer base to new buyer segments beyond the customer's Chief Information Officer and IT department and increasingly to geographic regions we have underserved.
- *Pursuing new business models and expanded routes to market.* While our traditional on-premise software delivery remains core to our enterprise customers, we see Software-as-a-Service (SaaS) and managed services as increasingly attractive for our customers. This simplifies their decision-making and accelerates the value they can derive from new solution investments.

We have a broad and deep portfolio of software solutions with which to execute our business strategy. We organize our offerings in Mainframe Solutions, Enterprise Solutions and Services segments.

- Mainframe Solutions products are designed mainly for the IBM System z mainframe platform, which runs many of our largest customers' mission-critical applications. We help customers seamlessly manage their mainframe as part of their evolving data center through flexible management approaches, cross-platform visibility and workload portability.
- Enterprise Solutions products operate on non-mainframe platforms and include our DevOps, Management Cloud, and Security product groups. DevOps includes application delivery, application performance management and infrastructure management. Management Cloud helps customers optimize their investments, projects, resources and processes. Security delivers identity-centric security solutions to meet the needs of today's mobile, cloud-connected, open enterprise.
- Services helps customers reach their IT and business goals by enabling the rapid implementation and adoption of our mainframe solutions and enterprise solutions.

Our traditional core customers generally consist of large enterprises that have computing environments from multiple vendors and are highly complex. We currently serve customers across most major industries worldwide, including banks, insurance companies, other financial services providers, government agencies, global service providers, telecommunication providers, manufacturers, technology companies, retailers, educational organizations and health care institutions.

We offer our solutions through our direct sales force and indirectly through our partners. We remain focused on strengthening relationships with our core customers--which we refer to as our "Platinum" customers, consisting of our top 500 accounts-- through product leadership, account management and a differentiated customer experience. We believe enhanced relationships in our traditional customer base of large enterprises with multi-year enterprise license agreements will drive renewals and provide opportunities to increase account penetration that will help to drive revenue growth.

At the same time, we continue to dedicate sales resources and deploy additional solutions to address opportunities to sell to new enterprises and to expand our relationship with existing non-core customers--which we refer to as our "Named" customers. In addition to this dedication of additional sales resources, we service some of these customers through partners. We believe we can grow our business and increase market share by delivering differentiated technology and collaborating with partners, including service providers, to leverage their relationships, market reach and implementation capacity. We are deploying new routes to market, and simplifying the buying and deployment process for our customers.

This customer focus allows us to better align marketing and sales resources with how customers want to buy. We have also implemented broad-based business initiatives to drive accountability for sales execution.

Work is underway to deploy an updated global branding and marketing program for CA Technologies to significantly enhance our connection with new and existing customers, introduce the market to new areas of our capability and contribute directly to business growth and new customer acquisitions. Marketing efforts are key to our ability to expand our customer base, reach new segments and grow in key global markets.

EXECUTIVE SUMMARY

Our first quarter results are in-line with our expectations, strengthened by continued financial discipline and a strong performance in connection with renewals. New sales associated with renewals with our Platinum customer accounts performed well. Professional services performance unfavorably affected both revenue and bookings for the quarter. Lastly, we announced the divestiture of the CA arcserve data protection business (arcserve), further managing our portfolio and sharpening our focus.

A summary of key results for the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 is as follows:

Revenue:

- Total revenue declined 2% as a result of a decrease in subscription and maintenance revenue and a decrease in professional services revenue. The decrease in professional services revenue was primarily due to a decrease in the size and number of professional services engagements during the first quarter of fiscal 2015, including non-core engagements with government customers that are not directly related to our software product sales. The decrease in subscription and maintenance revenue in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 was primarily attributable to a decrease in prior period new product and mainframe capacity sales. We currently expect the percentage decline in professional services revenue to be greater than the percentage decline in total revenue for fiscal 2015 compared with fiscal 2014. This decline is primarily a result of the decrease in non-core professional services engagements with government customers that are not directly related to our software product sales.
- As a result of prior period sales under-performance, we continue to expect a year-over-year decrease in total revenue for fiscal 2015 compared with fiscal 2014 due to the high percentage of our revenue that is recognized from license agreements with customers signed in prior periods that are being recognized ratably. Excluding the effect of foreign exchange, we currently expect the year-over-year percentage decline in total revenue for fiscal 2015 compared with fiscal 2014 to be similar to the year-over-year percentage decline in total revenue for fiscal 2014 compared with fiscal 2013.

Bookings:

- Total bookings decreased 9% primarily due to a year-over-year decrease in professional services bookings and to a lesser extent, a decrease in subscription and maintenance bookings.
- Mainframe solutions renewals decreased year-over-year. The decrease was partially offset by an increase in enterprise solutions renewals primarily due to the composition of our renewal portfolio being more heavily weighted to enterprise solutions renewals in the quarter.
- Total new product sales, a subset of our total bookings, for the first quarter of fiscal 2015 was consistent with the first quarter of fiscal 2014. For the first quarter of fiscal 2015, mainframe solutions new sales including capacity were down in the high-single-digit percentage range. The decrease in mainframe solutions new product sales was primarily due to the composition of the renewal portfolio. Enterprise solutions new product sales increased by a mid-single-digit percentage as a result of new sales in connection with renewals within our Platinum customer accounts and good sales execution in the Europe, Middle East and Africa region during the first quarter of fiscal 2015.
- We expect our fiscal 2015 renewal portfolio to decline by a high-single-digit percentage compared with fiscal 2014. Excluding the impact from a contract renewal with a large system integrator which occurred during the third quarter of fiscal 2014, we expect the value of our fiscal 2015 renewal portfolio to be consistent with the value of our fiscal 2014 renewal portfolio. For the second quarter of fiscal 2015, we expect renewals to decline compared with the second quarter of fiscal 2014 and as a result, we expect lower new product and capacity sales in connection with renewals.

Expenses:

- Total expenses before interest and income taxes decreased compared with the year-ago period, primarily due to a decrease in cost associated with our fiscal 2014 workforce rebalancing plan (Fiscal 2014 Plan). The decrease was also attributable to the timing of selling and marketing expenses and a decrease in personnel-related costs, partially offset by an increase in product development and enhancements expenses. We expect an increase in the third quarter of fiscal 2015 for selling and marketing expenses, as a result of the timing of CA World '14.

Income taxes:

- Income tax expense for the first quarter of fiscal 2015 was \$87 million, compared with an income tax benefit for the first quarter fiscal 2014 of \$122 million. During the first quarter of fiscal 2014, we recognized a net discrete tax benefit of \$181 million, resulting primarily from the resolutions of uncertain tax positions from final settlement of the examination of our U.S. federal income tax returns.
- We expect a fiscal 2015 effective tax rate of 30%.

Diluted income per common share from continuing operations:

- Diluted income per common share decreased to \$0.48 from \$0.72, primarily due to the income tax benefit of \$122 million for the first quarter of fiscal 2014 compared with the income tax expense of \$87 million for the first quarter of fiscal 2015.

Segment results:

- Mainframe Solutions revenue for the first quarter of fiscal 2015 decreased slightly compared with the year-ago period primarily due to the decrease in prior period new product and mainframe capacity sales. The increase in operating margin for the first quarter of fiscal 2015 compared with the year-ago period was primarily the result of the timing of selling and marketing expenses and an overall decrease in personnel-related costs.
- Enterprise Solutions revenue for the first quarter of fiscal 2015 decreased compared with the year-ago period primarily due to a decrease in new product sales in the prior fiscal year. This decline in prior year new product sales was primarily due to a decrease in sales of certain mature product lines, partially offset by an increase in sales of recently acquired products. Enterprise Solutions operating margin for the first quarter of fiscal 2015 increased compared with the year-ago period as a result of the timing of selling and marketing expenses and an overall decrease in personnel-related costs.
- Services revenue for the first quarter of fiscal 2015 decreased compared with the first quarter of fiscal 2014 primarily as a result of a decrease in the size and number of professional services engagements during the first quarter of fiscal 2015, including non-core engagements with government customers that are not directly related to our software product sales, as well as the timing of the revenue recognition for some engagements that were associated with product sales for which the revenue will be recognized on a ratable basis. We expect the percentage decline in professional services revenue to be greater than the percentage decline in total revenue for fiscal 2015 compared with fiscal 2014. Operating margin for our Services segment decreased in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 as a result of lower utilization rates for professional services personnel due to the decrease in the number of professional services engagements.

Cash flows from continuing operations:

- Net cash provided by operating activities increased \$163 million compared with the year-ago period primarily due to a decrease in income tax payments of \$165 million and a decrease in vendor disbursements and payroll of \$45 million. These favorable effects were partially offset by a decrease in cash collections of \$44 million and an increase in payments associated with the Fiscal 2014 Plan of \$10 million.

QUARTERLY UPDATE

- In May 2014, the Company appointed Amit Chatterjee as its Executive Vice President, Enterprise Solutions and Technology Group. Mr. Chatterjee will have overall responsibility for strategy and execution across the full portfolio of Enterprise Solutions businesses, from development to commercialization.
- In June 2014, the Company entered into a definitive agreement to divest arcserve.

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:

	First Quarter Comparison Fiscal		Dollar Change	Percentage Change
	2015 ⁽¹⁾	2014 ⁽¹⁾		
	<i>(dollars in millions)</i>			
Total revenue	\$ 1,069	\$ 1,095	\$ (26)	(2)%
Income from continuing operations	\$ 212	\$ 330	\$ (118)	(36)%
Net cash provided by operating activities - continuing operations	\$ 166	\$ 3	\$ 163	NM
Total bookings	\$ 724	\$ 796	\$ (72)	(9)%
Subscription and maintenance bookings	\$ 603	\$ 617	\$ (14)	(2)%
Weighted average subscription and maintenance license agreement duration in years	3.60	3.10	0.50	16 %

	June 30, 2014		March 31, 2014		Change From Year End	June 30, 2013		Change From Prior Year Quarter		
	<i>(in millions)</i>									
Cash, cash equivalents and short-term investments ⁽²⁾	\$	3,255	\$	3,252	\$	3	\$	2,461	\$	794
Total debt	\$	1,769	\$	1,766	\$	3	\$	1,285	\$	484
Total expected future cash collections from committed contracts ^{(1) (3)}	\$	4,873	\$	5,148	\$	(275)	\$	4,780	\$	93
Total revenue backlog ^{(1) (3)}	\$	7,330	\$	7,639	\$	(309)	\$	7,295	\$	35
Total current revenue backlog ^{(1) (3)}	\$	3,402	\$	3,500	\$	(98)	\$	3,371	\$	31

(1) Information presented excludes the results of our discontinued operations.

(2) At June 30, 2014, March 31, 2014 and June 30, 2013, short-term investments were less than \$1 million, respectively.

(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 and revenue backlog.

Analyses of our performance indicators shown above and our segment performance can be found in the "Results of Operations" and "Liquidity and Capital Resources" sections of this MD&A.

Total Revenue — Total revenue is the amount of revenue recognized during the reporting period from the sale of license, maintenance and professional services agreements. Amounts recognized as subscription and maintenance revenue are recognized ratably over the term of the agreement. Professional services revenue is generally recognized as the services are performed or recognized on a ratable basis over the term of the related software license. Software fees and other revenue generally represents license fee revenue recognized at the inception of a license agreement (up-front basis) and also includes our SaaS revenue, which is recognized as services are provided.

Total Bookings — Total bookings, or sales, includes the incremental value of all subscription, maintenance and professional services 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 license fee revenue is recognized on an up-front basis is reflected in "Software fees and other" in our Condensed Consolidated Statements of Operations.

As our business strategy has evolved, our management looks within total bookings at renewal bookings, which we define as bookings attributable to the renewable value of a prior contract (*i.e.*, the maintenance value and, in the case of non-perpetual licenses, the license value), and at total new product sales, which we define as sales of mainframe and enterprise solutions products, and mainframe solutions capacity that are new or in addition to products or mainframe solutions capacity previously contracted for by a customer. Mainframe solutions capacity and new product sales growth can be inconsistent on both a quarterly and annual basis. We believe the period-over-period change in mainframe solutions new sales and capacity combined is a more appropriate measure of performance. Starting this quarter, we will provide only total mainframe solutions new sales information, which will include mainframe solutions capacity.

The amount of new product sales for a period, as currently tracked by us, requires estimation by management and has not been historically reported. Within a given period, the amount of new product sales may not be material to the change in our total bookings or revenue compared with prior periods. New product sales can be reflected as subscription and maintenance bookings in the period (for which revenue would be recognized ratably over the term of the contract) or in software fees and other bookings (which are recognized as software fees and other revenue in the current period).

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 vendor specific objective evidence (VSOE). 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 perpetual licenses for which revenue is recognized on an up-front basis, SaaS offerings 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, 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. Subscription and maintenance bookings typically increases 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.

Within bookings, we also consider the yield on our renewals. We define “renewal yield” as the percentage of the renewable value of a prior contract (*i.e.*, the maintenance value and, in the case of non-perpetual licenses, the license value) realized in current period bookings. The renewable value of a prior contract is an estimate affected by various factors including contractual renewal terms, price increases and other conditions. Price increases after December 31, 2012 are not considered as part of the renewable value of the prior period contract. We estimate the aggregate renewal yield for a quarter based on a review of material transactions representing a substantial majority of the dollar value of renewals during the current period. There may be no correlation between year-over-year changes in bookings and year-over-year changes in renewal yield, since renewal yield is based on the renewable value of contracts of various durations, most of which are longer than one year.

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.

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 noncurrent 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 greater than 12 months are classified as noncurrent. The portion of the 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 or decrease in the current portion of revenue backlog on a year-over-year basis is a favorable or unfavorable indicator of future subscription and maintenance revenue performance, respectively, due to the high percentage of our revenue that is recognized from license agreements that are already committed and being recognized ratably.

“Deferred revenue (billed or collected)” is composed of: (i) amounts received from customers in advance of revenue recognition and (ii) amounts billed but not collected for which revenue has not yet been earned.

RESULTS OF OPERATIONS

The following table presents revenue and expense line items reported in our Condensed Consolidated Statements of Operations for the first quarter of fiscal 2015 and fiscal 2014 and the period-over-period dollar and percentage changes for those line items. These comparisons of past results are not necessarily indicative of future results.

First Quarter Comparison Fiscal 2015 Versus Fiscal 2014						
	2015 ⁽¹⁾	2014 ⁽¹⁾	Dollar Change	Percentage Change	Percentage of Total Revenue	
			2015 / 2014	2015 / 2014	2015	2014
<i>(dollars in millions)</i>						
Revenue:						
Subscription and maintenance	\$ 909	\$ 922	\$ (13)	(1)%	85%	84 %
Professional services	87	98	(11)	(11)	8	9
Software fees and other	73	75	(2)	(3)	7	7
Total revenue	\$ 1,069	\$ 1,095	\$ (26)	(2)%	100%	100 %
Expenses:						
Costs of licensing and maintenance	\$ 72	\$ 68	\$ 4	6 %	7%	6 %
Cost of professional services	81	88	(7)	(8)	8	8
Amortization of capitalized software costs	67	66	1	2	6	6
Selling and marketing	246	269	(23)	(9)	23	25
General and administrative	92	91	1	1	9	8
Product development and enhancements	150	132	18	14	14	12
Depreciation and amortization of other intangible assets	34	36	(2)	(6)	3	3
Other expenses, net	14	126	(112)	(89)	1	12
Total expenses before interest and income taxes	\$ 756	\$ 876	\$ (120)	(14)%	71%	80 %
Income from continuing operations before interest and income taxes	\$ 313	\$ 219	\$ 94	43 %	29%	20 %
Interest expense, net	14	11	3	27	1	1
Income from continuing operations before income taxes	\$ 299	\$ 208	\$ 91	44 %	28%	19 %
Income tax expense	87	(122)	209	(171)	8	(11)
Income from continuing operations	\$ 212	\$ 330	\$ (118)	(36)%	20%	30 %

(1) Information presented excludes the results of our discontinued operations.

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

Revenue

Total Revenue

As more fully described below, the decrease in total revenue in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 was primarily attributable to a decrease in subscription and maintenance revenue and professional services revenue.

As a result of under-performance of prior period sales, we continue to expect a year-over-year decrease in total revenue for fiscal 2015 compared with fiscal 2014 due to the high percentage of our revenue that is recognized from license agreements with customers signed in prior periods that are being recognized ratably. Excluding the effect of foreign exchange, we currently expect the year-over-year percentage decline in total revenue for fiscal 2015 compared with fiscal 2014 to be similar to the year-over-year percentage decline in total revenue for fiscal 2014 compared with fiscal 2013.

Subscription and Maintenance

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 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.

The decrease in subscription and maintenance revenue in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 was primarily attributable to a decrease in prior period new product and mainframe capacity sales. If there is an increase in amount of products sold on a stand-alone basis that is recognized within software fees and other revenue, this could have an unfavorable effect on our ability to sell such software in connection with a renewal, which could negatively affect our subscription and maintenance revenue.

Professional Services

Professional services revenue primarily includes product implementation, consulting, customer education and customer training. Professional services revenue for the first quarter of fiscal 2015 decreased compared with the first quarter of fiscal 2014 as a result of a decrease in the size and number of professional services engagements during the first quarter of fiscal 2015, including non-core engagements with government customers that are not directly related to our software product sales. In addition, the decrease was also attributable to the timing of the revenue recognition for some engagements that were associated with product sales for which the revenue will be recognized on a ratable basis. We currently expect the percentage decline in professional services revenue to be greater than the percentage decline in total revenue for fiscal 2015 compared with fiscal 2014. This decline is primarily a result of the decrease in non-core professional services engagements with government customers that are not directly related to our software product sales. We are also refocusing on professional services engagements that drive new product sales. In addition, for the long-term, we expect new versions of our on-premise software to be easier to implement and a higher percentage of our business to shift to a SaaS-based model, which could potentially reduce the demand for our professional services engagements.

Software Fees and Other

Software fees and other revenue consists primarily of revenue that is recognized on an up-front basis. This includes revenue associated with enterprise solutions 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). It also includes our SaaS revenue, which is recognized as the services are provided, generally ratably over the term of the SaaS arrangement, rather than up-front.

Software fees and other revenue decreased for the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 as a result of a decrease in sales of enterprise solutions products recognized on an up-front basis and a decrease in non re-occurring fees which have been recognized as other revenue. The decrease in these sales of enterprise solutions products was primarily due to the increase in the amount of enterprise solutions product sales made in connection with renewal transactions that are recognized ratably within subscription and maintenance revenue. These decreases were partially offset by an increase in revenue from our SaaS offerings.

Total Revenue by Geography

The following table presents the amount of revenue earned from sales to unaffiliated customers in the United States and international regions and corresponding percentage changes for the first quarter of fiscal 2015 and the first quarter of fiscal 2014.

First Quarter Comparison Fiscal 2015 Versus Fiscal 2014							
	2015 ⁽¹⁾	Percentage of Total Revenue	2014 ⁽¹⁾	Percentage of Total Revenue	Dollar Change	Percentage Change	
<i>(dollars in millions)</i>							
United States	\$ 643	60%	\$ 657	60%	\$ (14)	(2)%	
International	426	40	438	40	(12)	(3)	
Total Revenue	\$ 1,069	100%	\$ 1,095	100%	\$ (26)	(2)%	

(1) Information presented excludes the results of our discontinued operations.

Revenue in the United States decreased primarily due to a decrease in subscription and maintenance revenue and professional services revenue. International revenue decreased primarily due to a decrease in subscription and maintenance revenue in our Asia Pacific Japan and Latin America regions.

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

Expenses

Operating expenses for the first quarter of fiscal 2015 decreased compared with the first quarter of fiscal 2014 primarily as a result of a decrease in costs associated with our Fiscal 2014 Plan. The decrease was also attributable to the timing of selling and marketing expenses and a decrease in personnel-related costs, partially offset by an increase in product development and enhancements expenses. We expect an increase in the third quarter of fiscal 2015 for selling and marketing expenses, as a result of the timing of CA World '14.

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 in the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014 was primarily attributable to an increase in cost of goods sold related our SaaS hosting services and the distribution of enterprise solutions products.

Cost of Professional Services

Cost of professional services consists primarily of our personnel-related costs associated with providing professional services and training to customers. Cost of professional services for the first quarter of fiscal 2015 decreased compared with the first quarter of fiscal 2014 as a result of the decrease in the size and number of professional services engagements during the quarter, including non-core engagements with government customers that are not directly related to our software product sales. Operating margin for professional services decreased to 7% for the first quarter of fiscal 2015 compared with 10% for the first quarter of fiscal 2014. The decrease in operating margin for professional services was primarily attributable to lower utilization rates for professional services personnel due to the decrease in the number of professional services engagements.

Operating margin for professional services does not include certain additional direct costs that are included within the Services segment (see "Performance of Segments" below). Expenses for the Services segment consist of cost of professional services and other direct costs included within selling and marketing and general and administrative expenses.

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.

Amortization of capitalized software costs for the first quarter of fiscal 2015 increased slightly when compared with the first quarter of fiscal 2014 as a result of an increase in software development projects that have reached general availability in recent periods.

Our product offerings and go-to-market strategy continue to evolve to include solutions and product suites that may be delivered either on-premise or via SaaS or cloud platforms. We expect our product offerings to continue to become available to customers at more frequent intervals than our historical release cycles. We have also adopted the Agile development methodologies, which are characterized by a more dynamic development process with more frequent revisions to a product release's features and functions as the software is being developed. Due to these factors we have commenced capitalization much later in the development life cycle. As a result, product development and enhancements expenses have increased as the amount capitalized for internally developed software costs decreases. We no longer capitalize any significant amounts of internally developed software costs and as a result, future amortization of capitalized software costs is expected to decrease.

Selling and Marketing

Selling and marketing expenses include the costs relating to our sales force, channel partners, corporate and business marketing and customer training programs. For the first quarter of fiscal 2015, the decrease in selling and marketing expenses compared with the first quarter of fiscal 2014 was primarily attributable to the unfavorable effect of \$15 million in expenses associated with CA World '13, our promotional and marketing conference for current and prospective customers, which occurred during the first quarter of fiscal 2014. The decrease was also attributable to a decrease in commissions expenses due to the lower bookings during the first quarter of fiscal 2015, and a decrease in personnel-related costs, which was due to a reduced headcount as a result of the Fiscal 2014 Plan. For the third quarter of fiscal 2015, we expect an increase in selling and marketing expenses related to CA World '14, which is scheduled to take place during that quarter.

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. General and administrative expenses for the first quarter of fiscal 2015 were consistent with the first quarter of fiscal 2014.

Product Development and Enhancements

For the first quarters of fiscal 2015 and fiscal 2014, product development and enhancements expenses represented 14% and 12% of total revenue, respectively. The increase in product development and enhancements expenses was primarily attributable to the decrease in capitalized software development costs of \$23 million (see "Amortization of Capitalized Software Costs" above), partially offset by a decrease in personnel-related costs from a reduced headcount as a result of the Fiscal 2014 Plan.

Product development and enhancements expenses are expected to increase in future periods compared with the respective year-ago periods as the amount of capitalized software development costs decreases (see "Amortization of Capitalized Software Costs" above).

Depreciation and Amortization of Other Intangible Assets

For the first quarter of fiscal 2015, depreciation and amortization expense decreased slightly compared with the first quarter of fiscal 2014 primarily due to a decrease in property and equipment depreciation expense.

Other Expenses, Net

The summary of other expenses, net was as follows:

	First Quarter Fiscal 2015	First Quarter Fiscal 2014
	<i>(dollars in millions)</i>	
Fiscal 2014 Plan	\$ 9	\$ 117 ⁽¹⁾
Legal settlements	—	10
Losses (gains) from foreign exchange derivative contracts	5	(9)
Losses from foreign exchange rate fluctuations	—	7
Other miscellaneous items	—	1
Total	\$ 14	\$ 126

(1) During the first quarter of fiscal 2015, we reclassified \$3 million of severance costs for the first quarter of fiscal 2014 to discontinued operations. Refer to Note B, "Divestitures," in the Notes to the Condensed Consolidated Financial Statements for additional information.

In fiscal 2014, the Company's Board of Directors approved and committed to the Fiscal 2014 Plan to better align its business priorities. The Company expects total costs of the Fiscal 2014 Plan to be \$190 million. The total cumulative amount incurred to date for severance and facility exit costs under the Fiscal 2014 Plan is \$180 million. Refer to Note C, "Severance and Exit Costs," in the Notes to the Condensed Consolidated Financial Statements for additional information.

Interest Expense, Net

Interest expense, net for the first quarter of fiscal 2015 increased compared with the first quarter of fiscal 2014 as a result of additional interest expense relating to our debt offering that occurred during the second quarter of fiscal 2014. This was partially offset by an increase in interest income from higher cash and cash equivalent balances for the first quarter of fiscal 2015 compared with the first quarter of fiscal 2014.

Income Taxes

Income tax expense for the first quarter of fiscal 2015 was \$87 million compared with an income tax benefit of \$122 million for the first quarter of fiscal 2014. For the first quarter of fiscal 2014, we recognized a net discrete tax benefit of \$181 million, resulting primarily from the resolutions of uncertain tax positions upon the completion of the examination of our U.S. federal income tax returns for the tax years ended March 31, 2005, 2006 and 2007.

Our estimated annual effective tax rate, which excludes the impact of discrete items, for the first quarter of fiscal 2015 and fiscal 2014 was 29.0% and 28.5%, respectively. Legislative changes in tax laws, the outcome of tax audits and any other changes in potential tax liabilities may result in additional tax expense or benefit in fiscal 2015, which are not considered in our estimated annual effective tax rate. While we do not currently view any such items as individually material to the results of our consolidated financial position or results of operations, the impact of certain items may yield additional tax expense or benefit in the remaining quarters of fiscal 2015 and we are anticipating a fiscal 2015 effective tax rate of approximately 30%.

While it is difficult to predict the final outcome or the timing of resolution of any particular tax matter, we believe that our financial statements reflect the probable outcome of uncertain tax positions. We may adjust these uncertain tax positions, as well as any related interest or penalties, in light of changing facts and circumstances, including the settlement of income tax audits and the expirations of statutes of limitation. To the extent a settlement differs from the amounts previously reserved, that difference generally would be recognized as a component of income tax expense in the period of resolution. Although the timing of the resolution of income tax examinations is highly uncertain, it is reasonably possible that settlements, payments and new information in the next 12 months related to certain federal, foreign and state tax issues may result in changes to our uncertain tax positions, including issues involving taxation of international operations and other matters. We believe that such reasonably possible changes within the next 12 months may reduce the balance of unrecognized tax benefits by an amount up to \$30 million.

Discontinued Operations

In the first quarter of fiscal year 2015, the Company entered into a definitive agreement to divest arcserve. In the fourth quarter of fiscal year 2014, the Company entered into a definitive agreement to divest its CA ERwin Data Modeling solution assets (ERwin). The results of discontinued operations for the first quarter of fiscal 2015 and fiscal 2014 included revenue of \$31 million and \$33 million, respectively, and income from operations, net of taxes, of \$5 million and \$5 million, respectively.

We expect to close the sale of each of arcserve and ERwin during fiscal 2015.

Refer to Note B, "Divestitures," in the Notes to the Condensed Consolidated Financial Statements for additional information.

Performance of Segments

Our Mainframe Solutions and Enterprise Solutions segments comprise our software business organized by the nature of our software offerings and the platform on which the products operate. The Services segment comprises product implementation, consulting, customer education and customer training, including those directly related to the Mainframe Solutions and Enterprise Solutions software that we sell to our customers.

Segment expenses do not include share-based compensation expense; amortization of purchased software; amortization of other intangible assets; certain foreign exchange derivative hedging gains and losses; costs associated with the Fiscal 2014 Plan; and other miscellaneous costs. We consider all costs of internally developed software as segment expense in the period the costs are incurred, and as a result, we will add back capitalized internal software costs and exclude amortization of internally developed software costs previously capitalized from segment expenses.

Segment financial information for the first quarter of fiscal 2015 and fiscal 2014 was as follows:

Mainframe Solutions	First Quarter Fiscal 2015 ⁽¹⁾	First Quarter Fiscal 2014 ⁽¹⁾
	<i>(dollars in millions)</i>	
Revenue	\$ 614	\$ 619
Expenses	235	243
Segment profit	\$ 379	\$ 376
Segment operating margin	62%	61%

(1) Information presented excludes the results of our discontinued operations.

For the first quarter of fiscal 2015, Mainframe Solutions revenue decreased slightly compared with the year-ago period primarily due to the decrease in prior period new product and mainframe solutions capacity sales. The increase in operating margin for the first quarter of fiscal 2015 compared with the year-ago period was primarily a result of the timing of selling and marketing expenses and overall decrease in personnel-related cost.

Enterprise Solutions	First Quarter Fiscal 2015 ⁽¹⁾	First Quarter Fiscal 2014 ⁽¹⁾
	<i>(dollars in millions)</i>	
Revenue	\$ 368	\$ 378
Expenses	325	351
Segment profit	\$ 43	\$ 27
Segment operating margin	12%	7%

(1) Information presented excludes the results of our discontinued operations.

Enterprise Solutions revenue for the first quarter of fiscal 2015 decreased compared with the year-ago period primarily due to a decrease in new product sales in the prior fiscal year. This decline in prior year new product sales was primarily due to a decrease in sales of certain mature product lines, partially offset by an increase in sales of recently acquired products. Enterprise Solutions operating margin for the first quarter of fiscal 2015 increased compared with the year-ago period as a result of the timing of selling and marketing expenses and an overall decrease in personnel-related costs.

Services	First Quarter Fiscal 2015	First Quarter Fiscal 2014
	<i>(dollars in millions)</i>	
Revenue	\$ 87	\$ 98
Expenses	82	90
Segment profit	\$ 5	\$ 8
Segment operating margin	6%	8%

Services revenue for the first quarter of fiscal 2015 decreased compared with the first quarter of fiscal 2014 primarily as a result of a decrease in the size and number of professional services engagements during the first quarter of fiscal 2015, including non-core engagements with government customers that are not directly related to our software product sales. In addition, the decrease was also attributable to the timing of the revenue recognition for some engagements that were associated with product sales for which the revenue will be recognized on a ratable basis. We currently expect the percentage decline in services revenue to be greater than the percentage decline in total revenue for fiscal 2015 compared with fiscal 2014. This decline is primarily a result of the decrease in non-core professional services engagements with government customers that are not directly related to our software product sales. We are also refocusing on professional services engagements that drive new product sales. In addition, for the long-term, we expect new versions of our on-premise software to be easier to implement and a higher percentage of our business to shift to a SaaS-based model, which could potentially reduce the demand for our professional services engagements. Operating margin for our Services segment decreased to 6% in the first quarter of fiscal 2015 compared with 8% in the first quarter of fiscal 2014 as a result of lower utilization rates for services personnel due to the decrease in the number of professional services engagements.

Refer to Note O, "Segment Information," in the Notes to the Condensed Consolidated Financial Statements for additional information.

Bookings

Total Bookings

For the first quarter of fiscal 2015 and 2014, total bookings were \$724 million and \$796 million, respectively. The decrease in bookings was primarily due to a year-over-year decrease in professional services bookings of \$48 million, which was due to a decrease in the size and number of professional services engagements during the first quarter of fiscal 2015, including non-core engagements with government customers that are not directly related to our software product sales. Additionally, professional services bookings in the first quarter of fiscal 2014 were positively affected by several large engagements. To a lesser extent, there was also a decrease in subscription and maintenance bookings primarily due to a decrease in renewals.

Total renewals decreased from the year-ago-period by a mid-single-digit percentage, as a result of the decrease in mainframe solutions renewals, which was partially offset by an increase in enterprise solutions renewals.

Total new product sales, a subset of our total bookings, for the first quarter of fiscal 2015 was consistent with the first quarter of fiscal 2014.

Mainframe solutions capacity and new product sales growth can be inconsistent on both a quarterly and annual basis. We believe the period-over-period change in mainframe solutions new sales and capacity combined is a more appropriate measure of performance. Starting this quarter, we will provide only total mainframe solutions new sales information, which will include mainframe solutions capacity. For the first quarter of fiscal 2015, mainframe solutions new sales were down in the high-single-digit percentage range. The decrease in mainframe solutions new sales was primarily due to the composition of the renewal portfolio being more heavily weighted to enterprise solutions renewals in the quarter. Overall, we expect our mainframe solutions revenue to perform in line with the mainframe market. Enterprise solutions new product sales increased by a mid-single-digit percentage as a result of new sales in connection with renewals within our Platinum customer accounts and good sales execution in the Europe, Middle East and Africa region during the first quarter of fiscal 2015. New sales associated with renewals with our Platinum customer accounts performed well. We believe we need to increase our sales outside renewals with our Named and partner customer segments. We currently expect these customer segments to make a more significant contribution to total new product and mainframe solutions capacity sales in the second half of fiscal 2015.

Total new product sales increased in the United States and Asia Pacific Japan region, offset by a decrease in the Europe, Middle East and Africa and Latin America regions.

Total bookings in the first quarter of fiscal 2015 compared with the year-ago period decreased in all regions except the United States. The increase in total bookings in the United States was primarily as a result of a contract renewal with a large financial services company.

Generally, quarters with smaller renewal inventories result in a lower level of bookings both because renewal bookings will be lower and, to a lesser extent, because renewals also remain an important opportunity for new product sales.

Subscription and Maintenance Bookings

For the first quarter of fiscal 2015 and fiscal 2014, subscription and maintenance bookings were \$603 million and \$617 million, respectively. The decrease in subscription and maintenance bookings was primarily attributable to a decrease in our renewals.

During the first quarter of fiscal 2015, we executed a total of eight license agreements with incremental contract values in excess of \$10 million each, for an aggregate contract value of \$330 million. During the first quarter of fiscal 2014, we executed a total of nine license agreements with incremental contract values in excess of \$10 million each, for an aggregate contract value of \$323 million. Renewal bookings, as we report them, do not include new product and capacity sales and professional services arrangements. For the first quarter of fiscal 2015 renewal bookings decreased by a mid-single-digit percentage compared with the first quarter of fiscal 2014.

Mainframe solutions renewals decreased year-over-year. The decrease was partially offset by an increase in enterprise solutions renewals primarily due to the composition of our renewal portfolio. Renewals can close before their scheduled renewal date for a number of reasons, including customer preference, customer needs for additional products or capacity, or our preference. The level of contracts closed prior to scheduled expiration dates and the reasons for such closings can vary from quarter to quarter. For the first quarter of fiscal 2015, our percentage renewal yield was in the low 90 percent range. We expect our fiscal 2015 renewal portfolio to decline by a high-single-digit percentage compared with fiscal 2014. Excluding the impact from a contract renewal with a large system integrator which occurred during the third quarter of fiscal 2014, we expect the value of our fiscal 2015 renewal portfolio to be consistent with the value of our fiscal 2014 renewal portfolio. For the second quarter of fiscal 2015, we expect renewals to decline compared with the second quarter of fiscal 2014 and as a result, we expect lower new product and capacity sales in connection with renewals.

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. For the first quarter of fiscal 2015, annualized subscription and maintenance bookings decreased from \$199 million in the prior year period to \$168 million. The decrease in annualized subscription and maintenance bookings was primarily a result of the lower level of renewal bookings and an increase in the weighted average duration in years for contacts executed during the first quarter of fiscal 2015 compared with the first quarter of 2014. The weighted average subscription and maintenance license agreement duration in years increased from 3.10 in the first quarter of fiscal 2014 to 3.60 in the first quarter of fiscal 2015. This increase was primarily attributable to the aforementioned contract renewal with a large financial services company.

Although each contract is subject to terms negotiated by the respective parties, we do not expect the weighted average subscription and maintenance agreement duration in years to change materially from historical levels for end-user contracts.

LIQUIDITY AND CAPITAL RESOURCES

Our cash and cash equivalent balances are held in numerous locations throughout the world, with 67% held in our subsidiaries outside the United States at June 30, 2014. Cash and cash equivalents totaled \$3,255 million at June 30, 2014, representing an increase of \$3 million from the March 31, 2014 balance of \$3,252 million. During the first quarter of fiscal 2015, there was a \$1 million favorable translation effect from foreign currency exchange rates on cash held outside the United States in currencies other than the U.S. dollar.

Although 67% of our cash and cash equivalents is held by foreign subsidiaries, we currently neither intend nor expect a need to repatriate these funds to the United States in the foreseeable future. We expect existing domestic cash, cash equivalents and cash flows from operations to be sufficient to fund our domestic operating activities and our investing and financing activities, including, among other things, the payment of regular quarterly dividends, compliance with our debt repayment schedules, repurchases of our common stock and the funding for capital expenditures, for at least the next 12 months and for the foreseeable future thereafter. In addition, we expect existing foreign cash, cash equivalents and cash flows from foreign operations to be sufficient to fund our foreign operating activities and investing activities, including, among other things, the funding for capital expenditures, acquisitions and research and development, for at least the next 12 months and for the foreseeable future thereafter.

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 the customer's 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, these 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 these 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 first quarter of fiscal 2015, gross receipts related to single installments for the entire contract value, or a substantial portion of the contract value, were \$68 million, of which \$8 million was billed in the fourth quarter of fiscal 2014. For the first quarter of fiscal 2014, gross receipts related to single installments for the entire contract value, or a substantial portion of the contract value, were \$53 million, of which \$21 million was billed in the fourth quarter of fiscal 2013.

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. Historically, any such discounts have not been material.

Amounts due from customers from our subscription licenses are offset by deferred revenue related to these license agreements, leaving no or minimal net carrying value on our Condensed Consolidated Balance Sheets for those amounts. The fair value of these 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 receivables already reflected in our Condensed Consolidated Balance Sheets represent the amounts we expect to collect in the future from committed contracts.

<i>(in millions)</i>	June 30, 2014 ⁽¹⁾	March 31, 2014 ⁽¹⁾	June 30, 2013 ⁽¹⁾
Billings backlog:			
Amounts to be billed – current	\$ 2,031	\$ 1,983	\$ 2,097
Amounts to be billed – noncurrent	2,289	2,365	2,146
Total billings backlog	\$ 4,320	\$ 4,348	\$ 4,243
Revenue backlog:			
Revenue to be recognized within the next 12 months – current	\$ 3,402	\$ 3,500	\$ 3,371
Revenue to be recognized beyond the next 12 months – noncurrent	3,928	4,139	3,924
Total revenue backlog	\$ 7,330	\$ 7,639	\$ 7,295
Deferred revenue (billed or collected)	\$ 3,010	\$ 3,291	\$ 3,052
Total billings backlog	4,320	4,348	4,243
Total revenue backlog	\$ 7,330	\$ 7,639	\$ 7,295

(1) Information presented excludes the results of our discontinued operations.

Note: Revenue backlog includes deferred subscription and maintenance, professional services and software fees and other revenue.

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 trade accounts receivable, which represent amounts already billed but not collected, from our Condensed Consolidated Balance Sheets.

<i>(in millions)</i>	June 30, 2014 ⁽¹⁾	March 31, 2014 ⁽¹⁾	June 30, 2013 ⁽¹⁾
Expected future cash collections:			
Total billings backlog	\$ 4,320	\$ 4,348	\$ 4,243
Trade accounts receivable, net	553	800	537
Total expected future cash collections	\$ 4,873	\$ 5,148	\$ 4,780

(1) Information presented excludes the results of our discontinued operations.

The increase in billings backlog at June 30, 2014 compared with June 30, 2013 was primarily a result of a favorable effect of foreign exchange. Billings backlog at June 30, 2014 was generally consistent with the billings backlog amount at March 31, 2014.

The increase in expected future cash collections at June 30, 2014 compared with June 30, 2013 was primarily driven by an increase in billings backlog, as described above. The decrease in expected future cash collections at June 30, 2014 compared with March 31, 2014 was primarily driven by a decrease in trade accounts receivable.

Total revenue backlog at June 30, 2014 was generally consistent with the total revenue backlog at June 30, 2013. Excluding the favorable effect of foreign exchange, total revenue backlog would have decreased 1% at June 30, 2014. Total revenue backlog at June 30, 2014 decreased compared with March 31, 2014, as a result of a typical decrease in first quarter bookings compared with fourth quarter bookings.

Revenue to be recognized in the next 12 months increased by 1% at June 30, 2014 compared with June 30, 2013. Excluding the favorable effect of foreign exchange, revenue to be recognized in the next 12 months would have decreased slightly.

Revenue to be recognized in the next 12 months decreased by 3% at June 30, 2014 compared with March 31, 2014. This decrease was a result of the factors described above.

We expect the current portion of revenue backlog to show improvement by the fourth quarter of fiscal 2015, excluding the effect of foreign exchange.

Generally, we believe that a change in the current portion of revenue backlog on a year-over-year basis is an indicator of future subscription and maintenance revenue performance due to the high percentage of our revenue that is recognized from license agreements that are already committed and being recognized ratably.

Net Cash Provided by Operating Activities - Continuing Operations

	First Quarter of Fiscal		Change
	2015 ⁽¹⁾	2014 ⁽¹⁾	2015 / 2014
	<i>(in millions)</i>		
Cash collections from billings ⁽²⁾	\$ 1,088	\$ 1,132	\$ (44)
Vendor disbursements and payroll ⁽²⁾	(833)	(878)	45
Income tax payments, net	(30)	(195)	165
Other disbursements, net ⁽³⁾	(59)	(56)	(3)
Net cash provided by operating activities - continuing operations	\$ 166	\$ 3	\$ 163

(1) Information presented excludes the results of our discontinued operations.

(2) Amounts include value added taxes and sales taxes.

(3) For the first quarter of fiscal 2015, amount includes \$30 million of payments associated with the Fiscal 2014 Plan, interest, prior period restructuring plans and miscellaneous receipts and disbursements. For the first quarter of fiscal 2014, amount includes \$20 million of payments associated with the Fiscal 2014 Plan, interest, prior period restructuring plans, and miscellaneous receipts and disbursements.

First Quarter Comparison Fiscal 2015 Versus Fiscal 2014
Operating Activities:

Net cash provided by operating activities from continuing operations for the first quarter of fiscal 2015 was \$166 million, representing an increase of \$163 million compared with the first quarter of fiscal 2014. Net cash provided by operating activities from continuing operations was favorably affected by a decrease in income tax payments of \$165 million and a decrease in vendor disbursements and payroll of \$45 million. These favorable effects were partially offset by a decrease in cash collections of \$44 million and an increase in payments associated with the Fiscal 2014 Plan of \$10 million.

Product development and enhancements expenses are expected to increase in future periods compared with the year-ago period as the amount of capitalized software development costs decreases (see "Amortization of Capitalized Software Costs" above). This resulted in additional operating cash outflows for the first quarter of fiscal 2015 and we expect that this will continue to have an unfavorable effect on operating cash flows for the remainder of fiscal 2015.

Investing Activities:

Net cash used in investing activities from continuing operations for the first quarter of fiscal 2015 was \$32 million compared with net cash provided by investing activities from continuing operations of \$24 million for the first quarter of fiscal 2014. The change in net investing activities was primarily due to the maturities of short-term investments during the first quarter of fiscal 2014 of \$184 million, offset by a decrease in cash paid for acquisitions and purchased software of \$111 million and a decrease in capitalized software development costs of \$25 million. The year-over-year change in our investment amounts is a result of a change in the allocation of our investment portfolio, which reduced our investments in instruments with maturities greater than 90 days.

Financing Activities:

Net cash used in financing activities from continuing operations for the first quarter of fiscal 2015 was \$140 million compared with \$138 million for the first quarter of fiscal 2014. The increase in net cash used in financing activities was primarily due to the decrease in proceeds from the exercise of common stock options of \$16 million, offset by an increase in net borrowings from our notional pooling arrangement of \$9 million and a decrease in dividends paid of \$3 million.

Debt Obligations

As of June 30, 2014 and March 31, 2014, our debt obligations consisted of the following:

	June 30, 2014	March 31, 2014
	<i>(in millions)</i>	
Revolving credit facility due June 2018	\$ —	\$ —
5.375% Senior Notes due December 2019	750	750
6.125% Senior Notes due December 2014, net of unamortized premium from fair value hedge of \$5 and \$8	505	508
2.875% Senior Notes due August 2018	250	250
4.500% Senior Notes due August 2023	250	250
Other indebtedness, primarily capital leases	19	13
Unamortized discount for Notes	(5)	(5)
Total debt outstanding	\$ 1,769	\$ 1,766
Less the current portion	(515)	(514)
Total long-term debt portion	\$ 1,254	\$ 1,252

Other Indebtedness

We have available an unsecured and uncommitted multi-currency line of credit to meet short-term working capital needs for our subsidiaries operating outside the United States. We use guarantees and letters of credit issued by financial institutions to guarantee performance on certain contracts. At both June 30, 2014 and March 31, 2014, \$49 million of this line of credit was pledged in support of bank guarantees and other local credit lines. At June 30, 2014, none of these arrangements were drawn down by third parties. At March 31, 2014, less than \$1 million of these arrangements were drawn down by third parties.

We use a notional pooling arrangement with an international bank to help manage global liquidity. Under this pooling arrangement, we and our participating subsidiaries may maintain either cash deposit or borrowing positions through local currency accounts with the bank, so long as the aggregate position of the global pool is a notional calculated net cash deposit. Because it maintains a security interest in the cash deposits and has the right to offset the cash deposits against the borrowings, the bank provides us and our participating subsidiaries favorable interest terms on both. The activity under this cash pooling arrangement for the three months ended June 30, 2014 and 2013 was as follows:

	Three Months Ended June 30,	
	2014	2013
	<i>(in millions)</i>	
Total borrowings outstanding at beginning of period ⁽¹⁾	\$ 139	\$ 136
Borrowings	1,334	725
Repayments	(1,323)	(723)
Foreign currency exchange effect	(10)	—
Total borrowings outstanding at end of period ⁽¹⁾	\$ 140	\$ 138

(1) Included in "Accrued expenses and other current liabilities" in our Condensed Consolidated Balance Sheets.

For additional information concerning our debt obligations, refer to our Consolidated Financial Statements and Notes thereto included in our 2014 Form 10-K.

Effect of Exchange Rate Changes

There was a \$1 million favorable impact to our cash balances in the first quarter of fiscal 2015 predominantly due to the weakening of the U.S. dollar against the British pound sterling (3%), the Brazilian real (3%), Israeli shekel (2%), the Australian dollar (2%) and the Japanese yen (2%), offset by the strengthening of the U.S. dollar against the Norwegian krone (2%) and the euro (1%).

There was a \$29 million unfavorable impact to our cash balances in the first quarter of fiscal 2014 predominantly due to the strengthening of the U.S. dollar against the Australian dollar (12%), the Brazilian real (9%) and the Japanese yen (5%), offset by the weakening of the U.S. dollar against the euro (1%).

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 the 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 2014 Form 10-K under Management's Discussion and Analysis of Financial Condition and Results of Operations. At June 30, 2014, there was no material change to this information.

New Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for annual and interim periods in fiscal years beginning after December 15, 2016. Early application is not permitted. ASU 2014-09 is effective for our first quarter of fiscal year 2018 using either the retrospective or cumulative effect transition method. We are evaluating the effect that ASU 2014-09 will have on our consolidated financial statements and related disclosures. ASU 2014-09 is expected to have a significant impact on our revenue recognition policies and disclosures. We have not yet selected a transition method nor have we determined the effect of the standard on our ongoing financial reporting.

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 2014 Form 10-K, subsequent to March 31, 2014.

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, as amended (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

There were no changes in the Company's internal control over financial reporting, as that 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.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Refer to Note I, "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 2014 Form 10-K. We believe that as of June 30, 2014, 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 first quarter of fiscal 2015:

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
<i>(in thousands, except average price paid per share)</i>				
April 1, 2014 - April 30, 2014	—	\$ —	—	\$ 1,000,000
May 1, 2014 - May 31, 2014	—	\$ —	—	\$ 1,000,000
June 1, 2014 - June 30, 2014	1,737	\$ 28.79	1,737	\$ 950,000
Total	<u>1,737</u>		<u>1,737</u>	

On May 14, 2014, our Board of Directors approved a stock repurchase program that authorizes us to acquire up to \$1 billion of our common stock. We expect to complete the program in approximately three years. We expect to fund the program with available cash on hand and repurchase shares on the open market, through solicited or unsolicited privately negotiated transactions or otherwise from time to time based on market conditions and other factors.

During the first quarter of fiscal 2015, we repurchased 1.7 million shares of our common stock for \$50 million. At June 30, 2014, we remained authorized to purchase \$950 million of our common stock under the current stock repurchase program.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

None.

Item 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Exhibit	Filing Date	
3.1	Restated Certificate of Incorporation.	8-K	3.3	3/9/06	
3.2	By-Laws of the Company, as amended.	8-K	3.1	2/28/07	
10.1*	Schedules A, B, and C (as amended effective May 13, 2014) to CA, Inc. Change in Control Severance Policy.	8-K	10.1	5/14/14	
10.2*	Letter dated June 14, 2013 from the Company to Lauren P. Flaherty regarding terms of employment.				X
10.3*	Final Release and Indemnity dated June 16, 2014 between the Company and Peter JL Griffiths.				X
10.4*	Form of Award Agreement under the CA, Inc. 2011 Incentive Plan - Executive Officer Restricted Stock Awards.				X
10.5*	Amended Form of Award Agreement under the CA, Inc. 2011 Incentive Plan - Restricted Stock Units.				X
10.6*	Amended Form of Award Agreement under the CA, Inc. 2011 Incentive Plan - Restricted Stock Awards.				X
10.7*	Amended Form of Award Agreement under the CA, Inc. 2011 Incentive Plan - Non-Qualified Stock Options.				X
10.8*	Amended Form of Award Agreement under the CA, Inc. 2011 Incentive Plan - Non-Qualified Stock Options (Canadian employees).				X
12	Statement of Ratios of Earnings to Fixed Charges.				X
15	Accountants' acknowledgment letter.				X
31.1	Certification of the Principal Executive Officer pursuant to §302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of the Principal Financial Officer pursuant to §302 of the Sarbanes-Oxley Act of 2002.				X
32†	Certification pursuant to §906 of the Sarbanes-Oxley Act of 2002.				X
101	The following financial statements from CA, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2014, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets - June 30, 2014 (Unaudited) and March 31, 2014. (ii) Unaudited Condensed Consolidated Statements of Operations - Three Months Ended June 30, 2014 and 2013. (iii) Unaudited Condensed Consolidated Statements of Comprehensive Income - Three Months Ended June 30, 2014 and 2013. (iv) Unaudited Condensed Consolidated Statements of Cash Flows - Three Months Ended June 30, 2014 and 2013. (v) Notes to Condensed Consolidated Financial Statements - June 30, 2014.				X
*	Management contract or compensatory plan or arrangement.				
†	Furnished herewith.				

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/ Michael P. Gregoire

Michael P. Gregoire
Chief Executive Officer

By: /s/ Richard J. Beckert

Richard J. Beckert
Executive Vice President and Chief Financial Officer

Dated: July 24, 2014

[Letterhead of CA, Inc.]

June 14, 2013

CA, Inc.
World Headquarters
One CA Plaza
Islandia, New York 11749

Re: Employment Letter – Lauren P. Flaherty

Dear Lauren:

This is your **Employment Letter** (the “*Letter*”) with **CA, Inc.**, a Delaware corporation (the “*Company*”). It sets forth the terms of your employment with the Company and your service to the Company and its affiliates from time to time (together, the “*Group*”).

1. Your Position, Performance and Other Activities

(a) *Position*. You will be employed in the position of Executive Vice President and Chief Marketing Officer of the Company.

(b) *Authority, Responsibilities and Reporting*. You will report directly to the Company’s Chief Executive Officer. Your duties, responsibilities and authority shall be such duties, responsibilities and authority as are consistent with the above job titles and such other duties, responsibilities and authority as the Chief Executive Officer shall from time to time specify commensurate with your position.

(c) *Performance*. During your employment, you will (a) serve the Group faithfully, diligently and to the best of the your ability under the direction of the Chief Executive Officer, (b) devote your full working time and best efforts, attention and energy to the performance of your duties to the Group and (c) not do anything inconsistent with your duties to the Group. During your employment, (i) prior to your permanent relocation to the New York, NY metropolitan area as set forth in Section 4(d) of this Letter, which is scheduled to occur within 90 days of your Start Date, it is the intention that you will have your office and work primarily in California, although it is expected that you will travel to CA offices in New York and other locations as needed; and (ii) following your permanent relocation to the New York, NY metropolitan area, your principal place of performance of your responsibilities under this Letter will be Islandia, New York or New York, New York.

(d) *Other Activities*. During your employment, you will not render any business, commercial or professional services to any non-member of the Group. However, you may (1) serve on corporate, civic or charitable boards, (2) manage personal investments, or (3) deliver lectures, or fulfill speaking engagements or teach at educational institutions, *so long as* (A) these activities do not interfere with your performance of your responsibilities under this Letter and

(B) any service on a corporate, civic, charitable board or any other outside organization must be approved by the Company in advance and in writing in accordance with the Company's written policies as in effect from time to time.

2. Term of Your Employment

(a) Your employment under this Letter will begin on August 1, 2013 (the "*Start Date*" of this Letter) and will continue until your employment is terminated by you or by the Company (this period referred to as the "*Employment Period*"). References in this Letter to "*your employment*" are to your employment under this Letter.

(b) You and the Company agree that your employment with the Company is "at-will" which means that either you or the Company may terminate your employment at any time, for any reason whatsoever, with or without Cause or Good Reason (as such terms are defined herein), in accordance with the terms of this Letter.

3. Your Compensation

(a) *Salary*. For the portion of the Company's fiscal year 2014 (beginning on April 1, 2013 and ending on March 31, 2014) following your Start Date, you will receive an annual base salary at the rate of \$600,000. After fiscal year 2014, your annual base salary will be determined by the Compensation and Human Resources Committee of the Board of Directors (the "*Compensation Committee*") in its sole discretion and in accordance with its normal review process; *provided* that your annual base salary will not be reduced below \$600,000 (other than in connection with a reduction proportionately applied to the annual base salaries of the Company's other executive officers or in connection with a broad-based salary reduction program). Your annual base salary as in effect from time to time is referred to as your "*Salary*". Your Salary will be paid in accordance with the Company's normal practices for senior executives but you shall in any event receive pro-rata installments of your Salary at least once each calendar month.

(b) *Annual Performance Cash Incentive*. Beginning with fiscal year 2014, you will be eligible to receive an annual performance cash incentive (your "*Annual Performance Cash Incentive*") in accordance with the Company's 2011 Incentive Plan (and any successor plan). The target level for fiscal year 2014 will be \$600,000, pro-rated based on the number of days you serve the Company during fiscal year 2014. The terms of the Annual Performance Cash Incentive, including the performance metrics used in determining your Annual Performance Cash Incentive, will be subject to the determination and approval of the Compensation Committee of the Board of Directors (the "*Compensation Committee*") on an annual basis. For each fiscal year after fiscal year 2014, your Annual Performance Cash Incentive target level will be subject to the review and approval of the Compensation Committee.

(c) *Long-Term Incentive Awards*. Beginning with the Company's 2014 fiscal year, you will annually be eligible to receive long-term incentive awards ("*Long-Term Incentive Awards*") as determined by the Company in accordance with the Company's 2011 Incentive Plan (and any successor plan). The target award level for your Long-Term Incentive Awards under the Company's Long-Term Incentive Plan for fiscal year 2014 will be \$1,800,000, pro-rated based on the number of days you serve the Company during fiscal year 2014 and will be granted

in the form of stock options and three-year performance shares pursuant to the Company's methodologies and consistent with how such awards were granted to other executive officers in early fiscal year 2014. The terms of the Long-Term Incentive Awards, including the performance metrics used in determining your Long-Term Incentive Awards payouts, will be subject to the determination and approval of the Compensation Committee on an annual basis. For each fiscal year after fiscal year 2014, your Long-Term Incentive Award target level will be subject to the review and approval of the Compensation Committee.

(d) *Sign-On Bonus*. You shall receive a sign-on bonus as follows, intended to compensate you for certain amounts forfeited upon leaving your prior employer:

(1) \$500,000 cash payment (subject to applicable tax withholding) to be made to you in two equal installments of \$250,000 with the first payment of \$250,000 paid no later than 30 days following your Start Date and the second payment of \$250,000 paid no later than the first regularly scheduled payroll date following the second anniversary of your Start Date, provided you remain employed on each of those anniversaries; *provided, however*, if you provide notice of termination other than for Good Reason, or if the Company terminates you for Cause, in each case prior to the second anniversary of your Start Date, you will be required to promptly repay the Company any amounts already paid to you; and

(2) equity incentive compensation, to be granted effective as of your Start Date pursuant to the 2011 Incentive Plan and the grant agreements provided to you with respect to these awards, as follows:

(A) stock options, to be granted effective as of the Start Date with a grant date fair value for accounting purposes under FASB ASC Topic 718 of approximately \$2,200,000, as determined by the Company based on its valuation methodology as of the grant date (the "*Sign-On Stock Options*"). The Sign-On Stock Options will vest annually with respect to 34%, 33% and 33% of such grant, on each of the first three anniversaries of the Start Date, subject to your continued service through each such date, and shall otherwise be governed by the terms set forth in this Letter and the grant agreement attached as Exhibit A to this Letter; and

(B) time-based RSUs, to be granted effective as of the Start Date with a grant date fair value for accounting purposes under FASB ASC Topic 718 of approximately \$1,600,000, as determined by the Company based on its valuation methodology as of the Start Date (the "*Sign-On RSUs*"). The Sign-On RSUs will vest and be settled in Company common shares annually with respect to 34%, 33% and 33% of such grant, on each of the first three anniversaries of the Start Date, subject to your continued service through each such date, and shall otherwise be governed by the terms set forth in this Letter and the grant agreement attached as Exhibit A to this Letter.

4. Other Employee Benefits; Change in Control Severance Policy

(a) *Vacation.* You will be entitled to paid annual vacation consistent with the Company's vacation policy as in effect from time to time.

(b) *Employee Benefit Plans.* During your employment, you will be eligible to participate in the Company's employee benefit and welfare plans, including plans providing retirement benefits, deferred compensation, medical, dental, hospitalization, life or disability insurance and the Savings Harvest 401(k) Plan on a basis that is no less favorable than what is provided to other senior executives of the Company generally.

(c) *Change in Control Severance Policy.* The Compensation Committee has approved your participation in the Company's Change in Control Severance Policy (as may be amended from time to time, the "*CIC Severance Policy*") as a Schedule B participant (*i.e.*, at 2.0 multiple), *provided* that (i) you will not be eligible for the benefits under Section 4(g) of the CIC Severance Policy relating to any Excise Tax Gross-up and (ii) such participation shall be in accordance with the terms of such CIC Severance Policy. Your participation and any other terms and conditions related to participation shall be at the discretion of the Compensation Committee or the Board of Directors in accordance with the terms of the CIC Severance Policy.

(d) *Relocation.* You will relocate to the New York, NY metropolitan area (which for avoidance of doubt includes residing in the states of New York, New Jersey or Connecticut) within approximately 90 days of your Start Date. You will be eligible for relocation benefits in accordance with the Company's executive relocation policy as in effect from time to time or as otherwise determined by the Compensation Committee. Any and all travel-related or other expenses associated with your travel to New York prior to your relocation will be treated in accordance with Company policies as in effect from time to time.

5. Termination of Your Employment

(a) *No Reason Required.* You or the Company may terminate your employment at any time for any reason, or for no reason, subject to compliance with Section 5(d).

(b) *Termination by the Company for Cause.*

"Cause" means any of the following:

A. Your continued failure, either due to willful action or as a result of gross neglect, to substantially perform your duties and responsibilities to the Group under your terms of employment (other than any such failure resulting from your incapacity due to physical or mental illness) that, if capable of being cured, has not been cured within thirty (30) days after written notice is delivered to you, which notice specifies in reasonable detail the manner in which the Company believes you have not substantially performed your duties and responsibilities.

B. Your engagement in conduct which is demonstrably and materially injurious to the Group, or that materially harms the reputation or financial position

of the Group, unless the conduct in question was undertaken in good faith on an informed basis with due care and with a rational business purpose and based upon the honest belief that such conduct was in the best interest of the Group.

C. Your indictment or conviction of, or plea of guilty or nolo contendere to, a felony or any other crime involving dishonesty, fraud or moral turpitude.

D. Your being found liable in any SEC or other civil or criminal securities law action or entering any cease and desist order with respect to such action (regardless of whether or not you admit or deny liability).

E. Your breach of your fiduciary duties to the Group which may reasonably be expected to have a material adverse effect on the Group. However, to the extent the breach is curable, the Company must give you notice and a reasonable opportunity to cure.

F. Your (i) obstructing or impeding, (ii) endeavoring to influence, obstruct or impede or (iii) failing to materially cooperate with, any investigation authorized by the Board of Directors or any governmental or self-regulatory entity (an "Investigation"). However, your failure to waive attorney-client privilege relating to communications with your own attorney in connection with an Investigation shall not constitute "Cause."

G. Your purposely withholding, removing, concealing, destroying, altering or by any other means falsifying any material which is requested in connection with an Investigation.

H. Your disqualification or bar by any governmental or self-regulatory authority from serving in the capacity contemplated by the terms of this Letter or your loss of any governmental or self-regulatory license that is reasonably necessary for you to perform your responsibilities to the Group as set forth in this Letter if (a) the disqualification, bar or loss continues for more than thirty (30) days and (b) during that period, the Group uses its good faith efforts to cause the disqualification or bar to be lifted or the license replaced. While any disqualification, bar or loss continues during your employment, you will serve in the capacity contemplated by the terms of this Letter to whatever extent legally permissible and, if your employment is not permissible, you will be placed on leave (which will be paid to the extent legally permissible).

I. Your unauthorized use or disclosure of confidential or proprietary information, or related materials, or the violation of any of the terms of the Employment and Confidentiality Agreement executed by you or any Company standard confidentiality policies and procedures, which may reasonably be expected to have a material adverse effect on the Group and that, if capable of being cured, has not been cured within thirty (30) days after written notice is

delivered to you by the Company, which notice specifies in reasonable detail the alleged unauthorized use or disclosure or violation.

J. Your violation of the Group's (i) Workplace Violence Policy or (ii) policies on discrimination, unlawful harassment or substance abuse.

For this definition, no act or omission by you will be "willful" unless it is made by you in bad faith or without a reasonable belief that your act or omission was in the best interests of the Group.

(c) *Termination by you for Good Reason.*

"Good Reason" means any of the following:

A. Any material and adverse change in your title;

B. Any material and adverse reduction in your authorities or responsibilities, or your not being a direct report to the Chief Executive Officer, other than any isolated, insubstantial and inadvertent failure by the Company that is not in bad faith and is cured promptly on you giving the Company notice (and for purposes of clarification, a change in the number of direct reports will not constitute a material and adverse reduction in your authorities or responsibilities);

C. Any material reduction by the Company in your Base Salary or target level of Annual Performance Cash Incentive as set forth in Sections 3(a) and 3(b), respectively, other than any such reduction that is (i) part of a broad-based salary reduction program for executive officers of the Company that does not exceed 10% or (ii) agreed to by you in writing; or

D. The Company's material breach of this Letter;

; provided that (i) no alleged action, reduction or breach set forth in A. through D. above shall be deemed to constitute "Good Reason" unless such action, reduction or breach remains uncured, as the case may be, after the expiration of thirty (30) days following delivery to the Company from you of a written notice, setting forth such course of conduct deemed by you to constitute "Good Reason"; (ii) such written notice must be delivered to the Company within ninety (90) days after you obtain knowledge of such breach constituting "Good Reason"; and (iii) you must terminate employment within two years after you obtain knowledge of such breach constituting "Good Reason". The Company's placing you on paid leave for up to ninety (90) consecutive days while it is determining whether there is a basis to terminate your employment for Cause will not constitute "Good Reason."

(d) *Advance Notice Generally Required.* Notwithstanding anything else contained in this Letter to the contrary, the Company and you each acknowledge and agree that your employment with the Company may be terminated by either the Company upon 30 days' written notice to you (subject to the provisions of Section 6 of this Letter) or by you upon 90 days' written notice to the Company (subject to the provisions of Section 6 of this Letter), at any time

and for any reason, with or without Cause or Good Reason. In addition, this Letter shall automatically terminate upon your death or disability (as determined in accordance with the Company's long-term disability program and policies). The Company may determine to waive all or part of your 90-day notice period at its discretion (but shall provide you with full compensation and benefits for the portion of such period that occurs prior to your Termination Date, *provided* that your Salary shall continue for no less than 30 days during such period). Upon termination of your employment for any reason whatsoever, the Company shall have no further obligations to you after your Termination Date other than those set forth in Section 6 of this Letter. The effective date of your termination of employment shall be referred to herein as the "*Termination Date*."

6. The Company's Obligations in Connection With Your Termination

(a) *General Effect.* On termination in accordance with Section 5, your employment will end and the Group will have no further obligations to you except as provided in this Section 6.

(b) *By the Company Without Cause or By You With Good Reason.* If, during your Employment Period, the Company terminates your employment without Cause or you terminate your employment for Good Reason:

(1) The Company will pay you the following as of the end of your employment: (i) your unpaid Salary (which shall be paid to you on the date of the Company's first regularly scheduled payroll after your Termination Date), (ii) any accrued but unpaid business expense reimbursement, (iii) any unpaid but awarded Annual Performance Cash Incentive for the fiscal year preceding the fiscal year in which the Termination Date occurs and (iv) any vested benefits and other amounts that you are otherwise entitled to receive under any employee benefit plan, policy, practice or program of the Company or any of its affiliates (which shall be payable in accordance with such employee benefit plan, policy, practice or program, as the case may be) (collectively, the "*Accrued Benefits*"); *provided* that you shall not be entitled to receive any other payments or benefits in the nature of severance or termination pay, except as otherwise provided herein (or in the CIC Severance Policy);

(2) Any unvested Sign-on Stock Options shall immediately vest as of the Termination Date, but will not be exercisable prior to their original vesting date set forth above. Each individual tranche of stock options shall remain exercisable for a period of one (1) year following their original vesting date, but in no event after the date such stock options would otherwise lapse;

(3) Any Sign-on RSUs that have not vested and been paid as of your Termination Date will vest and be settled in accordance with their original schedule set forth above, subject to compliance with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder ("*Section 409A*");

(4) You will be eligible to receive an Annual Performance Cash Incentive for the fiscal year in which the Termination Date occurs, payable at the time awards are

normally paid and based upon actual performance of the Company; *provided* that your Termination Date occurs after the Compensation Committee has approved the targets and terms of the Annual Performance Cash Incentive for such fiscal year in which the Termination Date occurs; *provided, further*, such amount will be prorated based upon the number of days elapsed in such fiscal year prior to the Termination Date;

(5) if your Termination Date occurs on or prior to December 31, 2016, within 60 days of your Termination Date (subject to your compliance with Section 6(d)), you will receive an additional lump sum cash payment in an amount equal to 100% of your Salary, as in effect on the Termination Date (but disregarding any reduction in Salary that constituted Good Reason) (for the avoidance of doubt, if your Termination Date occurs after December 31, 2016, you will not be eligible for any cash payments under this Section 6(b)(5)); and

(6) All other outstanding awards will be governed by the terms of the applicable plans and award agreements.

(c) *Change in Control*. If you are a participant in the Company's CIC Severance Policy and a "Change in Control" occurs, any payments and benefits provided in the CIC Severance Policy that you are entitled to will reduce (but not below zero) the corresponding payment or benefit provided under this Letter. It is the intent of this provision to pay or to provide to you the greater of the two payments or benefits but not to duplicate them.

(d) *Condition*. The Company will not be required to make the payments and provide the benefits stated in this Section 6 (other than your Accrued Benefits), unless within fifty-five (55) days following the Termination Date you execute and deliver to the Company, and do not revoke, a valid and effective release and waiver in a form satisfactory to the Company.

7. Employment and Confidentiality Agreement; No Public Statements or Disparagement; Proprietary Information

(a) *Employment and Confidentiality Agreement*. You will be required to execute and deliver to the Company on or about the Start Date the Company Employment and Confidentiality Agreement the terms of which are incorporated herein by reference). Pursuant to the Employment and Confidentiality Agreement, you will be subject to non-competition and non-solicitation of customers and employees provisions for one-year following the termination of your employment for any reason. The Company may waive this provision in its discretion.

(b) *No Public Statement or Disparagement*. You agree that you will not make any public statement that would libel, slander or disparage (the foregoing, to "*Disparage*") any member of the Group or any of their respective past or present officers, directors, employees or agents, and the Company agrees that the members of the Board of Directors and the Company's executive officers will not Disparage you; *provided* that nothing in this Section 7 or in any other provision of this Letter shall prevent either you, the Company or the Company's executive officers or Board members, respectively, from providing truthful and candid assessments of Group personnel and processes in accordance with established procedures or truthful testimony

or other information in any legal proceeding, Investigation or as otherwise may be required by law.

(c) *Proprietary Information.* “*Proprietary Information*” means confidential or proprietary information, knowledge or data concerning (1) the Group’s businesses, strategies, operations, financial affairs, organizational matters, personnel matters, budgets, business plans, marketing plans, studies, policies, procedures, products, ideas, processes, software systems, trade secrets and technical know-how, (2) any other matter relating to the Group and (3) any matter relating to clients of the Group or other third parties having relationships with the Group. Proprietary Information includes (1) information regarding any aspect of your tenure as an employee of the Group or the termination of your employment, (2) the names, addresses, and phone numbers and other information concerning clients and prospective clients of the Group, (3) investment techniques and trading strategies used in, and the performance records of, client accounts or other investment products, and (4) information and materials concerning the personal affairs of employees of the Group. In addition, Proprietary Information may include information furnished to you orally or in writing (whatever the form or storage medium) or gathered by inspection, in each case before or after the date of this Letter. *However*, Proprietary Information does not include information (1) that was or becomes generally available to the public, other than as a result of a disclosure by you, directly or indirectly, or as a result of the violation by a third party of the Group’s confidentiality rights, or (2) that you can establish was independently developed by you without reference to any Proprietary Information.

(1) *Use and Disclosure.* You will obtain or create Proprietary Information in the course of your involvement in the Group’s activities and may already have Proprietary Information. You agree that the Proprietary Information is the exclusive property of the Group, and that, during your employment, you will use and disclose Proprietary Information only for the Group’s benefit and in accordance with any restrictions placed on its use or disclosure by the Group. After your employment, you will not use or disclose any Proprietary Information. In addition, nothing in this Letter will operate to weaken or waive any rights that the Group may have under statutory or common law, or any other agreement, to the protection of trade secrets, confidential business information and other confidential information.

(2) *Limitations.* Nothing in this Letter prohibits you from providing truthful testimony or information concerning the Group to governmental, regulatory or self-regulatory authorities. Also, the parties (and their respective employees, representatives and agents) may disclose to any and all persons, without any limitation of any kind, the tax treatment and tax structure of this Letter and all materials of any kind (including opinions and other tax analysis) that are provided to either party related to such tax treatment and structure.

(d) *Payment Obligations.* If you fail to comply with any provision in this Section 7 (including any provision in the Employment and Confidentiality Agreement incorporated herein by reference) during your employment period or during any restricted period thereafter, you will forfeit all remaining payments and benefits owed to you under Section 6 which were conditioned on you providing the Company with a release. In addition, the Group will be entitled to legal,

equitable or other remedies, including, without limitation, injunctive relief and specific performance to protect against any such non-compliance or threatened non-compliance.

8. Representations

(a) You represent that your employment hereunder will not violate any law or duty by you are bound, and will not conflict with or violate any agreement or instrument (including any non-competition or non-solicitation covenants with any prior employer or any other entity) to which you are a party or by which you are bound. The Company further represents that this Letter has been duly approved by the Compensation Committee and that it has full authority to execute this Letter and perform its obligations under this Letter.

(b) You acknowledge that (1) all cash and equity incentive awards granted to you shall be subject to the terms of such awards (as set forth in this Letter and the respective grant agreements) and shall be subject to recapture under the Company's clawback policy and clawback provisions as currently in effect and as may be amended from time to time and (2) you will be subject to the Company's stock ownership guidelines as currently in effect and as may be amended from time to time.

(c) You represent that you are legally authorized to work in the United States, and you will provide documentation showing such authorization to the Company on your Start Date. You acknowledge that, in order for the Company to comply with United States law, the Company may not employ anyone who cannot provide documentation showing that they are legally authorized to work in the United States.

(d) You represent that all information provided to the Company or its agents with regard to your background is true and correct to the best of your knowledge. Your breach of this representation shall constitute "Cause."

9. General Provisions

(a) Any notice required or permitted to be given under this Letter shall be made either:

(i) by personal delivery to you or, in the case of the Company, to the Company's principal office ("Principal Office") located at One CA Plaza, Islandia, New York 11749, Attention: Chief Human Resources Officer, or

(ii) in writing and sent by registered mail, postage prepaid, to your residence, or, in the case of the Company, to the Company's Principal Office.

(b) This Letter shall be binding upon you and your heirs, executors, assigns, and administrators and shall inure to the benefit of the Company, its successors and assigns and any subsidiary or parent of the Company.

(c) You and the Group will treat all payments to you under this Letter (except for expense reimbursements that are not subject to taxation) as compensation for services.

Accordingly, the Group may withhold from any payment any taxes that are required to be withheld under any law, rule or regulation.

(d) This Letter shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of law principles. Any action relating to this Letter or your employment shall be brought exclusively in the state or federal courts of the State of New York, County of Suffolk.

(e) This Letter, the Company's Employment and Confidentiality Agreement and the other documents referred to herein represent the entire agreement between you and the Company related to your employment and supersede any and all previous oral or written communications, representations or agreements related thereto. This Letter may only be modified, in writing, jointly by you and a duly authorized representative of the Company. This Letter may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. However, this Letter will not be effective until the date it has been executed by both parties. In the event of any conflict in terms or provisions between this Letter and the Employment and Confidentiality Agreement, the terms and provisions of this Letter shall prevail and govern. For the avoidance of doubt, in the event of any conflict in terms or provisions between this Letter and any award agreement pursuant to which you are granted equity in the Company, the terms and provision of the award agreement shall prevail and govern.

(f) The provisions of this Letter shall be severable in the event that any of the provisions hereof (including any provision within a single paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not in any way be impaired and shall remain enforceable to the fullest extent permitted by law. In addition, waiver by any party hereto of any breach or default by the other party of any of the terms of this Letter shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Letter shall be implied from any course of dealing between the parties hereto or from any failure by either party hereto to assert its or her rights hereunder on any occasion or series of occasions.

(g) The parties agree that this Letter is intended to comply with the requirements of Section 409A or an exemption from Section 409A. In the event that after execution of this Letter either party makes a determination inconsistent with the preceding sentence, it shall promptly notify the other party of the basis for its determination. The parties agree to renegotiate in good faith the terms of this Letter at no additional cost to the Company (other than the Company's routine expenses for outside counsel), if you and the Company determine that this Letter as structured would have adverse tax consequences to you under applicable law. To extent that you would otherwise be entitled to any payment under this Letter or any plan or arrangement of the Company or its affiliates, that constitutes "deferred compensation" subject to Section 409A and that if paid during the six months beginning on the Termination Date would be subject to the Section 409A additional tax because you are a "specified employee" (within the meaning of Section 409A and as determined by the Company), the payment will be paid to you on the earlier

of the six-month anniversary of the Termination Date, a change in ownership or effective control of the Company (within the meaning of Section 409A and to the extent permitted by Section 409A) or your death. Similarly, to the extent that you would otherwise be entitled to any benefit (other than a payment) during the six months beginning on the Termination Date that would be subject to the Section 409A additional tax, the benefit will be delayed and will begin being provided on the earlier of the six-month anniversary of the Termination Date, a change in ownership or effective control of the Company (within the meaning of Section 409A and to the extent permitted by Section 409A) or your death. In addition, any payment or benefit due upon a termination of employment that represents a “deferral of compensation” within the meaning of Section 409A shall be paid or provided to you only upon a “separation from service” as defined in Treas. Reg. 1.409A-1(h). To the extent applicable, each severance payment made under this Letter shall be deemed to be separate payments, amounts payable under Section 6 of this Letter shall be deemed not to be a “deferral of compensation” subject to Section 409A to the extent provided in the exceptions in Treas. Reg. 1.409A-1(b)(4) (“short-term deferrals”) and (b)(9) (“separation pay plans,” including the exception under subparagraph (iii)) and other applicable provisions of Treas. Reg. 1.409A-1 through 1.409A-6.

Notwithstanding anything to the contrary in this Letter or elsewhere, any payment or benefit under this Letter or otherwise that is exempt from Section 409A pursuant to Treas. Reg. 1.409A-1(b)(9)(v)(A) or (C) shall be paid or provided to you only to the extent that the expenses are not incurred, or the benefits are not provided, beyond the last day of the second taxable year following the taxable year in which the “separation from service” occurs; and provided further, that such expenses shall be reimbursed no later than the last day of the third taxable year following the taxable year in which your “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 Letter is determined to be subject to Section 409A, 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 calendar year (except for any lifetime 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 you 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.

Very truly yours,

Accepted and agreed to:

/s/ Lauren P. Flaherty

Lauren P. Flaherty

/s/ Guy A. Di Lella

Guy A. Di Lella
Chief Human Resources Officer
CA, Inc.

Date: 6.15.2013

June 14, 2013

[Letterhead of CA, Inc.]

June 16, 2014

Peter Griffiths

As you now know, on May 12, 2014, you were notified that your employment with CA Canada Company (the "Company") would be terminated, effective June 30, 2014, for the reasons discussed.

In order to ensure a positive transition, for you and the Company, and to provide separation pay in excess of the Company's obligations under your employment agreement, dated April 26, 2011 (the "Agreement"), as well as the Ontario *Employment Standards Act, 2000* (the "ESA"), we are prepared to provide the following:

1. Your salary, all applicable benefits and vesting of equity will continue through June 30, 2014 (the "Termination Date"); until the Termination Date, you will be expected to assist with transition issues, on an "as needed basis," at the reasonable request of the Chief Human Resources Officer.
2. In accordance with the Agreement, paragraph 5(B), the Company will pay you a lump sum of CDN\$1,400,000.00, less applicable deductions and required withholdings, no later than the sixtieth (60th) calendar day following the Termination Date, subject to and conditional upon your agreement to execute and return the enclosed release, waiver and non-competition agreement.
3. You will also participate in the medical and dental benefits provided by the Company to its active employees (based on the coverage you currently have) until no later than June 30, 2015. If you become eligible for similar coverage through a new employer, you will notify us to terminate this coverage. You will be responsible for the tax associated with this benefit such that the full value will be imputed as income to you for the year in which the benefit is provided. The Company will also offer you Senior Executive Outplacement Assistance for a period of six (6) months at a level commensurate with your position and through an agency chosen by the Company. You may commence the six-month program any time before June 30, 2015. You understand and agree that the Company does not assign any cash value to these services and that you do not have the option of requesting a cash payment in lieu of these services. Further, the Company will continue to reimburse you for reasonable expenses associated with financial planning and tax preparation services provided through June 30, 2015, not to exceed CDN\$18,000 in total for the period from April 1, 2014 through June 30, 2015, subject to your submission of invoices for such services to the Chief Human Resources Officer no later than July 31, 2015.
4. Additionally, you will be eligible to receive a portion of the FY15 annual cash bonus, pro-rated from April 1, 2014 to the Termination Date; the amount of such FY15 annual cash bonus will be determined based on actual performance of the Company as determined by the Compensation Committee and paid at the time such bonus would have otherwise been paid, subject to and conditional upon your agreement to execute and return the enclosed release, waiver and non-competition agreement. You will also be eligible for your FY14 annual cash bonus, based on actual performance of the Company as determined by the Compensation Committee, after the end of the FY14 performance cycle. Determinations made by the Compensation Committee of the actual performance of the Company shall be consistent with that made generally to the executive management team.
5. Although not required under the Agreement, the Company is also prepared to provide you with a pro-rata portion of your FY13, FY14 and FY15 3-year Performance Share Awards, based on the

applicable performance periods completed prior to the Termination Date, again subject to and conditional upon the enclosed release, waiver and non-competition agreement. These shares will be granted after the end of the applicable performance cycle, and will be based upon the actual performance of the Company as determined in the sole discretion of the Compensation Committee consistent with that made generally to the executive management team.

6. Any unvested Initial Equity Awards (specifically, RSU's and stock options granted pursuant to paragraphs 4(A) and (B) of the Agreement) will vest upon the Termination Date. In accordance with the Incentive Plan, you will have ninety (90) days from the Termination Date to exercise vested stock options. Any and all other equity will be governed by the terms of the applicable grant agreements and incentive plans.
7. In addition, as of May 13, 2014, you understand and agree that you will no longer be a participant in the Company's Change in Control Severance Policy.
8. In accordance with applicable law and the Company's Bylaws as in effect from time to time, the Company agrees that it will indemnify you with respect to any action, suit or proceeding to which you are made or threatened to be made a party that arises out of the good faith performance of your job responsibilities with the Company..

Thank you for your service to the Company. We wish you success in your future endeavours.

Sincerely,

/s/ Guy A. Di Lella

Guy A. Di Lella
Chief Human Resources Officer

FINAL RELEASE AND INDEMNITY

IN CONSIDERATION of and subject to the terms outlined in the letter from CA Canada Company, dated June 16, 2014, and attached hereto, I, **PETER GRIFFITHS**, on behalf of myself, my heirs, successors and assigns (hereinafter collectively referred to as the "Releasor"), hereby release and forever discharge **CA CANADA COMPANY**, operating as **CA TECHNOLOGIES**, along with all predecessors, parents, subsidiaries, affiliates and associated organizations and/or companies (including, without limitation, CA, Inc.), together with all respective officers, directors, employees, servants and agents, and their heirs, administrators, executors, successors and assigns (hereinafter collectively referred to as the "Releasee"), jointly and severally, from any and all actions, causes of action, contracts, covenants, whether express or implied, claims, whether statutory, under benefits plans or otherwise, and demands for damages, including disability, life or other insurance and/or benefits claims, indemnity, costs, interest, loss or injury of every nature and kind whatsoever and howsoever arising which I may heretofore have had, may now have, or may hereinafter have, in any way relating to my employment with the Releasee, including the cessation thereof.

AND FOR THE SAID CONSIDERATION, I further covenant and agree to save harmless and indemnify the Releasee from and against all claims, charges, taxes, penalties or demands which may be made by the Minister of National Revenue requiring the Releasee to pay income tax, charges, taxes, or penalties under the *Income Tax Act* (Canada) in respect of income tax payable by me in excess of income tax previously withheld; and in respect of any and all claims, charges, taxes or penalties and demands which may be made on behalf of or related to the Employment Insurance Commission and the Canada Pension Commission under the applicable statutes and regulations with respect to any amounts which may in the future be found to be payable by the Releasee in respect of the Releasor.

AND FOR THE SAID CONSIDERATION, I covenant and undertake that I will not file any complaint, including for termination or severance pay, overtime or vacation pay, under the *Employment Standards Act, 2000*, as amended or under any U.S. federal or state law. It is further agreed that I will not make any application or claim (including any cross-claim, counter-claim or third party claim) or commence any proceeding against any person or corporation who might claim contribution and/or indemnity against the Releasee.

I HEREBY ACKNOWLEDGE THAT the payments made to me herein are in full and final satisfaction of any entitlements I may have pursuant to the *Employment Standards Act, 2000*, as amended.

AND I FURTHER ACKNOWLEDGE THAT I have not been subjected to any form of discrimination whatsoever and hereby covenant and undertake that I will not commence any complaints or applications, under the Ontario *Human Rights Code* or under any U.S. federal or state law. It is understood and agreed that this Final Release and Indemnity constitutes a full and final settlement of any existing or possible complaint against the Releasee, under the Ontario *Human Rights Code* or under any U.S. federal or state law, to the date hereof, arising or in respect of my employment with the Releasee.

AND FOR THE SAID CONSIDERATION, to the greatest extent permitted by law, I release the Releasee from any and all known or unknown claims and obligations of any nature and kind, in law, equity or otherwise, arising out of or in any way related to agreements, events, acts or conduct at any time prior to and including the date I execute this Agreement. The claims I am waiving and releasing under this Agreement include, but are not limited to, any claims and demands that directly or indirectly arise out of or are in any way connected to my employment with the Releasee or the Releasee's termination of my employment; any claims or demands related to salary, bonuses, commissions, stock, stock options, or any other ownership interest in the Releasee.

I UNDERSTAND that subject to and in accordance with applicable law and the Releasee's Bylaws as in effect from time to time that I am entitled to indemnification from the Releasee with respect to any action, suit or proceeding to which I am made or threatened to be made a party that arises out of the good faith performance of my job responsibilities with the Releasee.

I HEREBY CONFIRM that (a) I did not engage in any illegal, unethical or deceptive conduct in the performance of my job duties with the Releasee, and (b) I am not aware of any illegal, unethical or deceptive conduct that has been committed by any other employee, affiliate, partner or agent of the Releasee.

IT IS HEREBY FURTHER COVENANTED AND AGREED that I will fully comply with the terms of the non-competition agreement, set-out and attached hereto in Appendix "A".

IT IS UNDERSTOOD AND AGREED that the before mentioned consideration is deemed to be no admission of liability on the part of the said Releasee.

I HEREBY CONFIRM that I have been afforded an opportunity to obtain independent legal advice with respect to the details of the settlement evidenced by this Agreement, and confirm that I am executing this Final Release and Indemnity freely, voluntarily and without duress.

IN WITNESS WHEREOF I have hereunto executed this Release by affixing my hand and seal this 24th day of June, 2014, in the presence of the witness whose signature is subscribed below.

SIGNED, SEALED AND DELIVERED
in the presence of

/s/ Willemina Griffiths

Witness

/s/ Peter Griffiths

PETER GRIFFITHS

Appendix A

Non-Competition Agreement

1. I acknowledge that in my capacity as a senior executive of the Releasee I was privy to a wide range of confidential information. Some examples of the types of confidential information that I learned in my role include (but are not limited to): The Releasee's short-term and long-term business and technology strategy and overall strategic plan; the strategies the Releasee utilized and the strategies the Releasee was developing to compete effectively in the marketplace; information about the Releasee's growth strategy including entities it was considering acquiring or developing strategic partnerships with; information about the Releasee's sales strategies and pricing plans; information concerning existing or prospective customers; and, information about the Releasee's product roadmap.
2. I agree that the Releasee would be severely damaged if I disclosed confidential information that I learned during my tenure to a competitor or if I accepted a position with a competitor that involved sales or sales-related activities or the development or oversight of corporate or technology strategy. I further acknowledge that it would be impossible for me to work in a sales or strategic position with the Releasee's competitors without inevitably using and/or disclosing confidential information that I learned in my senior executive role with the Releasee. Therefore, in furtherance of my duty of loyalty to the Releasee and to prevent this harm, I promise that until June 15, 2015, I will not:
 - a. accept or act in an executive or senior position (as an owner, employee, consultant or in any other capacity) involving sales or sales-related activities, software development or the development or oversight of corporate or technology strategy with any of the following companies or their affiliates, subsidiaries or successors in interest (the "Restricted" Company or Companies): Gartner, BMC, Compuware, HP, EMC, Oracle, VMWare, ServiceNow, Solar Winds, AppDynamics or New Relic. Notwithstanding the above, I understand that after June 15, 2014, the Releasee will permit me to accept employment with a division of a Restricted Company only if (1) such division does not license or lease products or provide services that are competitive with products that are licensed or leased or services that are provided by the Releasee; and, (2) my employment at the Restricted Company will not involve or influence the strategy, software development or sales of any division of a Restricted Company that is competitive with the business of the Releasee. I understand and agree that before accepting such position with a division of a Restricted Company, I must request and receive the written approval of the Releasee's Chief Human Resources Officer, such approval not to be unreasonably withheld;

- b. solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or purchase a service that competes with a product or service offered by the Releasee. A "Customer," for purposes of this Agreement, is any person or business entity that licensed or leased a Releasee product or purchased a service within the 18 months preceding my Termination Date;
- c. solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or purchase a service which competes with a product or service offered by the Releasee. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that I solicited (whether directly or through another employee or agent of the Releasee at my direction) on behalf of the Releasee anytime within the 9 months preceding my Termination Date; and,
- d. solicit or encourage or endeavor to cause, directly or indirectly, any employee or contractor of the Releasee to leave his or her employment or placement with the Releasee, or breach his or her Confidentiality Agreement or employment or placement agreement with the Releasee.

I agree that the foregoing restrictions are severable, reasonable and necessary. I acknowledge that I can harm the Releasee from any geographic location by providing my services or acquired knowledge of the Releasee's confidential information to any of the Restricted Companies.

In exchange for my compliance with the promises set forth in this Non-Competition Agreement, the Releasee has agreed to pay me the amounts set-out in the letter to me, dated June 16, 2014, and in my employment agreement, dated April 26, 2011.

3. This Non-Competition Agreement shall be governed by and, for all purposes, construed in accordance with the laws of Ontario, Canada.
4. This Non-Competition Agreement shall inure to the benefit of and may be enforced by Releasee, its successors and assigns. I understand and agree that this Non-Competition Agreement is personal to me and I may not assign it.
5. If the Releasee is successful in a suit or proceeding to enforce any of the terms of this Non-Competition Agreement, I will pay the Releasee's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

CA, INC.
RESTRICTED STOCK AWARD AGREEMENT

[Participant Name] ("Participant")

Name of Participant

Total Number of Restricted Stock Shares Granted

[Number of Restricted Shares Granted]

Grant Date

[Grant Date]

THIS AGREEMENT, including, without limitation, Appendix A hereto, (this "Agreement") dated as of the date set forth above and entered into by and between CA, Inc., a Delaware corporation (the "Company") and the above-referenced Participant, provides for the grant of the number of shares of Restricted Stock under the CA, Inc. 2011 Incentive Plan (the "Plan") as set forth above. This Agreement incorporates by reference the terms of the Plan, and is subject to the terms of the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan will control. Except as otherwise provided in this Agreement, capitalized terms in this Agreement will have the meanings specified in the Plan.

1. **Grant of Restricted Shares.** This grant of Restricted Stock is made pursuant to Section 4.6 of the Plan and is intended to be a Qualified Performance Award as defined in the Plan, except that such Restricted Stock shall not be subject to discretion of the Committee to make any negative adjustment to such Restricted Stock under Section 4.6(b)(iii) of the Plan. The Company hereby grants to the Participant the number of shares of Restricted Stock (the "Restricted Stock") set forth above on the grant date set forth above (the "Grant Date") subject to the vesting Restriction noted in Section 2 below and such other the terms outlined below.
2. **Vesting of Restricted Shares.** The Restricted Stock will vest with respect to 34% of the underlying shares of Restricted Stock on the first anniversary of the Grant Date and with respect to an additional 33% of the underlying shares of Restricted Stock on each of the second and third anniversaries of the Grant Date; provided that the Company achieves its Qualified Performance Measure at the end of the Performance Cycle and the Committee has certified the achievement of the Qualified Performance Measure in accordance with the Plan. Except as otherwise provided in Section 6 of this Agreement, unvested shares of Restricted Stock shall be forfeited by the Participant (i) upon the Participant's Termination of Employment, as defined in the Plan, for any reason other than death or Termination of Employment due to Disability, as defined in the Plan and (ii) if the Qualified Performance Measure established by the Committee is not achieved at the end of the Performance Cycle.
3. **Timing of Grant Acceptance.** Participant must electronically accept his/her grant of Restricted Stock award within 90 days from the Grant Date (the "Grant Acceptance Date") or he/she will forfeit this Restricted Stock award. A Participant who forfeits his/her Restricted Stock award for failure to accept the award by the Grant Acceptance Date has no right of ownership or other rights as stockholder under this Restricted Stock award and may not be eligible for future Restricted Stock awards or other equity awards granted by the Company.
4. **Delivery of Restricted Stock.** Restricted Stock award shall be registered in the name of the Participant and the Restricted Stock will be held for the Participant by the Company until vesting. Upon grant of the shares of Restricted Stock, the Participant shall thereupon have all the rights of

a stockholder with respect to such shares, including the right to vote and receive dividends or other distributions made or paid with respect to such shares, except that such shares shall be subject to the vesting and forfeiture provisions of Section 2 above. As promptly as practicable after the Restricted Stock has vested in accordance with Section 2, the Company shall deliver to the Participant (or in the event of the Participant's death, to the Participant's estate or any person who acquires the Participant's interest in the Restricted Stock by bequest or inheritance) the shares of the Common Stock of the Company.

5. **Restrictions on Transfer.** Shares of Restricted Stock that are included in this award may not be transferred by the Participant prior to vesting.
6. **Forfeiture and Recovery of Restricted Shares.** Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Restricted Stock may be forfeited without consideration if the Participant, as determined by the Committee in its sole discretion, engages in any Prohibited Activities (as defined in Appendix A). If the Participant engages in any Prohibited Activities, the Participant shall, at the sole discretion of the Committee, return any shares of Common Stock or forfeit any gain realized in respect of Restricted Stock that vested within 12 months prior to the Participant's Termination of Employment (the "Affected Restricted Stock"). The gain pursuant to this Section 6 shall be deemed to be an amount equal to the Fair Market Value, on the applicable vesting date, of the shares of Common Stock deemed delivered to the Participant in respect of the Affected Restricted Stock (including any dividends and distributions thereon and any shares withheld to cover any portion of the tax withholding obligations). It will be at the Company's discretion as to whether shares of Common Stock or cash equal to the gain realized in respect of the Affected Restricted Stock shall be returned to the Company and such return or reimbursement shall be made by the Participant immediately after demand by the Company, but not later than ten days following such demand. The amount of the gain calculated pursuant to this Section 6 shall not take into account any taxes paid by or withheld from the Participant in respect of the Affected Restricted Stock.

The foregoing provision will be applied in compliance with applicable laws, including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Participant will be subject to such forfeiture and recovery and reimbursement policies that the Company or any of its Related Companies may establish for any reason from time to time.

7. **Tax Withholding.** As a condition to the delivery of any shares pursuant to the vesting of the Restricted Stock, the Participant is required to pay tax withholding obligations that arise in connection with the vesting of the Restricted Stock. The Company shall satisfy the tax withholding obligations arising in connection with release of restrictions on Shares of Restricted Stock held by Participant (where withholding is required at the time of release of restrictions on Shares of Restricted Stock or as may be determined by the Company from time to time) by withholding shares of Common Stock that would otherwise be available for delivery upon the vesting of this award having a Fair Market Value on the date of the release equal to the minimum statutory withholding obligation or such other withholding obligation required by applicable law or require a Participant satisfy its withholding obligation in some other form as determined Company from time to time and in accordance with applicable law.
8. **Changes In Stock.** The Restricted Stock is subject to the adjustment provisions set forth in Sections 4.11, 5.3 and 5.4 of the Plan.

9. No Guarantee of Employment or Service. This award will not obligate the Company or any Related Company to retain the Participant in its employ or service for any period.

10. Governing Law; Severability; Choice of Law. This Agreement will 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 Agreement is held unlawful or otherwise invalid or unenforceable, in whole or in part, the unlawfulness, invalidity or unenforceability will not affect any other provision of this Agreement or part thereof, each of which will remain in full force and effect. Any action related to this Agreement shall be brought exclusively in the federal or state courts of the State of New York, County of Suffolk. The Participant will accept service of process as provided under New York law or by registered mail, return receipt requested, and waive any objection based upon *forum non conveniens* or as to personal jurisdiction over the Participant in federal or state courts of the State of New York, County of Suffolk. The choice of forum set forth in this Section 10 shall not be deemed to preclude the enforcement of any judgment obtained in such forum in any other jurisdiction.

11. Acceptance and Acknowledgment. By accepting this Agreement, the Participant:

- (a) accepts and acknowledges he or she must electronically accept this Restricted Stock award as specified in Section 3 of this Agreement or this award will be forfeited;
- (b) upon electronic acceptance of this Restricted Stock awards, accepts and acknowledges receipt of the Restricted Stock which has been issued to the Participant under the terms and conditions of the Plan;
- (c) acknowledges and confirms the Participant's acceptance and agreement to the collection, use and transfer, in electronic or other form, of personal information about the Participant, including, without limitation, the Participant's name, home address, and telephone number, date of birth, social security number or other identification number, and details of all the Participant's shares held and transactions related thereto, by the Company and its Related Companies and agents for the purpose of implementing, administrating and managing the Participant's participation in the Plan, and further understands and agrees that the Participant's personal information may be transferred to third parties assisting in the implementation, administration and management of the Plan, that any recipient may be located in the Participant's country or elsewhere, and that such recipient's country may have different data privacy laws and protections than the Participant's country;
- (d) acknowledges and confirms the Participant's consent to receive electronically this Agreement, the Plan and the related Prospectus and any other Plan documents that the Company is required to deliver;
- (e) acknowledges that a copy of the Plan and the related Prospectus is posted on the Company's website and that the Participant has access to such documents;
- (f) agrees to be bound by the terms and conditions of this Agreement and the Plan (including, but not limited to, Section 7.5 of the Plan, Section 6 of this Agreement and Appendix A to this Agreement), as may be amended from time to time;

- (g) acknowledges and confirms that (i) he or she may file an election pursuant to Section 83(b) of the Code to be taxed currently on the Fair Market Value of the shares of Restricted Stock (less any purchase price paid for such shares), provided that such election must be filed with the Internal Revenue Service no later than thirty (30) days after the grant of such shares and may seek the advice of his or her own tax advisors as to the advisability of making such a Section 83(b) election, the potential consequences of making such an election, the requirements for making such an election, and the other tax consequences of this award under federal, state, and any other laws that may be applicable, and (iii) the Company and its Subsidiaries and agents have not and are not providing any tax advice to the Participant;
- (h) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee upon any questions related to the Plan or this Agreement;
- (i) understands that neither Plan nor this Agreement gives the Participant any right to employment or service with the Company or any Related Company and that the Restricted Stock is not part of the Participant's normal or expected compensation; and
- (j) understands and acknowledges that the grant of the Restricted Stock is expressly conditioned on the Participant's adherence to the terms of the applicable policies and procedures of the Company and its Related Companies.

12. Entire Agreement. This Agreement and the Plan and, to the extent applicable to the Participant, any written employment agreement between the Participant and the Company, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements between the parties with respect to the subject matter hereof.

By: _____

Michael P. Gregoire
CEO

Appendix A

1. **Prohibited Activities.** The Participant recognizes that the Company is engaged in a highly competitive business and that its customer, employee, licensee, supplier and financial relationships are of a highly sensitive nature. As a reasonable means to protect the Company's Confidential Information (as defined in the subclause (a) below), investment, relationships, and goodwill, and in consideration for this Restricted Stock grant, the Participant agrees that, to the extent permitted by applicable law, the Participant will not, either during his or her employment or for a period of 12 months following the termination of his or her employment (or such longer period specified below) for any reason engage in any of the following "**Prohibited Activities**":

- (a) Engage in any business activity in a Restricted Area that competes with the business activities of the Company and its corporate affiliates about which Participant either had (i) a job responsibility to promote, or (ii) access to Confidential Information. "Restricted Area" for purposes of this Agreement, means a geographic area that the Participant served or covered on behalf of the Company at any time within the 18 months preceding the end of his or her employment with the Company. "**Confidential Information,**" for the purposes of this Agreement, means information, including information that is conceived or developed by the Participant that is not generally known to the public and that is used by the Company in connection with its business. By way of example, the term "Confidential Information" would include: trade secrets; processes; formulas; research data; program documentation; algorithms; source codes; object codes; know-how; improvements; inventions; techniques; training materials and methods; product information; corporate strategy; sales forecast and pipeline information; research and development; plans or strategies for marketing and pricing; and information concerning existing or potential customers, partners, or vendors. The Participant understands that this list is not all-inclusive and merely serves as examples of the types of information that falls within the definition of Confidential Information.
- (b) Solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or provide it with services that compete with a product or service offered by the Company. A "Customer," for purposes of this Agreement, means any person or business entity that licensed or leased a Company product or obtained Company services within the 18 months preceding the end of the Participant's employment with the Company and that the Participant had solicited, called on, or served on the Company's behalf anytime within that 18-month time period.
- (c) Solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or provide it with services which compete with a product or service offered by the Company. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that the Participant solicited or called on (whether directly or through another Company agent at the Participant's direction) on behalf of the Company anytime within the 12 months preceding the end of the Participant's employment with the Company.
- (d) Directly or indirectly through others, hire any employee or contractor of the Company, or solicit or induce, or attempt to solicit or induce, any Company employee or contractor to leave the Company for any reason.

- (e) For any period following the termination of the Participant's employment, violate a non-competition, non-solicitation or non-disclosure covenant or agreement between the Participant and the Company or any Related Company (including, without limitation, the Employment and Confidentiality Agreement signed at or around the time of the Participant's hire).

Different restrictions apply if, at or prior to termination, the Participant was or had been a programmer, software engineer, analyst, support technician, quality assurance technician, technical documentation writer and/or a manager in a research and development capacity. If so, then the Participant's obligations under this Paragraph 1 shall be satisfied if the Participant does not, for one year following Termination of Employment for any reason, work on any program or product which may be competitive with any program or product of the Company with which the Participant was involved in a research and development or support capacity anytime within the 18 months preceding the end of the Participant's employment with the Company.

- 2. **Tolling of Covenants in the Event of Breach.** In the event the Participant engages in any of the Prohibited Activities, the time period of the violated covenant(s) shall be tolled throughout the duration of any violation and shall continue until the Participant has complied with such covenant(s) for a period of 12 consecutive full months.
- 3. **Injunction.** The Participant acknowledges that, by virtue of the Participant's employment with the Company, the Participant will have access to Confidential Information of the Company, the disclosure of which will irreparably harm the Company. The Participant further acknowledges that the Company will suffer irreparable harm if the Participant breaches any of the Participant's obligations under this Agreement. Therefore, the Participant agrees that the Company will be entitled, in addition to its other rights, to enforce the Participant's obligations through an injunction or decree of specific performance from a court having proper jurisdiction. Any claims the Participant may assert against the Company shall not constitute a defense in any injunction action brought by the Company to force the Participant to keep the promises the Participant made in this Agreement.
- 4. **Authorization to Modify Restrictions.** The Participant agrees that the restrictions contained in this Agreement are reasonable. However, if any court having proper jurisdiction holds a particular restriction to be unreasonable, that restriction shall be modified only to the extent necessary in the court's opinion to make it reasonable and the remaining provisions of this Agreement including without limitation Appendix A shall nonetheless remain in full force and effect. The other provisions of this Agreement are likewise severable.
- 5. **General.**
 - (a) The Participant understands and agrees that, if the Company is successful in a suit or proceeding to enforce any of the terms of this Agreement, the Participant will pay the Company's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).
 - (b) This Agreement shall inure to the benefit of and may be enforced by the Company, its successors and assigns. This Agreement is personal to the Participant and the Participant may not assign it.
 - (c) The Company's rights under this Agreement shall be in addition to any rights it may have under any other Agreement with Participant.

- (d) Any failure to enforce the terms of this Agreement with any other employee of the Company shall not be deemed a waiver by the Company to enforce its rights under this Agreement. Further, any waiver by the Company of any breach by the Participant of any provision of this Agreement, shall not operate or be construed as a waiver of any subsequent breach hereof.

CA, INC.
RESTRICTED STOCK UNIT AGREEMENT

[Participant Name] (“Participant”)

Name of Participant

Total Number of Restricted Stock Units Granted

[Number of Restricted Stock Units Granted]

Grant Date

[Grant Date]

THIS AGREEMENT, including, without limitation, Appendix A (this “Agreement”) dated as of the date set forth above and entered into by and between CA, Inc., a Delaware corporation (the “Company”) and the above-referenced Participant, provides for the grant of the number of Restricted Stock Units under the CA, Inc. 2011 Incentive Plan (the “Plan”) as set forth above. This Agreement incorporates by reference the terms of the Plan, and is subject to the terms of the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan will control. Except as otherwise provided in this Agreement, capitalized terms in this Agreement will have the meanings specified in the Plan. A copy of the Plan or related Prospectus may be obtained at no cost by contacting the HR Service Center at 1-866-514-4772 or opening an issue via the web at <http://caportal.ca.com> (via Employee Self-Service – ESS). If you are located outside of North America, please contact your local Human Resources Representative.

1. **Grant of Restricted Stock Unit.** The Company hereby grants to the Participant the number of shares of Restricted Stock Units (the “Restricted Stock Units”) set forth above on the grant date set forth above (the “Grant Date”), subject to the terms outlined below.
2. **Vesting of Restricted Stock Unit.** This Restricted Stock Unit award will vest with respect to 34% of the underlying shares on the first anniversary of the Grant Date and with respect to an additional 33% of the underlying shares on each of the second and third anniversaries of the Grant Date. No shares of Common Stock shall be issued to the Participant prior to the date on which the Restricted Stock Units vest, and shall be forfeited by the Participant upon the Participant’s Termination of Employment, as defined in the Plan, prior to vesting for any reason other than death or Termination of Employment due to Disability, as defined in the Plan.
3. **Timing of Grant Acceptance.** Participant must electronically accept his/her grant of Restricted Stock Unit award within 90 days from the Grant Date (the “Grant Acceptance Date”) or he/she will forfeit this Restricted Stock Unit award. A Participant who forfeits his/her restricted stock unit award for failure to accept the award by the Grant Acceptance Date has no rights under this Restricted Stock Unit award and may not be eligible for future Restricted Stock Unit awards or other equity awards granted by the Company.
4. **Tax and Withholding.** As a condition to the delivery of any shares pursuant to the vesting of the Restricted Stock Units, the Participant is required to pay tax withholding obligations that arise in connection with the vesting of the Restricted Stock Units. The Company shall satisfy the tax withholding obligations arising in connection with release of Shares of Restricted Stock Units held by Participant (where withholding is required at the time of release of Shares of Restricted Stock Units or as may be determined by the Company from time to time) by withholding shares of Common

Stock that would otherwise be available for delivery upon the vesting of this award having a Fair Market Value on the date of the release equal to the minimum statutory withholding obligation or such other withholding obligation required by applicable law or require a Participant satisfy its withholding obligation in some other form as determined Company from time to time and in accordance with applicable.

- 5. Forfeiture and Recovery of Restricted Shares.** Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Restricted Stock Units may be forfeited without consideration if the Participant, as determined by the Committee in its sole discretion, engages in any Prohibited Activities (as defined in Appendix A). If the Participant engages in any Prohibited Activities, the Participant shall, at the sole discretion of the Committee, return any shares of Common Stock or forfeit any gain realized in respect of Restricted Stock Units that vested within 12 months prior to the Participant's Termination of Employment (the "Affected Restricted Stock Units"). The gain pursuant to this Section 5 shall be deemed to be an amount equal to the Fair Market Value, on the applicable vesting date, of the shares of Common Stock deemed delivered to the Participant in respect of the Affected Restricted Stock Units (including any dividends and distributions thereon and any shares withheld to cover any portion of the tax withholding obligations). It will be at the Company's discretion as to whether shares of Common Stock or cash equal to the gain realized in respect of the Affected Restricted Stock Units shall be returned to the Company and such return or reimbursement shall be made by the Participant immediately after demand by the Company, but not later than ten days following such demand. The amount of the gain calculated pursuant to this Section 5 shall not take into account any taxes paid by or withheld from the Participant in respect of the Affected Restricted Stock Units.

The foregoing provision will be applied in compliance with applicable laws, including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Participant will be subject to such forfeiture and recovery and reimbursement policies that the Company or any of its Related Companies may establish for any reason from time to time.

- 6. Changes In Stock.** The Restricted Stock Units are subject to the adjustment provisions set forth in Sections 4.11, 5.3 and 5.4 of the Plan.
- 7. No Guarantee of Employment or Service.** This award will not obligate the Company or any Related Company to retain the Participant in its employ or service for any period.
- 8. Governing Law; Severability; Choice of Law.** This Agreement will 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 Agreement is held unlawful or otherwise invalid or unenforceable, in whole or in part, the unlawfulness, invalidity or unenforceability will not affect any other provision of this Agreement or part thereof, each of which will remain in full force and effect. Any action related to this Agreement shall be brought exclusively in the federal or state courts of the State of New York, County of Suffolk. The Participant will accept service of process as provided under New York law or by registered mail, return receipt requested, and waive any objection based upon *forum non conveniens* or as to personal jurisdiction over the Participant in federal or state courts of the State of New York, County of Suffolk. The choice of forum set forth in this Section 8 shall not be deemed to preclude the enforcement of any judgment obtained in such forum in any other jurisdiction.
- 9. Acceptance and Acknowledgment.** By accepting this Agreement, the Participant:

- (a) accepts and acknowledges he or she must electronically accept this Restricted Stock Unit award as specified in Section 3 of this Agreement or this award will be forfeited;
- (b) upon electronic acceptance of this Restricted Stock Unit award, accepts and acknowledges receipt of the Restricted Stock Units which have been issued to the Participant under the terms and conditions of the Plan;
- (c) acknowledges and confirms the Participant's acceptance and agreement to the collection, use and transfer, in electronic or other form, of personal information about the Participant, including, without limitation, the Participant's name, home address, and telephone number, date of birth, social security number or other identification number, and details of all the Participant's shares held and transactions related thereto, by the Company and its Related Companies and agents for the purpose of implementing, administrating and managing the Participant's participation in the Plan, and further understands and agrees that the Participant's personal information may be transferred to third parties assisting in the implementation, administration and management of the Plan, that any recipient may be located in the Participant's country or elsewhere, and that such recipient's country may have different data privacy laws and protections than the Participant's country;
- (d) acknowledges and confirms the Participant's consent to receive electronically this Agreement, the Plan and the related Prospectus and any other Plan documents that the Company is required to deliver;
- (e) acknowledges that a copy of the Plan and the related Prospectus is posted on the Company's website and that the Participant has access to such documents;
- (f) agrees to be bound by the terms and conditions of this Agreement and the Plan (including, but not limited to, Section 7.5 of the Plan, Section 5 of this Agreement, Appendix A, to this Agreement), as may be amended from time to time;
- (g) understands that neither the Plan nor this Agreement gives the Participant any right to employment or service with the Company or any Related Company and that the Restricted Stock Units are not part of the Participant's normal or expected compensation; and
- (h) understands and acknowledges that the grant of the Restricted Stock Units is expressly conditioned on the Participant's adherence to the terms of the applicable policies and procedures of the Company and its Related Companies.

10. Entire Agreement. This Agreement and the Plan and, to the extent applicable to the Participant, any written employment agreement between the Participant and the Company, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements between the parties with respect to the subject matter hereof.

11. Electronic Delivery. The Company may, in its sole discretion, deliver any documents related to the Restricted Stock Units and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or to request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic

system established and maintained by the Company or another third party designated by the Company.

12. Nature of Grant. In accepting the grant of Restricted Stock Units, the Participant acknowledges that:

- (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;
- (b) the grant of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted repeatedly in the past;
- (c) all decisions with respect to future Restricted Stock Units, if any, will be at the sole discretion of the Company;
- (d) the Participant's participation in the Plan will not create a right to further employment with the Participant's employer (the "Employer") and shall not interfere with the ability of the Employer to terminate the Participant's employment relationship;
- (e) the Participant is voluntarily participating in the Plan;
- (f) the Restricted Stock Units are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or the Employer, and which is outside the scope of the Participant's employment contract, if any;
- (g) the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;
- (h) in the event that the Participant is not an employee of the Company, the grant of Restricted Stock Units will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of Restricted Stock Units will not be interpreted to form an employment contract with the Employer or any subsidiary or affiliate of the Company;
- (i) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty;
- (j) if the Participant vests in the Restricted Stock Units and obtains shares of Common Stock, the value of those shares may increase or decrease in value;
- (k) in consideration of the grant of the Restricted Stock Units, no claim or entitlement to compensation or damages shall arise from termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or shares acquired through vesting of the Restricted Stock Units resulting from termination of the Participant's employment by the Company or the Employer, and the Participant irrevocably releases the Company and the Employer from any

such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Participant will be deemed irrevocably to have waived his or her entitlement to pursue such claim; and

- (1) in the event of termination of the Participant's employment, Participant's right to receive the Restricted Stock Units and vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the date that the Participant is no longer actively employed.

By: _____

Michael P. Gregoire
CEO

Appendix A

1. **Prohibited Activities.** The Participant recognizes that the Company is engaged in a highly competitive business and that its customer, employee, licensee, supplier and financial relationships are of a highly sensitive nature. As a reasonable means to protect the Company's Confidential Information (as defined in the subclause (a) below), investment, relationships, and goodwill, and in consideration for this Restricted Stock Unit grant, the Participant agrees that, to the extent permitted by applicable law, the Participant will not, either during his or her employment or for a period of 12 months following the termination of his or her employment (or such longer period specified below) for any reason engage in any of the following "**Prohibited Activities**":

- (a) Engage in any business activity in a Restricted Area that competes with the business activities of the Company and its corporate affiliates about which Participant either had (i) a job responsibility to promote, or (ii) access to Confidential Information. "Restricted Area" for purposes of this Agreement, means a geographic area that the Participant served or covered on behalf of the Company at any time within the 18 months preceding the end of his or her employment with the Company. "**Confidential Information,**" for the purposes of this Agreement, means information, including information that is conceived or developed by the Participant that is not generally known to the public and that is used by the Company in connection with its business. By way of example, the term "Confidential Information" would include: trade secrets; processes; formulas; research data; program documentation; algorithms; source codes; object codes; know-how; improvements; inventions; techniques; training materials and methods; product information; corporate strategy; sales forecast and pipeline information; research and development; plans or strategies for marketing and pricing; and information concerning existing or potential customers, partners, or vendors. The Participant understands that this list is not all-inclusive and merely serves as examples of the types of information that falls within the definition of Confidential Information.
- (b) Solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or provide it with services that compete with a product or service offered by the Company. A "Customer," for purposes of this Agreement, means any person or business entity that licensed or leased a Company product or obtained Company services within the 18 months preceding the end of the Participant's employment with the Company and that the Participant had solicited, called on, or served on the Company's behalf anytime within that 18-month time period.
- (c) Solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or provide it with services which compete with a product or service offered by the Company. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that the Participant solicited or called on (whether directly or through another Company agent at the Participant's direction) on behalf of the Company anytime within the 12 months preceding the end of the Participant's employment with the Company.
- (d) Directly or indirectly through others, hire any employee or contractor of the Company, or solicit or induce, or attempt to solicit or induce, any Company employee or contractor to leave the Company for any reason.

- (e) For any period following the termination of the Participant's employment, violate a non-competition, non-solicitation or non-disclosure covenant or agreement between the Participant and the Company or any Related Company (including, without limitation, the Employment and Confidentiality Agreement signed at or around the time of the Participant's hire).

Different restrictions apply if, at or prior to termination, the Participant was or had been a programmer, software engineer, analyst, support technician, quality assurance technician, technical documentation writer and/or a manager in a research and development capacity. If so, then the Participant's obligations under this Paragraph 1 shall be satisfied if the Participant does not, for one year following Termination of Employment for any reason, work on any program or product which may be competitive with any program or product of the Company with which the Participant was involved in a research and development or support capacity anytime within the 18 months preceding the end of the Participant's employment with the Company.

2. **Tolling of Covenants in the Event of Breach.** In the event the Participant engages in any of the Prohibited Activities, the time period of the violated covenant(s) shall be tolled throughout the duration of any violation and shall continue until the Participant has complied with such covenant(s) for a period of 12 consecutive full months.
3. **Injunction.** The Participant acknowledges that, by virtue of the Participant's employment with the Company, the Participant will have access to Confidential Information of the Company, the disclosure of which will irreparably harm the Company. The Participant further acknowledges that the Company will suffer irreparable harm if the Participant breaches any of the Participant's obligations under this Agreement. Therefore, the Participant agrees that the Company will be entitled, in addition to its other rights, to enforce the Participant's obligations through an injunction or decree of specific performance from a court having proper jurisdiction. Any claims the Participant may assert against the Company shall not constitute a defense in any injunction action brought by the Company to force the Participant to keep the promises the Participant made in this Agreement.
4. **Authorization to Modify Restrictions.** The Participant agrees that the restrictions contained in this Agreement are reasonable. However, if any court having proper jurisdiction holds a particular restriction to be unreasonable, that restriction shall be modified only to the extent necessary in the court's opinion to make it reasonable and the remaining provisions of this Agreement including without limitation Appendix A shall nonetheless remain in full force and effect. The other provisions of this Agreement are likewise severable.
5. **General.**
- (a) The Participant understands and agrees that, if the Company is successful in a suit or proceeding to enforce any of the terms of this Agreement, the Participant will pay the Company's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).
- (b) This Agreement shall inure to the benefit of and may be enforced by the Company, its successors and assigns. This Agreement is personal to the Participant and the Participant may not assign it.

- (c) The Company's rights under this Agreement shall be in addition to any rights it may have under any other Agreement with Participant.
- (d) Any failure to enforce the terms of this Agreement with any other employee of the Company shall not be deemed a waiver by the Company to enforce its rights under this Agreement. Further, any waiver by the Company of any breach by the Participant of any provision of this Agreement, shall not operate or be construed as a waiver of any subsequent breach hereof.

CA, INC.
RESTRICTED STOCK AWARD AGREEMENT

[Participant Name] ("Participant")

Name of Participant

Total Number of Restricted Stock Shares Granted

[Number of Restricted Shares Granted]

Grant Date

[Grant Date]

THIS AGREEMENT, including, without limitation, Appendix A hereto, (this "Agreement") dated as of the date set forth above and entered into by and between CA, Inc., a Delaware corporation (the "Company") and the above-referenced Participant, provides for the grant of the number of shares of Restricted Stock under the CA, Inc. 2011 Incentive Plan (the "Plan") as set forth above. This Agreement incorporates by reference the terms of the Plan, and is subject to the terms of the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan will control. Except as otherwise provided in this Agreement, capitalized terms in this Agreement will have the meanings specified in the Plan. A copy of the Plan or related Prospectus may be obtained at no cost by contacting the HR Service Center at 1-866-514-4772 or opening an issue via the web at <http://caportal.ca.com> (via Employee Self-Service – ESS). If you are located outside of North America, please contact your local Human Resources Representative.

1. **Grant of Restricted Shares.** The Company hereby grants to the Participant the number of shares of Restricted Stock (the "Restricted Stock") set forth above on the grant date set forth above (the "Grant Date") subject to the terms outlined below.
2. **Vesting of Restricted Shares.** The Restricted Stock will vest with respect to 34% of the underlying shares of Restricted Stock on the first anniversary of the Grant Date and with respect to an additional 33% of the underlying shares of Restricted Stock on each of the second and third anniversaries of the Grant Date. Shares of Restricted Stock shall fully vest upon the Participant's death or Termination of Employment due to Disability. Except as otherwise provided in Section 6 of this Agreement, unvested shares of Restricted Stock shall be forfeited by the Participant upon the Participant's Termination of Employment, as defined in the Plan, for any reason other than death or Termination of Employment due to Disability, as defined in the Plan.
3. **Timing of Grant Acceptance.** Participant must electronically accept his/her grant of Restricted Stock award within 90 days from the Grant Date (the "Grant Acceptance Date") or he/she will forfeit this Restricted Stock award. A Participant who forfeits his/her Restricted Stock award for failure to accept the award by the Grant Acceptance Date has no right of ownership or other rights as stockholder under this Restricted Stock award and may not be eligible for future Restricted Stock awards or other equity awards granted by the Company.
4. **Delivery of Restricted Stock.** Restricted Stock award shall be registered in the name of the Participant and the Restricted Stock will be held for the Participant by the Company until vesting. Upon grant of the shares of Restricted Stock, the Participant shall thereupon have all the rights of a stockholder with respect to such shares, including the right to vote and receive dividends or other distributions made or paid with respect to such shares, except that such shares shall be subject to the vesting and forfeiture provisions of Section 2 above. As promptly as practicable after the

Restricted Stock has vested in accordance with Section 2, the Company shall deliver to the Participant (or in the event of the Participant's death, to the Participant's estate or any person who acquires the Participant's interest in the Restricted Stock by bequest or inheritance) the shares of the Common Stock of the Company.

5. **Restrictions on Transfer.** Shares of Restricted Stock that are included in this award may not be transferred by the Participant prior to vesting.
6. **Forfeiture and Recovery of Restricted Shares.** Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Restricted Stock may be forfeited without consideration if the Participant, as determined by the Committee in its sole discretion, engages in any Prohibited Activities (as defined in Appendix A). If the Participant engages in any Prohibited Activities, the Participant shall, at the sole discretion of the Committee, return any shares of Common Stock or forfeit any gain realized in respect of Restricted Stock that vested within 12 months prior to the Participant's Termination of Employment (the "Affected Restricted Stock"). The gain pursuant to this Section 6 shall be deemed to be an amount equal to the Fair Market Value, on the applicable vesting date, of the shares of Common Stock deemed delivered to the Participant in respect of the Affected Restricted Stock (including any dividends and distributions thereon and any shares withheld to cover any portion of the tax withholding obligations). It will be at the Company's discretion as to whether shares of Common Stock or cash equal to the gain realized in respect of the Affected Restricted Stock shall be returned to the Company and such return or reimbursement shall be made by the Participant immediately after demand by the Company, but not later than ten days following such demand. The amount of the gain calculated pursuant to this Section 6 shall not take into account any taxes paid by or withheld from the Participant in respect of the Affected Restricted Stock.

The foregoing provision will be applied in compliance with applicable laws, including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Participant will be subject to such forfeiture and recovery and reimbursement policies that the Company or any of its Related Companies may establish for any reason from time to time.

7. **Tax Withholding.** As a condition to the delivery of any shares pursuant to the vesting of the Restricted Stock, the Participant is required to pay tax withholding obligations that arise in connection with the vesting of the Restricted Stock. The Company shall satisfy the tax withholding obligations arising in connection with release of restrictions on Shares of Restricted Stock held by Participant (where withholding is required at the time of release of restrictions on Shares of Restricted Stock or as may be determined by the Company from time to time) by withholding shares of Common Stock that would otherwise be available for delivery upon the vesting of this award having a Fair Market Value on the date of the release equal to the minimum statutory withholding obligation or such other withholding obligation required by applicable law or require a Participant satisfy its withholding obligation in some other form as determined Company from time to time and in accordance with applicable law.
8. **Changes In Stock.** The Restricted Stock is subject to the adjustment provisions set forth in Sections 4.11, 5.3 and 5.4 of the Plan.
9. **No Guarantee of Employment or Service.** This award will not obligate the Company or any Related Company to retain the Participant in its employ or service for any period.

10. Governing Law; Severability; Choice of Law. This Agreement will 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 Agreement is held unlawful or otherwise invalid or unenforceable, in whole or in part, the unlawfulness, invalidity or unenforceability will not affect any other provision of this Agreement or part thereof, each of which will remain in full force and effect. Any action related to this Agreement shall be brought exclusively in the federal or state courts of the State of New York, County of Suffolk. The Participant will accept service of process as provided under New York law or by registered mail, return receipt requested, and waive any objection based upon *forum non conveniens* or as to personal jurisdiction over the Participant in federal or state courts of the State of New York, County of Suffolk. The choice of forum set forth in this Section 10 shall not be deemed to preclude the enforcement of any judgment obtained in such forum in any other jurisdiction.

11. Acceptance and Acknowledgment. By accepting this Agreement, the Participant:

- (a) accepts and acknowledges he or she must electronically accept this Restricted Stock award as specified in Section 3 of this Agreement or this award will be forfeited;
- (b) upon electronic acceptance of this Restricted Stock Award, accepts and acknowledges receipt of the Restricted Stock which has been issued to the Participant under the terms and conditions of the Plan;
- (c) acknowledges and confirms the Participant's acceptance and agreement to the collection, use and transfer, in electronic or other form, of personal information about the Participant, including, without limitation, the Participant's name, home address, and telephone number, date of birth, social security number or other identification number, and details of all the Participant's shares held and transactions related thereto, by the Company and its Related Companies and agents for the purpose of implementing, administrating and managing the Participant's participation in the Plan, and further understands and agrees that the Participant's personal information may be transferred to third parties assisting in the implementation, administration and management of the Plan, that any recipient may be located in the Participant's country or elsewhere, and that such recipient's country may have different data privacy laws and protections than the Participant's country;
- (d) acknowledges and confirms the Participant's consent to receive electronically this Agreement, the Plan and the related Prospectus and any other Plan documents that the Company is required to deliver;
- (e) acknowledges that a copy of the Plan and the related Prospectus is posted on the Company's website and that the Participant has access to such documents;
- (f) agrees to be bound by the terms and conditions of this Agreement and the Plan (including, but not limited to, Section 7.5 of the Plan, Section 6 of this Agreement and Appendix A to this Agreement), as may be amended from time to time;
- (g) acknowledges and confirms that (i) he or she may file an election pursuant to Section 83(b) of the Code to be taxed currently on the Fair Market Value of the shares of Restricted Stock (less any purchase price paid for such shares), provided that such election must be filed with the Internal Revenue Service no later than thirty (30) days after the grant of such shares and may

seek the advice of his or her own tax advisors as to the advisability of making such a Section 83(b) election, the potential consequences of making such an election, the requirements for making such an election, and the other tax consequences of this award under federal, state, and any other laws that may be applicable, and (iii) the Company and its Subsidiaries and agents have not and are not providing any tax advice to the Participant;

- (h) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee upon any questions related to the Plan or this Agreement;
- (i) understands that neither Plan nor this Agreement gives the Participant any right to employment or service with the Company or any Related Company and that the Restricted Stock is not part of the Participant's normal or expected compensation; and
- (j) understands and acknowledges that the grant of the Restricted Stock is expressly conditioned on the Participant's adherence to the terms of the applicable policies and procedures of the Company and its Related Companies.

12. Entire Agreement. This Agreement and the Plan and, to the extent applicable to the Participant, any written employment agreement between the Participant and the Company, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements between the parties with respect to the subject matter hereof.

By: _____
Michael P. Gregoire
CEO

Appendix A

1. **Prohibited Activities.** The Participant recognizes that the Company is engaged in a highly competitive business and that its customer, employee, licensee, supplier and financial relationships are of a highly sensitive nature. As a reasonable means to protect the Company's Confidential Information (as defined in the subclause (a) below), investment, relationships, and goodwill, and in consideration for this Restricted Stock grant, the Participant agrees that, to the extent permitted by applicable law, the Participant will not, either during his or her employment or for a period of 12 months following the termination of his or her employment (or such longer period specified below) for any reason engage in any of the following "**Prohibited Activities**":

- (a) Engage in any business activity in a Restricted Area that competes with the business activities of the Company and its corporate affiliates about which Participant either had (i) a job responsibility to promote, or (ii) access to Confidential Information. "Restricted Area" for purposes of this Agreement, means a geographic area that the Participant served or covered on behalf of the Company at any time within the 18 months preceding the end of his or her employment with the Company. "**Confidential Information**," for the purposes of this Agreement, means information, including information that is conceived or developed by the Participant that is not generally known to the public and that is used by the Company in connection with its business. By way of example, the term "Confidential Information" would include: trade secrets; processes; formulas; research data; program documentation; algorithms; source codes; object codes; know-how; improvements; inventions; techniques; training materials and methods; product information; corporate strategy; sales forecast and pipeline information; research and development; plans or strategies for marketing and pricing; and information concerning existing or potential customers, partners, or vendors. The Participant understands that this list is not all-inclusive and merely serves as examples of the types of information that falls within the definition of Confidential Information.
- (b) Solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or provide it with services that compete with a product or service offered by the Company. A "Customer," for purposes of this Agreement, means any person or business entity that licensed or leased a Company product or obtained Company services within the 18 months preceding the end of the Participant's employment with the Company and that the Participant had solicited, called on, or served on the Company's behalf anytime within that 18-month time period.
- (c) Solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or provide it with services which compete with a product or service offered by the Company. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that the Participant solicited or called on (whether directly or through another Company agent at the Participant's direction) on behalf of the Company anytime within the 12 months preceding the end of the Participant's employment with the Company.
- (d) Directly or indirectly through others, hire any employee or contractor of the Company, or solicit or induce, or attempt to solicit or induce, any Company employee or contractor to leave the Company for any reason.

- (e) For any period following the termination of the Participant's employment, violate a non-competition, non-solicitation or non-disclosure covenant or agreement between the Participant and the Company or any Related Company (including, without limitation, the Employment and Confidentiality Agreement signed at or around the time of the Participant's hire).

Different restrictions apply if, at or prior to termination, the Participant was or had been a programmer, software engineer, analyst, support technician, quality assurance technician, technical documentation writer and/or a manager in a research and development capacity. If so, then the Participant's obligations under this Paragraph 1 shall be satisfied if the Participant does not, for one year following Termination of Employment for any reason, work on any program or product which may be competitive with any program or product of the Company with which the Participant was involved in a research and development or support capacity anytime within the 18 months preceding the end of the Participant's employment with the Company.

2. **Tolling of Covenants in the Event of Breach.** In the event the Participant engages in any of the Prohibited Activities, the time period of the violated covenant(s) shall be tolled throughout the duration of any violation and shall continue until the Participant has complied with such covenant(s) for a period of 12 consecutive full months.
3. **Injunction.** The Participant acknowledges that, by virtue of the Participant's employment with the Company, the Participant will have access to Confidential Information of the Company, the disclosure of which will irreparably harm the Company. The Participant further acknowledges that the Company will suffer irreparable harm if the Participant breaches any of the Participant's obligations under this Agreement. Therefore, the Participant agrees that the Company will be entitled, in addition to its other rights, to enforce the Participant's obligations through an injunction or decree of specific performance from a court having proper jurisdiction. Any claims the Participant may assert against the Company shall not constitute a defense in any injunction action brought by the Company to force the Participant to keep the promises the Participant made in this Agreement.
4. **Authorization to Modify Restrictions.** The Participant agrees that the restrictions contained in this Agreement are reasonable. However, if any court having proper jurisdiction holds a particular restriction to be unreasonable, that restriction shall be modified only to the extent necessary in the court's opinion to make it reasonable and the remaining provisions of this Agreement including without limitation Appendix A shall nonetheless remain in full force and effect. The other provisions of this Agreement are likewise severable.
5. **General.**
- (a) The Participant understands and agrees that, if the Company is successful in a suit or proceeding to enforce any of the terms of this Agreement, the Participant will pay the Company's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).
- (b) This Agreement shall inure to the benefit of and may be enforced by the Company, its successors and assigns. This Agreement is personal to the Participant and the Participant may not assign it.
- (c) The Company's rights under this Agreement shall be in addition to any rights it may have under any other Agreement with Participant.

- (d) Any failure to enforce the terms of this Agreement with any other employee of the Company shall not be deemed a waiver by the Company to enforce its rights under this Agreement. Further, any waiver by the Company of any breach by the Participant of any provision of this Agreement, shall not operate or be construed as a waiver of any subsequent breach hereof.

CA, INC.
2011 INCENTIVE PLAN
NONQUALIFIED STOCK OPTION AWARD AGREEMENT

[Participant Name] ("Optionee")

Name of Optionee

Total Number of Shares Subject to Option Granted	[Number of Shares Granted]
Grant Date	[Grant Date]
Exercise Price	[Exercise Price]
Expiration Date	[Expiration Date]

THIS AGREEMENT, including without limitation Appendix A hereto, (this "Agreement"), dated as of the date set forth above and entered into by and between CA, Inc., a Delaware corporation (the "Company") and the above-referenced Optionee, provides for the grant of a nonqualified stock option under the CA, Inc. 2011 Incentive Plan (the "Plan"). This Agreement incorporates by reference the terms of the Plan, and is subject to the terms of the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan will control. Except as otherwise provided in this Agreement, capitalized terms in this Agreement will have the meanings specified in the Plan. A copy of the Plan or related Prospectus may be obtained at no cost by contacting the HR Service Center at 1-866-514-4772 or opening an issue via the web at <http://caportal.ca.com> (via Employee Self-Service – ESS). If you are located outside of North America, please contact your local Human Resources Representative.

- 1. Grant of Option.** The Company hereby grants to the Optionee an option (the "Option") to purchase the number of shares of Common Stock set forth above at an exercise price per share set forth above which is equal to the Fair Market Value of such shares on the date the Option is granted (the "Grant Date"). The Option is not an "incentive stock option" within the meaning of Section 422 of the Code.
- 2. Vesting of Option.** The Option will vest with respect to 34% of the underlying shares of Common Stock on the first anniversary of the Grant Date and with respect to an additional 33% of the underlying shares of Common Stock on each of the second and third anniversaries of the Grant Date. Except as provided in Section 9 of this Agreement, the Option will expire and will not be exercisable after ten years from Grant Date (the "Expiration Date"). Notwithstanding the foregoing, the Company may extend the term of the Option to reflect certain securities trading blackouts that the Company may impose in order to comply with applicable laws.
- 3. Timing of Grant Acceptance.** Participant must electronically accept his/her grant of this Option within 90 days from the Grant Date (the "Grant Acceptance Date") or he/she will forfeit this Option. A Participant who forfeits his/her Option for failure to accept the award by the Grant Acceptance Date has no right of ownership or other rights as stockholder under this Option and may not be eligible for future Option awards or other equity awards granted by the Company.
- 4. Exercise of Option.** To the extent that the Option is exercisable, the Optionee may exercise the Option by delivering to the Company or its agent a properly executed exercise notice on a form approved by the Committee. The Company will not permit the exercise of the Option if the Company

determines, in its sole and absolute discretion, that issuance of shares underlying the Option could violate any law or regulation.

In the event of the Optionee's death, the Option may be exercised by the executor or administrator of a deceased Optionee's estate, or by the person or persons to whom the Option has been transferred by the Optionee's will or the applicable laws of descent and distribution, provided that the Company will be under no obligation to deliver shares underlying the Option unless and until the Company is satisfied that the person exercising the Option is the duly appointed executor or administrator of the deceased Optionee or the person to whom the Option has been transferred by the Optionee's will or by the applicable laws of descent and distribution.

- 5. Payment of Exercise Price.** Payment of the exercise price of the Option may be made in cash or by certified check, bank draft, wire transfer or postal or express money order or any other form of consideration approved by the Committee. Alternatively, payment of the exercise price may be made by (a) delivering to the Company, or its agent, a properly executed exercise notice, together with irrevocable instructions to a broker to deliver promptly to the Company the amount of sale proceeds with respect to the portion of the shares to be acquired upon exercise having a Fair Market Value on the date of exercise equal to the sum of the applicable portion of the exercise price being so paid and appropriate tax withholding, (b) tendering (actually or by attestation) to the Company previously acquired Shares that have been held by the Optionee for at least six months having a Fair Market Value on the date prior to the date of exercise equal to the applicable portion of the Exercise Price being paid and appropriate tax withholding, or (c) any combination of the foregoing. Payment of the exercise price of the Option must be made in full for all shares for which the Option is exercised at the time of such exercise, and no shares will be delivered until such payment is made. Notwithstanding the foregoing, a form of payment will not be available if the Company determines, in its sole and absolute discretion, that such form of payment could violate any law or regulation.
- 6. Delivery of Shares.** The Company will not be obligated to deliver any shares underlying the Option unless and until the Company is satisfied that (a) proper arrangements have been made with the Company for the payment of any applicable tax withholding obligations, (b) all requirements of all applicable laws have been met, (c) in the event the outstanding Common Stock is at the time listed upon any stock exchange, the shares to be delivered have been listed, or authorized to be listed, upon official notice of issuance upon the exchanges where it is listed, and (d) all legal matters in connection with the issuance and delivery of the shares have been approved by counsel of the Company. The Optionee will have no rights of a stockholder until the shares are actually delivered to the Optionee. Common Stock to be delivered upon the exercise of the Option may constitute an original issue of authorized stock or may consist of treasury stock.
- 7. Transferability of Option.** Except as provided below, the Option may not be transferred by the Optionee other than by will or the laws of descent and distribution and during the Optionee's lifetime the Option may be exercised only by the Optionee. Notwithstanding the foregoing, the Option may be transferred by the Optionee to his or her family members or to one or more trusts for the benefit of such family members or to one or more limited partnerships in which such family members are the only partners; provided that (a) the Optionee does not receive any consideration for such transfer, (b) written notice of any proposed transfer and the details thereof will have been furnished to the Committee at least three days in advance of such transfer, and (c) the Committee consents to the transfer in writing. If the Option is transferred pursuant to this provision, it will continue to be subject to the same terms and conditions that were applicable to such Option immediately prior to transfer and the Option may be exercised by the transferee only to the same extent that the option

could have been exercised by the Optionee had no transfer been made. For this purpose, the Optionee's "family members" will include the Optionee's spouse, children, grandchildren, parents, grandparents (whether natural, step, adopted or in-laws) siblings, nieces, nephews and grandnieces and grandnephews.

8. Death or Termination of Employment Due to Disability. If the Optionee dies or incurs a Termination of Employment due to Disability while employed by or providing services to the Company, any portion of the Option that has not become exercisable as of the date of the Optionee's death or Termination of Employment due to Disability will become exercisable in full and will remain exercisable (a) in the case of the Optionee's death, by the estate of the deceased Optionee or the person given authority to exercise the Option by the Optionee's will or by operation of law for a period of one year following the Optionee's death, but not later than the expiration date of the Option; and (b) in the case of the Optionee's Termination of Employment or Disability, by the Optionee for a period of one year following the Optionee's Termination of Employment due to Disability, but not later than the Expiration Date.

9. Other Termination of Employment

(a) Except as otherwise provided in this Agreement or the Plan, upon the Retirement of the Optionee, the portion of the Option that is not exercisable as of the date of such Retirement will be forfeited as of the date of such Retirement and the portion of the Option that is exercisable as of the date of such Retirement must be exercised, if at all, within one year after the date of such Retirement, but in no event after the Expiration Date.

(b) Except as otherwise provided in this Agreement or the Plan or in an employment agreement between the Optionee and the Company, upon the Optionee's Termination of Employment, for reason other than death, Disability or Retirement, the portion of the Option that is not exercisable as of the Optionee's Termination of Employment will be forfeited as of the Optionee's Termination of Employment and the portion of the Option that is exercisable as of the Optionee's Termination of Employment must be exercised, if at all, within 90 days after such Termination of Employment but in no event after the Expiration Date.

10. Forfeiture and Recovery and Reimbursement of Option Gain. Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Option will be terminated and become null and void without consideration if the Optionee, as determined by the Committee in its sole discretion, engages in any Prohibited Activities (as defined in Appendix A).

If the Optionee engages in any of the Prohibited Activities, the Optionee shall, at the sole discretion of the Committee, forfeit any gain realized in respect of any Option that has been exercised within 12 months prior to the Optionee's Termination of Employment (the "Affected Option"), which gain shall be deemed to be an amount equal to aggregate of the difference between the Exercise Price of the Affected Option and the corresponding Fair Market Value (as defined in the Plan), on the applicable exercise date, of the shares of Common Stock deemed delivered to the Optionee (including any shares sold or withheld to cover any portion of the payment of its exercise price and/or tax withholding). The Optionee shall repay such gain to the Company immediately after demand by the Company, but not later than ten days following such demand. The amount of the gain calculated pursuant to this Section 10 shall not take into account any taxes paid by or withheld from the Optionee in connection with the exercise of the Affected Option.

The foregoing provision will be applied in compliance with applicable laws, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Optionee will be subject to such forfeiture and recovery and reimbursement policies that the Company or any of its Related Companies may establish for any reason from time to time.

- 11. Changes In Stock.** The Option is subject to the adjustment provisions set forth in Sections 4.11, 5.3 and 5.4 of the Plan.
- 12. Tax Withholding.** As a condition to the delivery of any shares pursuant to the exercise of the Option, an Optionee is required to pay the Company an amount sufficient to satisfy applicable tax withholding obligations, which the Company, may in its discretion, determine to accept payment of tax withholding by the following methods described below:
 - (a) the Company withholds shares that would otherwise be issued on exercise having a Fair Market Value on the date of exercise equal to the applicable portion of the tax withholding obligations being so paid.
 - (b) through any of the exercise price payment methods described in Section 4 of this Agreement; or
 - (c) any other method specified in Section 7.2 of the Plan that is necessary to satisfy Optionee's withholding obligation in accordance with applicable law.;
- 13. No Guarantee of Employment or Service.** The Option will not obligate the Company or any Related Company to retain the Optionee in its employ or service for any period.
- 14. Governing Law; Severability; Choice of Law.** This Agreement will 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 Agreement is held unlawful or otherwise invalid or unenforceable, in whole or in part, the unlawfulness, invalidity or unenforceability will not affect any other provision of this Agreement or part thereof, each of which will remain in full force and effect. Any action related to this Agreement shall be brought exclusively in the federal or state courts of the State of New York, County of Suffolk. The Optionee will accept service of process as provided under New York law or by registered mail, return receipt requested, and waive any objection based upon forum non conveniens or as to personal jurisdiction over the Optionee in federal or state courts of the State of New York, County of Suffolk. The choice of forum set forth in this Section 14 shall not be deemed to preclude the enforcement of any judgment obtained in such forum in any other jurisdiction.
- 15. Acceptance and Acknowledgment.** By accepting this Agreement, the Optionee:
 - (a) accepts and acknowledges he or she must electronically accept this Option as specified in Section 3 of this Agreement or this award will be forfeited;
 - (b) upon electronic acceptance of this Option, accepts and acknowledges receipt of the Option which has been issued to the Optionee under the terms and conditions of the Plan;
 - (c) acknowledges and confirms the Optionee's acceptance and agreement to the collection, use and transfer, in electronic or other form, of personal information about the Optionee,

including, without limitation, the Optionee's name, home address, and telephone number, date of birth, social security number or other identification number, and details of all the Optionee's shares held and transactions related thereto, by the Company and its Related Companies and agents for the purpose of implementing, administrating and managing the Optionee's participation in the Plan, and further understands and agrees that the Optionee's personal information may be transferred to third parties assisting in the implementation, administration and management of the Plan, that any recipient may be located in the Optionee's country or elsewhere, and that such recipient's country may have different data privacy laws and protections than the Optionee's country;

- (d) acknowledges and confirms the Optionee's consent to receive electronically this Agreement, the Plan and the related Prospectus and any other Plan documents that the Company is required to deliver;
- (e) acknowledges that a copy of the Plan and the related Prospectus is posted on the Company's website and that the Optionee has access to such documents;
- (f) agrees to be bound by the terms and conditions of this Agreement and the Plan (including, but not limited to, Section 7.5 of the Plan, Section 10 of this Agreement and Appendix A to this Agreement), as may be amended from time to time;
- (g) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee upon any questions related to the Plan or this Agreement;
- (h) understands that neither Plan nor this Agreement gives the Optionee any right to employment or service with the Company or any Related Company and that the Option is not part of the Optionee's normal or expected compensation, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Optionee's employer;
- (i) understands and acknowledges that the grant of the Option is expressly conditioned on the Optionee's adherence to the terms of the applicable policies and procedures of the Company and its Related Companies.

16. Entire Agreement. This Agreement and the Plan and, to the extent applicable to the Optionee, any written employment agreement between the Optionee and the Company, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements between the parties with respect to the subject matter hereof.

By: _____
Michael P. Gregoire
CEO

Appendix A

- 1. Prohibited Activities.** The Optionee recognizes that the Company is engaged in a highly competitive business and that its customer, employee, licensee, supplier and financial relationships are of a highly sensitive nature. As a reasonable means to protect the Company's Confidential Information (as defined in the subclause (a) below), investment, relationships, and goodwill, and in consideration for the Option grant, the Optionee agrees that, to the extent permitted by applicable law, the Optionee will not, either during his or her employment or for a period of 12 months following the termination of his or her employment (or such longer period specified below) for any reason engage in any of the following "**Prohibited Activities**":
- (a) Engage in any business activity in a Restricted Area that competes with the business activities of the Company and its corporate affiliates about which Optionee either had (i) a job responsibility to promote, or (ii) access to Confidential Information. "Restricted Area" for purposes of this Agreement, means a geographic area that the Optionee served or covered on behalf of the Company at any time within the 18 months preceding the end of his or her employment with the Company. "**Confidential Information**," for the purposes of this Agreement, means information, including information that is conceived or developed by the Optionee that is not generally known to the public and that is used by the Company in connection with its business. By way of example, the term "Confidential Information" would include: trade secrets; processes; formulas; research data; program documentation; algorithms; source codes; object codes; know-how; improvements; inventions; techniques; training materials and methods; product information; corporate strategy; sales forecast and pipeline information; research and development; plans or strategies for marketing and pricing; and information concerning existing or potential customers, partners, or vendors. The Optionee understands that this list is not all-inclusive and merely serves as examples of the types of information that falls within the definition of Confidential Information.
 - (b) Solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or provide it with services that compete with a product or service offered by the Company. A "Customer," for purposes of this Agreement, means any person or business entity that licensed or leased a Company product or obtained Company services within the 18 months preceding the end of the Optionee's employment with the Company and that the Optionee had solicited, called on, or served on the Company's behalf anytime within that 18-month time period.
 - (c) Solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or provide it with services which compete with a product or service offered by the Company. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that the Optionee solicited or called on (whether directly or through another Company agent at the Optionee's direction) on behalf of the Company anytime within the 12 months preceding the end of the Optionee's employment with the Company.
 - (d) Directly or indirectly through others, hire any employee or contractor of the Company, or solicit or induce, or attempt to solicit or induce, any Company employee or contractor to leave the Company for any reason.

- (e) For any period following the termination of the Optionee's employment, violate a non-competition, non-solicitation or non-disclosure covenant or agreement between the Optionee and the Company or any Related Company (including, without limitation, the Employment and Confidentiality Agreement signed at or around the time of the Optionee's hire).

Different restrictions apply if, at or prior to termination, the Optionee was or had been a programmer, software engineer, analyst, support technician, quality assurance technician, technical documentation writer and/or a manager in a research and development capacity. If so, then the Optionee's obligations under this Paragraph 1 shall be satisfied if the Optionee does not, for one year following Termination of Employment for any reason, work on any program or product which may be competitive with any program or product of the Company with which the Optionee was involved in a research and development or support capacity anytime within the 18 months preceding the end of the Optionee's employment with the Company.

2. **Tolling of Covenants in the Event of Breach.** In the event the Optionee engages in any of the Prohibited Activities, the time period of the violated covenant(s) shall be tolled throughout the duration of any violation and shall continue until the Optionee has complied with such covenant(s) for a period of 12 consecutive full months.
 3. **Injunction.** The Optionee acknowledges that, by virtue of the Optionee's employment with the Company, the Optionee will have access to Confidential Information of the Company, the disclosure of which will irreparably harm the Company. The Optionee further acknowledges that the Company will suffer irreparable harm if the Optionee breaches any of the Optionee's obligations under this Agreement. Therefore, the Optionee agrees that the Company will be entitled, in addition to its other rights, to enforce the Optionee's obligations through an injunction or decree of specific performance from a court having proper jurisdiction. Any claims the Optionee may assert against the Company shall not constitute a defense in any injunction action brought by the Company to force the Optionee to keep the promises the Optionee made in this Agreement.
 4. **Authorization to Modify Restrictions.** The Optionee agrees that the restrictions contained in this Agreement are reasonable. However, if any court having proper jurisdiction holds a particular restriction to be unreasonable, that restriction shall be modified only to the extent necessary in the court's opinion to make it reasonable and the remaining provisions of this Agreement including without limitation Appendix A shall nonetheless remain in full force and effect. The other provisions of this Agreement are likewise severable.
5. **General.**
- (a) The Optionee understands and agrees that, if the Company is successful in a suit or proceeding to enforce any of the terms of this Agreement, the Optionee will pay the Company's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).
 - (b) This Agreement shall inure to the benefit of and may be enforced by the Company, its successors and assigns. Except as otherwise permitted by this Agreement, this Agreement is personal to the Optionee and the Optionee may not assign it.

- (c) The Company's rights under this Agreement shall be in addition to any rights it may have under any other Agreement with Optionee.
- (d) Any failure to enforce the terms of this Agreement with any other employee of the Company shall not be deemed a waiver by the Company to enforce its rights under this Agreement. Further, any waiver by the Company of any breach by the Optionee of any provision of this Agreement, shall not operate or be construed as a waiver of any subsequent breach hereof.

CA, INC.
2011 INCENTIVE PLAN
NONQUALIFIED STOCK OPTION AWARD AGREEMENT FOR CANADIAN PARTICIPANTS

[Participant Name] ("Optionee")

Name of Optionee

Total Number of Shares Subject to Option Granted

[Number of Shares Granted]

Grant Date

[Grant Date]

Exercise Price

[Exercise Price]

Expiration Date

[Expiration Date]

THIS AGREEMENT, including, without limitation, Appendix A hereto, (this "Agreement"), dated as of the date set forth above and entered into by and between CA, Inc., a Delaware corporation (the "Company") and the above-referenced Optionee, provides for the grant of a nonqualified stock option under the CA, Inc. 2011 Incentive Plan (the "Plan"). This Agreement incorporates by reference the terms of the Plan, and is subject to the terms of the Plan. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan will control. Except as otherwise provided in this Agreement, capitalized terms in this Agreement will have the meanings specified in the Plan. A copy of the Plan or related Prospectus may be obtained at no cost by contacting the HR Service Center at 1-866-514-4772 or opening an issue via the web at <http://caportal.ca.com> (via Employee Self-Service – ESS). If you are located outside of North America, please contact your local Human Resources Representative.

1. **Grant of Option.** The Company hereby grants to the Optionee an option (the "Option") to purchase the number of shares of Common Stock set forth above at an exercise price per share set forth above which is equal to the Fair Market Value of such shares on the date the Option is granted (the "Grant Date"). The Option is not an "incentive stock option" within the meaning of Section 422 of the Code.
2. **Vesting of Option.** The Option will vest with respect to 34% of the underlying shares of Common Stock on the first anniversary of the Grant Date and with respect to an additional 33% of the underlying shares of Common Stock on each of the second and third anniversaries of the Grant Date. Except as provided in Section 9 of this Agreement, the Option will expire and will not be exercisable after ten years from Grant Date (the "Expiration Date"). Notwithstanding the foregoing, the Company may extend the term of the Option to reflect certain securities trading blackouts that the Company may impose in order to comply with applicable laws.
3. **Timing of Grant Acceptance.** Participant must electronically accept his/her grant of Option within 90 days from the Grant Date (the "Grant Acceptance Date") or he/she will forfeit this Option. A Participant who forfeits his/her Option for failure to accept the award by the Grant Acceptance Date has no right of ownership or other rights as stockholder under this Option and may not be eligible for future stock option awards or other equity awards granted by the Company.
4. **Exercise of Option.** To the extent that the Option is exercisable, the Optionee may exercise the Option by delivering to the Company or its agent a properly executed exercise notice on a form approved by the Committee. The Company will not permit the exercise of the Option if the Company

determines, in its sole and absolute discretion, that issuance of shares underlying the Option could violate any law or regulation.

In the event of the Optionee's death, the Option may be exercised by the executor or administrator of a deceased Optionee's estate, or by the person or persons to whom the Option has been transferred by the Optionee's will or the applicable laws of descent and distribution, provided that the Company will be under no obligation to deliver shares underlying the Option unless and until the Company is satisfied that the person exercising the Option is the duly appointed executor or administrator of the deceased Optionee or the person to whom the Option has been transferred by the Optionee's will or by the applicable laws of descent and distribution.

- 5. Payment of Exercise Price.** Payment of the exercise price of the Option may be made in cash or by certified check, bank draft, wire transfer or postal or express money order or any other form of consideration approved by the Committee. Alternatively, payment of the exercise price may be made by (a) delivering to the Company, or its agent, a properly executed exercise notice, together with irrevocable instructions to a broker to deliver promptly to the Company the amount of sale proceeds with respect to the portion of the shares to be acquired upon exercise having a Fair Market Value on the date of exercise equal to the sum of the applicable portion of the exercise price being so paid and appropriate tax withholding, (b) tendering (actually or by attestation) to the Company previously acquired Shares that have been held by the Optionee for at least six months having a Fair Market Value on the date prior to the date of exercise equal to the applicable portion of the Exercise Price being paid, or (c) any combination of the foregoing. Payment of the exercise price of the Option must be made in full for all shares for which the Option is exercised at the time of such exercise, and no shares will be delivered until such payment is made. Notwithstanding the foregoing, a form of payment will not be available if the Company determines, in its sole and absolute discretion, that such form of payment could violate any law or regulation.
- 6. Delivery of Shares.** The Company will not be obligated to deliver any shares underlying the Option unless and until the Company is satisfied that (a) proper arrangements have been made with the Company for the payment of any applicable tax withholding obligations, (b) all requirements of all applicable laws have been met, (c) in the event the outstanding Common Stock is at the time listed upon any stock exchange, the shares to be delivered have been listed, or authorized to be listed, upon official notice of issuance upon the exchanges where it is listed, and (d) all legal matters in connection with the issuance and delivery of the shares have been approved by counsel of the Company. The Optionee will have no rights of a stockholder until the shares are actually delivered to the Optionee. Common Stock to be delivered upon the exercise of the Option may constitute an original issue of authorized stock or may consist of treasury stock.
- 7. Transferability of Option.** Except as provided below, the Option may not be transferred by the Optionee other than by will or the laws of descent and distribution and during the Optionee's lifetime the Option may be exercised only by the Optionee. Notwithstanding the foregoing, the Option may be transferred by the Optionee to his or her family members or to one or more trusts for the benefit of such family members or to one or more limited partnerships in which such family members are the only partners; provided that (a) the Optionee does not receive any consideration for such transfer, (b) written notice of any proposed transfer and the details thereof will have been furnished to the Committee at least three days in advance of such transfer, and (c) the Committee consents to the transfer in writing. If the Option is transferred pursuant to this provision, it will continue to be subject to the same terms and conditions that were applicable to such Option immediately prior to transfer and the Option may be exercised by the transferee only to the same extent that the option

could have been exercised by the Optionee had no transfer been made. For this purpose, the Optionee's "family members" will include the Optionee's spouse, children, grandchildren, parents, grandparents (whether natural, step, adopted or in-laws) siblings, nieces, nephews and grandnieces and grandnephews.

8. Death or Termination of Employment Due to Disability. If the Optionee dies or incurs a Termination of Employment due to Disability while employed by or providing services to the Company, any portion of the Option that has not become exercisable as of the date of the Optionee's death or Termination of Employment due to Disability will become exercisable in full and will remain exercisable (a) in the case of the Optionee's death, by the estate of the deceased Optionee or the person given authority to exercise the Option by the Optionee's will or by operation of law for a period of one year following the Optionee's death, but not later than the expiration date of the Option; and (b) in the case of the Optionee's Termination of Employment or Disability, by the Optionee for a period of one year following the Optionee's Termination of Employment due to Disability, but not later than the Expiration Date.

9. Other Termination of Employment

(a) Except as otherwise provided in this Agreement or the Plan, upon the Retirement of the Optionee, the portion of the Option that is not exercisable as of the date of such Retirement will be forfeited as of the date of such Retirement and the portion of the Option that is exercisable as of the date of such Retirement must be exercised, if at all, within one year after the date of such Retirement, but in no event after the Expiration Date.

(b) Except as otherwise provided in this Agreement or the Plan or in an employment agreement between the Optionee and the Company, upon the Optionee's Termination of Employment, for reason other than death, Disability or Retirement, the portion of the Option that is not exercisable as of the Optionee's Termination of Employment will be forfeited as of the Optionee's Termination of Employment and the portion of the Option that is exercisable as of the Optionee's Termination of Employment must be exercised, if at all, within 90 days after such Termination of Employment but in no event later than the Expiration Date.

10. Forfeiture and Recovery and Reimbursement of Option Gain. Notwithstanding any other provision of this Agreement or the Plan to the contrary, the Option will be terminated and become null and void without consideration if the Optionee, as determined by the Committee in its sole discretion, engages in any Prohibited Activities (as defined in [Appendix A](#)).

If the Optionee engages in any of the Prohibited Activities, the Optionee shall, at the sole discretion of the Committee, forfeit any gain realized in respect of any Option that has been exercised within 12 months prior to the Optionee's Termination of Employment (the "Affected Option"), which gain shall be deemed to be an amount equal to aggregate of the difference between the Exercise Price of the Affected Option and the corresponding Fair Market Value (as defined in the Plan), on the applicable exercise date, of the shares of Common Stock deemed delivered to the Optionee (including any shares sold or withheld to cover any portion of the payment of its exercise price and/or tax withholding). The Optionee shall repay such gain to the Company immediately after demand by the Company, but not later than ten days following such demand. The amount of the gain calculated pursuant to this Section 10 shall not take into account any taxes paid by or withheld from the Optionee in connection with the exercise of the Affected Option.

The foregoing provision will be applied in compliance with applicable laws, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Optionee will be subject to such forfeiture and recovery and reimbursement policies that the Company or any of its Related Companies may establish from time to time.

- 11. Changes In Stock.** The Option is subject to the adjustment provisions set forth in Sections 4.11, 5.3 and 5.4 of the Plan.
- 12. Tax Withholding.** As a condition to the delivery of any shares pursuant to the exercise of the Option, Optionee is required to pay the Company an amount sufficient to satisfy applicable tax withholding obligations, which the Committee, may in its discretion, determine to accept payment of tax withholding by the following methods described below:
 - (a) Company withholds shares that would otherwise be issued on exercise having a Fair Market Value on the date of exercise equal to the applicable portion of the tax withholding obligations being so paid.
 - (b) through any of the exercise price payment methods described in Section 5 of this Agreement; or
 - (c) any other method specified in Section 7.2 of the Plan that is necessary to satisfy Optionee's withholding obligation in accordance with applicable law.
- 13. No Guarantee of Employment or Service.** The Option will not obligate the Company or any Related Company to retain the Optionee in its employ or service for any period.
- 14. Governing Law; Severability; Choice of Law.** This Agreement will 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 Agreement is held unlawful or otherwise invalid or unenforceable, in whole or in part, the unlawfulness, invalidity or unenforceability will not affect any other provision of this Agreement or part thereof, each of which will remain in full force and effect. Any action related to this Agreement shall be brought exclusively in the federal or state courts of the State of New York, County of Suffolk. The Optionee will accept service of process as provided under New York law or by registered mail, return receipt requested, and waive any objection based upon forum non conveniens or as to personal jurisdiction over the Optionee in federal or state courts of the State of New York, County of Suffolk. The choice of forum set forth in this Section 14 shall not be deemed to preclude the enforcement of any judgment obtained in such forum in any other jurisdiction.
- 15. Acceptance and Acknowledgment.** By accepting this Agreement, the Optionee:
 - (a) accepts and acknowledges he or she must electronically accept this Option award as specified in Section 3 of this Agreement or this award will be forfeited;
 - (b) upon electronic acceptance of this Option accepts and acknowledges receipts of the Option which has been issued to the Optionee under the terms and conditions of the Plan;
 - (c) acknowledges and confirms the Optionee's acceptance and agreement to the collection, use and transfer, in electronic or other form, of personal information about the Optionee,

including, without limitation, the Optionee's name, home address, and telephone number, date of birth, social security number or other identification number, and details of all the Optionee's shares held and transactions related thereto, by the Company and its Related Companies and agents for the purpose of implementing, administering and managing the Optionee's participation in the Plan, and further understands and agrees that the Optionee's personal information may be transferred to third parties assisting in the implementation, administration and management of the Plan, that any recipient may be located in the Optionee's country or elsewhere, and that such recipient's country may have different data privacy laws and protections than the Optionee's country;

- (d) acknowledges and confirms the Optionee's consent to receive electronically this Agreement, the Plan and the related Prospectus and any other Plan documents that the Company is required to deliver;
- (e) acknowledges that a copy of the Plan and the related Prospectus is posted on the Company's website and that the Optionee has access to such documents;
- (f) agrees to be bound by the terms and conditions of this Agreement and the Plan (including, but not limited to, Section 7.5 of the Plan, Section 10 of this Agreement and Appendix A to this Agreement), as may be amended from time to time;
- (g) agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee upon any questions related to the Plan or this Agreement;
- (h) understands that neither Plan nor this Agreement gives the Optionee any right to employment or service with the Company or any Related Company and that the Option is not part of the Optionee's normal or expected compensation, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Optionee's employer;
- (i) understands and acknowledges that the grant of the Option is expressly conditioned on the Optionee's adherence to the terms of the applicable policies and procedures of the Company and its Related Companies.
- (j) understands and acknowledges that the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;
- (k) understands and acknowledges that the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options, even if Options have been granted repeatedly in the past;
- (l) all decisions with respect to future Options, if any, will be at the sole discretion of the Company;
- (m) the Optionee is voluntarily participating in the Plan;

- (n) the Option is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or the Employer, and which is outside the scope of the Optionee's employment contract, if any;
- (o) in the event that the Optionee is not an employee of the Company, the grant of the Option will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant of the Option will not be interpreted to form an employment contract with the Optionee's employer or any subsidiary or affiliate of the Company;
- (p) the future value of the underlying shares of Common Stock is unknown and cannot be predicted with certainty;
- (q) if the Optionee exercises the Option and obtains shares of Common Stock, the value of those shares may increase or decrease in value; and
- (r) in consideration of the grant of the Option, no claim or entitlement to compensation or damages shall arise from termination of the Option or diminution in value of the Option or shares acquired through the exercise of the Option resulting from termination of the Optionee's employment by the Company or his employer, and the Optionee irrevocably releases the Company and his employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Optionee will be deemed irrevocably to have waived his or her entitlement to pursue such claim.
- (s) the parties to this agreement have expressly required that this Agreement and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
- (t) in the event of termination of the Optionee's employment, the Optionee's right to vest in the Option under the Plan will terminate effective as of the date that the Optionee is no longer actively employed.

16. Entire Agreement. This Agreement and the Plan and, to the extent applicable to the Optionee, any written employment agreement between the Optionee and the Company, constitute the entire agreement between the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements between the parties with respect to the subject matter hereof.

By: _____

Michael P. Gregoire
CEO

Appendix A

- 1. Prohibited Activities.** The Optionee recognizes that the Company is engaged in a highly competitive business and that its customer, employee, licensee, supplier and financial relationships are of a highly sensitive nature. As a reasonable means to protect the Company's Confidential Information (as defined in the subclause (a) below), investment, relationships, and goodwill, and in consideration for the Option grant, the Optionee agrees that, to the extent permitted by applicable law, the Optionee will not, either during his or her employment or for a period of 12 months following the termination of his or her employment (or such longer period specified below) for any reason engage in any of the following "**Prohibited Activities**":
- (a) Engage in any business activity in a Restricted Area that competes with the business activities of the Company and its corporate affiliates about which Optionee either had (i) a job responsibility to promote, or (ii) access to Confidential Information. "Restricted Area" for purposes of this Agreement, means a geographic area that the Optionee served or covered on behalf of the Company at any time within the 18 months preceding the end of his or her employment with the Company. "**Confidential Information,**" for the purposes of this Agreement, means information, including information that is conceived or developed by the Optionee that is not generally known to the public and that is used by the Company in connection with its business. By way of example, the term "Confidential Information" would include: trade secrets; processes; formulas; research data; program documentation; algorithms; source codes; object codes; know-how; improvements; inventions; techniques; training materials and methods; product information; corporate strategy; sales forecast and pipeline information; research and development; plans or strategies for marketing and pricing; and information concerning existing or potential customers, partners, or vendors. The Optionee understands that this list is not all-inclusive and merely serves as examples of the types of information that falls within the definition of Confidential Information.
 - (b) Solicit, call on, service or induce others to solicit, call on or service any "Customer" for the purpose of inducing it to license or lease a product or provide it with services that compete with a product or service offered by the Company. A "Customer," for purposes of this Agreement, means any person or business entity that licensed or leased a Company product or obtained Company services within the 18 months preceding the end of the Optionee's employment with the Company and that the Optionee had solicited, called on, or served on the Company's behalf anytime within that 18-month time period.
 - (c) Solicit, call on, or induce others to solicit or call on, any "Prospective Customer" for the purpose of inducing it to license or lease a product or provide it with services which compete with a product or service offered by the Company. A "Prospective Customer," for purposes of this Agreement, is any person or business entity that the Optionee solicited or called on (whether directly or through another Company agent at the Optionee's direction) on behalf of the Company anytime within the 12 months preceding the end of the Optionee's employment with the Company.
 - (d) Directly or indirectly through others, hire any employee or contractor of the Company, or solicit or induce, or attempt to solicit or induce, any Company employee or contractor to leave the Company for any reason.

- (e) For any period following the termination of the Optionee's employment, violate a non-competition, non-solicitation or non-disclosure covenant or agreement between the Optionee and the Company or any Related Company (including, without limitation, the Employment and Confidentiality Agreement signed at or around the time of the Optionee's hire).

Different restrictions apply if, at or prior to termination, the Optionee was or had been a programmer, software engineer, analyst, support technician, quality assurance technician, technical documentation writer and/or a manager in a research and development capacity. If so, then the Optionee's obligations under this Paragraph 1 shall be satisfied if the Optionee does not, for one year following Termination of Employment for any reason, work on any program or product which may be competitive with any program or product of the Company with which the Optionee was involved in a research and development or support capacity anytime within the 18 months preceding the end of the Optionee's employment with the Company.

2. **Tolling of Covenants in the Event of Breach.** In the event the Optionee engages in any of the Prohibited Activities, the time period of the violated covenant(s) shall be tolled throughout the duration of any violation and shall continue until the Optionee has complied with such covenant(s) for a period of 12 consecutive full months.
 3. **Injunction.** The Optionee acknowledges that, by virtue of the Optionee's employment with the Company, the Optionee will have access to Confidential Information of the Company, the disclosure of which will irreparably harm the Company. The Optionee further acknowledges that the Company will suffer irreparable harm if the Optionee breaches any of the Optionee's obligations under this Agreement. Therefore, the Optionee agrees that the Company will be entitled, in addition to its other rights, to enforce the Optionee's obligations through an injunction or decree of specific performance from a court having proper jurisdiction. Any claims the Optionee may assert against the Company shall not constitute a defense in any injunction action brought by the Company to force the Optionee to keep the promises the Optionee made in this Agreement.
 4. **Authorization to Modify Restrictions.** The Optionee agrees that the restrictions contained in this Agreement are reasonable. However, if any court having proper jurisdiction holds a particular restriction to be unreasonable, that restriction shall be modified only to the extent necessary in the court's opinion to make it reasonable and the remaining provisions of this Agreement including without limitation Appendix A shall nonetheless remain in full force and effect. The other provisions of this Agreement are likewise severable.
5. **General.**
- (a) The Optionee understands and agrees that, if the Company is successful in a suit or proceeding to enforce any of the terms of this Agreement, the Optionee will pay the Company's costs of bringing such suit or proceeding, including its reasonable attorney's fees and litigation expenses (including expert witness and deposition expenses).
 - (b) This Agreement shall inure to the benefit of and may be enforced by the Company, its successors and assigns. Except as otherwise permitted by this Agreement, this Agreement is personal to the Optionee and the Optionee may not assign it.

- (c) The Company's rights under this Agreement shall be in addition to any rights it may have under any other Agreement with Optionee.
- (d) Any failure to enforce the terms of this Agreement with any other employee of the Company shall not be deemed a waiver by the Company to enforce its rights under this Agreement. Further, any waiver by the Company of any breach by the Optionee of any provision of this Agreement, shall not operate or be construed as a waiver of any subsequent breach hereof.

CA, Inc.

STATEMENT OF RATIOS OF EARNINGS TO FIXED CHARGES

(in millions, except ratios)

	Fiscal Year					Three Months Ended
	2010	2011	2012	2013	2014	June 30, 2014
Earnings available for fixed charges:						
Earnings from continuing operations before income taxes, minority interest and discontinued operations	\$ 1,084	\$ 1,139	\$ 1,291	\$ 1,260	\$ 1,016	\$ 299
Add: Fixed charges	156	121	115	113	123	29
Total earnings available for fixed charges	\$ 1,240	\$ 1,260	\$ 1,406	\$ 1,373	\$ 1,139	\$ 328
Fixed charges:						
Interest expense ⁽¹⁾	\$ 102	\$ 68	\$ 64	\$ 64	\$ 75	\$ 21
Interest portion of rental expense	54	53	51	49	48	8
Total fixed charges	\$ 156	\$ 121	\$ 115	\$ 113	\$ 123	\$ 29
RATIOS OF EARNINGS TO FIXED CHARGES	7.95	10.41	12.23	12.15	9.26	11.31
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

July 24, 2014
CA, Inc.
520 Madison Avenue
New York, New York 10022

Re: Registration Statement No. 333-196619 on Form S-3 and Registration Statement Nos. 333-183731, 333-177558, 333-176166, 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 July 24, 2014 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

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

I, Michael P. Gregoire, certify that:

1. I have reviewed the 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: July 24, 2014

/s/ Michael P. Gregoire

Michael P. Gregoire
Chief Executive Officer
CA, Inc.

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

I, Richard J. Beckert, certify that:

1. I have reviewed the 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: July 24, 2014

/s/ Richard J. Beckert

Richard J. Beckert
Executive Vice President and Chief
Financial Officer
CA, Inc.

**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 June 30, 2014 as filed with the Securities and Exchange Commission (the "Report"), each of Michael P. Gregoire, Chief Executive Officer of the Company, and Richard J. Beckert, 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 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/ Michael P. Gregoire

Michael P. Gregoire
Chief Executive Officer
July 24, 2014

/s/ Richard J. Beckert

Richard J. Beckert
Executive Vice President and Chief Financial Officer
July 24, 2014

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.