

# CA Technologies

## Capital Allocation Program

lead markets. invest intelligently.  
grow profitably.  
January 24, 2012

agility  
made possible™



# cautionary statement regarding forward-looking statements

The declaration and payment of future dividends is subject to the determination of the CA Technologies Board of Directors, in its sole discretion, after considering various factors, including CA Technologies' 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. CA Technologies' 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, which is authorized through fiscal year 2014, 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.

Certain statements in this communication (such as statements containing the words "believes," "plans," "anticipates," "expects," "estimates," "targets" and similar expressions) constitute "forward-looking statements" that are based upon the beliefs of, and assumptions made by, the Company's management, as well as information currently available to management. These forward-looking statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties, and assumptions. A number of important factors could cause actual results or events to differ materially from those indicated by such forward-looking statements, including: the ability to achieve success in the Company's strategy by, among other things, increasing sales in new and emerging enterprises and markets, enabling the sales force to sell new products, improving the Company's brand in the marketplace and ensuring the Company's set of cloud computing, Software-as-a-Service 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; failure to expand partner programs; the ability to adequately manage and evolve financial reporting and managerial systems and processes; acquisition opportunities that may or may not arise; the ability to integrate acquired companies and products into existing businesses; competition in product and service offerings and pricing; the ability to retain and attract qualified key personnel; the ability to adapt to rapid technological and market changes; the ability of the Company's products to remain compatible with ever-changing operating environments; access to software licensed from third parties; use of software from open source code sources; discovery of errors in the Company's software and potential product liability claims; any significant amounts of debt and possible future credit rating changes; the failure to protect the Company's intellectual property rights and source code; fluctuations in the number, terms and duration of our license agreements as well as the timing of orders from customers and channel partners; reliance upon large transactions with customers; risks associated with sales to government customers; breaches of the Company's software products and the Company's and customers' data centers and IT environments; third-party claims of intellectual property infringement or royalty payments; fluctuations in foreign currencies; failure to effectively execute the Company's workforce reductions; successful outsourcing of various functions to third parties; potential tax liabilities; and other factors described more fully in the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update the information in this communication, 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.

# delivering enhanced shareholder value



capital allocation program underscores confidence in long-term business outlook and ability to generate significant free cash flow

- ➔ **balancing continued investment in future to further improve strategic market position with significant return of cash directly to shareholders**
- ➔ **plan to return \$2.5B, or approximately 80% of expected cumulative free cash flow through fiscal 2014**
- ➔ **natural extension of existing strategic and operational priorities**
  - further improve operating performance
  - return capital to shareholders
  - maintain a strong and efficient balance sheet

# natural extension of our strategic priorities

## INVEST in our business

### **BUSINESS SERVICE**

**INNOVATION** executing initiatives to meet evolving customer needs

**MAINTAIN INVESTMENTS** ~\$1B in average annual investments in R&D and acquisitions

**LONG-TERM FINANCIAL TARGETS** accelerate organic revenue growth and expand operating margins

## RETURN cash to shareholders

**ENHANCE SHAREHOLDER RETURNS** leverage business performance and consistent free cash flow

**COMMITMENT** to enhance shareholder returns

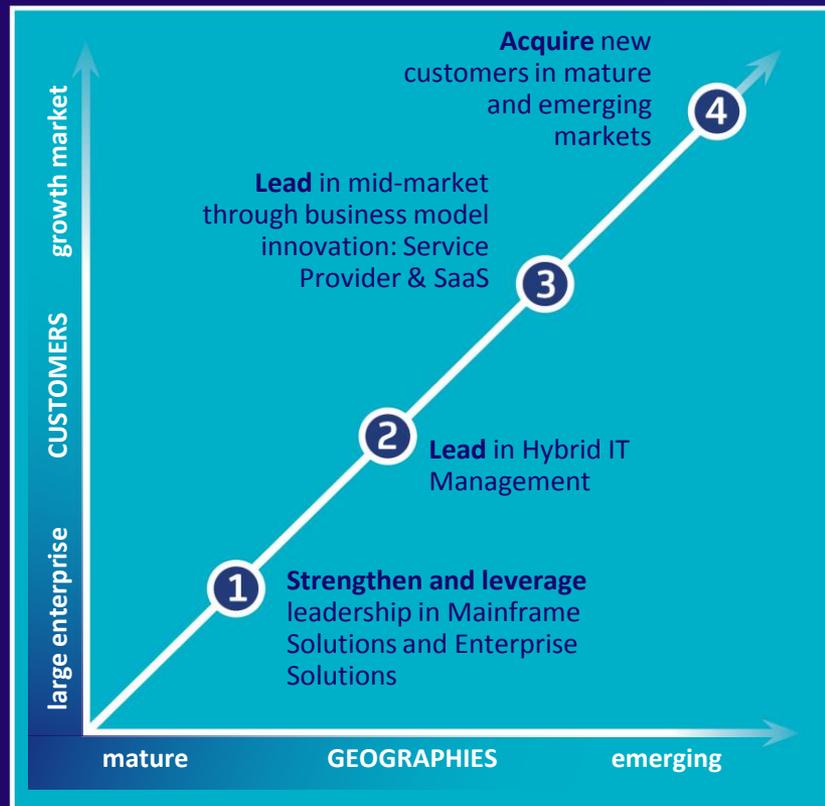
## LEVERAGE financial strength

**MAINTAIN FINANCIAL FLEXIBILITY** to ensure continued ability to grow earnings in dynamic market

**RECOGNITION** that current cash position presents opportunity to create incremental value for shareholders

# focus on execution of long-term strategic plan

## EXPANDING OUR CUSTOMER BASE



## IMPROVING OPERATIONAL PERFORMANCE

expand product penetration in new accounts and new geographies

improve execution in EMEA

drive performance out of acquired companies

**CONTINUE TO IMPROVE OUR STRATEGIC MARKET POSITION AND CAPITALIZE ON DYNAMIC TECHNOLOGY SHIFTS DRIVEN BY VIRTUALIZATION, CLOUD AND SOFTWARE AS A SERVICE**

## RETURN

# return cash to shareholders + invest in the future



planned annual dividend increase from \$0.20 to \$1.00 per share

EFFECTIVE IN FISCAL 2012 FOURTH QUARTER

REPRESENTS APPROXIMATELY 4.5% YIELD AT ANNOUNCEMENT



continued investment of approximately \$600M on average per year in R&D

SUPPORTED BY PLANNED ACQUISITION ACTIVITY OF \$300 TO \$500M ON AVERAGE PER YEAR THROUGH FISCAL 2014



authorization to repurchase up to \$1.5B of common stock

APPROXIMATELY \$500M OF THE PLANNED REPURCHASE EXPECTED TO BE AN ACCELERATED SHARE REPURCHASE UNDER AN AGREEMENT TO BE EXECUTED IN THE COMPANY'S FISCAL 2012 FOURTH QUARTER

INCLUDES APPROXIMATELY \$230M REMAINING UNDER CURRENT REPURCHASE AUTHORIZATION

CAPITAL PROGRAM MAINTAINS MULTI-YEAR COMMITMENT TO ACCELERATE ORGANIC REVENUE GROWTH AND EXPAND OPERATING MARGINS

# effectively use balance sheet

- ➔ immediately reduce excess cash through \$500M accelerated share repurchase agreement

ON-GOING DIVIDEND POLICY EXPECTED TO FURTHER REDUCE CASH POSITION

- ➔ maintain appropriate net cash position

PROVIDE FINANCIAL FLEXIBILITY TO CONTINUE TO EFFECTIVELY COMPETE IN EVOLVING TECHNOLOGY ENVIRONMENT

# delivering enhanced shareholder value

- ➔ announcement is natural extension of the strategic and operational priorities outlined at our July 2011 Investor Day
- ➔ reflects confidence in our ability to continue to generate significant free cash flow on a consistent basis
- ➔ balances continued investment in the future with significant return of cash directly to shareholders