

Table 1
CA Technologies
Consolidated Statements of Operations
(unaudited)
(in millions, except per share amounts)

	Three Months Ended		Fiscal Year Ended	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenue:				
Subscription and maintenance	\$ 851	\$ 910	\$ 3,560	\$ 3,683
Professional services	83	90	351	379
Software fees and other	89	84	351	350
Total revenue	<u>\$ 1,023</u>	<u>\$ 1,084</u>	<u>\$ 4,262</u>	<u>\$ 4,412</u>
Expenses:				
Costs of licensing and maintenance	\$ 80	\$ 80	\$ 297	\$ 296
Cost of professional services	85	89	338	353
Amortization of capitalized software costs	69	67	273	271
Selling and marketing	278	306	1,060	1,104
General and administrative	108	118	377	395
Product development and enhancements	160	156	603	574
Depreciation and amortization of other intangible assets	30	31	129	144
Other expenses, net ⁽¹⁾	2	52	23	205
Total expenses before interest and income taxes	<u>\$ 812</u>	<u>\$ 899</u>	<u>\$ 3,100</u>	<u>\$ 3,342</u>
Income from continuing operations before interest and income taxes	<u>\$ 211</u>	<u>\$ 185</u>	<u>\$ 1,162</u>	<u>\$ 1,070</u>
Interest expense, net	9	15	47	54
Income from continuing operations before income taxes	<u>\$ 202</u>	<u>\$ 170</u>	<u>\$ 1,115</u>	<u>\$ 1,016</u>
Income tax expense	57	69	305	129
Income from continuing operations	<u>\$ 145</u>	<u>\$ 101</u>	<u>\$ 810</u>	<u>\$ 887</u>
Income from discontinued operations, net of income taxes	\$ 6	\$ 6	\$ 36	\$ 27
Net income	<u>\$ 151</u>	<u>\$ 107</u>	<u>\$ 846</u>	<u>\$ 914</u>
Basic income per common share:				
Income from continuing operations	\$ 0.33	\$ 0.23	\$ 1.83	\$ 1.97
Income from discontinued operations	0.01	0.01	0.08	0.06
Net income	<u>\$ 0.34</u>	<u>\$ 0.24</u>	<u>\$ 1.91</u>	<u>\$ 2.03</u>
Basic weighted average shares used in computation	437	442	439	446
Diluted income per common share:				
Income from continuing operations	\$ 0.33	\$ 0.23	\$ 1.82	\$ 1.96
Income from discontinued operations	0.01	0.01	0.08	0.06
Net income	<u>\$ 0.34</u>	<u>\$ 0.24</u>	<u>\$ 1.90</u>	<u>\$ 2.02</u>
Diluted weighted average shares used in computation	439	444	441	448

(1) Other expenses, net consists of costs associated with the FY2014 Board approved rebalancing initiative (the Fiscal 2014 Plan), certain foreign exchange derivative hedging gains and losses, and other miscellaneous costs. For the twelve month period ending March 31, 2014, costs associated with the Fiscal 2014 Plan were \$168 million.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Table 2
CA Technologies
Condensed Consolidated Balance Sheets
(in millions)

	March 31, 2015 <u>(unaudited)</u>	March 31, 2014
Cash and cash equivalents	\$ 2,804	\$ 3,252
Trade accounts receivable, net	652	800
Deferred income taxes	318	315
Other current assets	213	192
Total current assets	\$ 3,987	\$ 4,559
Property and equipment, net	\$ 252	\$ 295
Goodwill	5,806	5,922
Capitalized software and other intangible assets, net	731	1,063
Deferred income taxes	92	59
Other noncurrent assets, net	111	118
Total assets	\$ 10,979	\$ 12,016
Current portion of long-term debt	\$ 10	\$ 514
Deferred revenue (billed or collected)	2,114	2,419
Deferred income taxes	7	9
Other current liabilities	807	980
Total current liabilities	\$ 2,938	\$ 3,922
Long-term debt, net of current portion	\$ 1,253	\$ 1,252
Deferred income taxes	45	67
Deferred revenue (billed or collected)	863	872
Other noncurrent liabilities	255	333
Total liabilities	\$ 5,354	\$ 6,446
Common stock	\$ 59	\$ 59
Additional paid-in capital	3,631	3,610
Retained earnings	6,221	5,818
Accumulated other comprehensive loss	(418)	(171)
Treasury stock	(3,868)	(3,746)
Total stockholders' equity	\$ 5,625	\$ 5,570
Total liabilities and stockholders' equity	\$ 10,979	\$ 12,016

Table 3
CA Technologies
Condensed Consolidated Statements of Cash Flows
(unaudited)
(in millions)

	Three Months Ended	
	March 31,	
	<u>2015</u>	<u>2014</u>
Operating activities from continuing operations:		
Net income	\$ 151	\$ 107
Income from discontinued operations	(6)	(6)
Income from continuing operations	<u>\$ 145</u>	<u>\$ 101</u>
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	99	98
Deferred income taxes	(10)	6
Provision for bad debts	2	2
Share-based compensation expense	22	18
Asset impairments and other non-cash items	4	1
Foreign currency transaction (gains) losses	(3)	7
Changes in other operating assets and liabilities, net of effect of acquisitions:		
Increase in trade accounts receivable	(12)	(91)
Increase in deferred revenue	307	326
Decrease in taxes payable, net	(132)	(84)
Increase in accounts payable, accrued expenses and other	29	62
Increase in accrued salaries, wages and commissions	22	29
Changes in other operating assets and liabilities	<u>12</u>	<u>3</u>
Net cash provided by operating activities - continuing operations	<u>\$ 485</u>	<u>\$ 478</u>
Investing activities from continuing operations:		
Acquisitions of businesses, net of cash acquired, and purchased software	\$ (6)	\$ (6)
Purchases of property and equipment	(7)	(13)
Capitalized software development costs	-	(1)
Maturities of investments	-	7
Decrease in restricted cash	-	50
Net cash (used in) provided by investing activities - continuing operations	<u>\$ (13)</u>	<u>\$ 37</u>
Financing activities from continuing operations:		
Dividends paid	\$ (111)	\$ (112)
Purchases of common stock	(90)	(167)
Notional pooling borrowings (repayments), net	83	(6)
Debt repayments	(1)	(3)
Exercise of common stock options and other	1	19
Net cash used in financing activities - continuing operations	<u>\$ (118)</u>	<u>\$ (269)</u>
Effect of exchange rate changes on cash	<u>\$ (222)</u>	<u>\$ 24</u>
Net change in cash and cash equivalents - continuing operations	<u>\$ 132</u>	<u>\$ 270</u>
Cash (used in) provided by operating activities - discontinued operations	<u>\$ (11)</u>	<u>\$ 8</u>
Net effect of discontinued operations on cash and cash equivalents	<u>\$ (11)</u>	<u>\$ 8</u>
Increase in cash and cash equivalents	<u>\$ 121</u>	<u>\$ 278</u>
Cash and cash equivalents at beginning of period	<u>\$ 2,683</u>	<u>\$ 2,974</u>
Cash and cash equivalents at end of period	<u><u>\$ 2,804</u></u>	<u><u>\$ 3,252</u></u>

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Table 4
CA Technologies
Operating Segments
(unaudited)
(dollars in millions)

	Three Months Ended March 31, 2015				Fiscal Year Ended March 31, 2015			
	Mainframe Solutions ⁽¹⁾	Enterprise Solutions ⁽¹⁾	Services ⁽¹⁾	Total	Mainframe Solutions ⁽¹⁾	Enterprise Solutions ⁽¹⁾	Services ⁽¹⁾	Total
Revenue ⁽²⁾	\$ 572	\$ 368	\$ 83	\$ 1,023	\$ 2,392	\$ 1,519	\$ 351	\$ 4,262
Expenses ⁽³⁾	253	354	86	693	970	1,353	342	2,665
Segment profit	\$ 319	\$ 14	\$ (3)	\$ 330	\$ 1,422	\$ 166	\$ 9	\$ 1,597
Segment operating margin	56%	4%	-4%	32%	59%	11%	3%	37%
Segment profit				\$ 330				\$ 1,597
Less:								
Purchased software amortization				37				124
Other intangibles amortization				13				58
Software development costs capitalized				-				-
Internally developed software products amortization				32				149
Share-based compensation expense				22				87
Other expenses, net ⁽⁴⁾				15				17
Interest expense, net				9				47
Income from continuing operations before income taxes				\$ 202				\$ 1,115

	Three Months Ended March 31, 2014				Fiscal Year Ended March 31, 2014			
	Mainframe Solutions ⁽¹⁾	Enterprise Solutions ⁽¹⁾	Services ⁽¹⁾	Total	Mainframe Solutions ⁽¹⁾	Enterprise Solutions ⁽¹⁾	Services ⁽¹⁾	Total
Revenue ⁽²⁾	\$ 613	\$ 381	\$ 90	\$ 1,084	\$ 2,478	\$ 1,555	\$ 379	\$ 4,412
Expenses ⁽³⁾	280	395	89	764	996	1,440	357	2,793
Segment profit	\$ 333	\$ (14)	\$ 1	\$ 320	\$ 1,482	\$ 115	\$ 22	\$ 1,619
Segment operating margin	54%	-4%	1%	30%	60%	7%	6%	37%
Segment profit				\$ 320				\$ 1,619
Less:								
Purchased software amortization				29				116
Other intangibles amortization				12				60
Software development costs capitalized				(1)				(33)
Internally developed software products amortization				38				155
Share-based compensation expense				18				81
Other expenses, net ⁽⁴⁾				39				170
Interest expense, net				15				54
Income from continuing operations before income taxes				\$ 170				\$ 1,016

- (1) 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.
- (2) The Company regularly enters into a single arrangement with a customer that includes mainframe solutions, enterprise solutions and services. The amount of contract revenue assigned to operating segments is generally based on the manner in which the proposal is made to the customer. The software product revenue is assigned to the Mainframe Solutions and Enterprise Solutions segments based on either: (1) a list price allocation method (which allocates a discount in the total contract price to the individual products in proportion to the list price of the product); (2) allocations included within internal contract approval documents; or (3) the value for individual software products as stated in the customer contract. The price for the implementation, consulting, education and training services is separately stated in the contract and these amounts of contract revenue are assigned to the Services segment. The contract value assigned to each operating segment is then recognized in a manner consistent with the revenue recognition policies the Company applies to the customer contract for purposes of preparing the Consolidated Financial Statements.
- (3) Segment expenses include costs that are controllable by segment managers (i.e., direct costs) and, in the case of the Mainframe Solutions and Enterprise Solutions segments, an allocation of shared and indirect costs (i.e., allocated costs). Segment-specific direct costs include a portion of selling and marketing costs, licensing and maintenance costs, product development costs and general and administrative costs. Allocated segment costs primarily include indirect and non-segment specific direct selling and marketing costs and general and administrative costs that are not directly attributable to a specific segment. The basis for allocating shared and indirect costs between the Mainframe Solutions and Enterprise Solutions segments is dependent on the nature of the cost being allocated and is either in proportion to segment revenues or in proportion to the related direct cost category. 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. There are no allocated or indirect costs for the Services segment.
- (4) Other expenses, net includes charges relating to the FY2014 Board approved rebalancing initiative (the Fiscal 2014 Plan), certain foreign exchange derivative hedging gains and losses, and other miscellaneous costs.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcvserve data protection businesses.

Table 5
CA Technologies
Constant Currency Summary
(unaudited)
(dollars in millions)

	Three Months Ended March 31,				Fiscal Year Ended March 31,			
	2015	2014	% Increase (Decrease) in \$ US	% Increase (Decrease) in Constant Currency ⁽¹⁾	2015	2014	% Increase (Decrease) in \$ US	% Increase (Decrease) in Constant Currency ⁽¹⁾
Bookings	\$ 1,069	\$ 1,216	(12)%	(5)%	\$ 3,609	\$ 4,421	(18)%	(15)%
Revenue:								
North America	\$ 682	\$ 692	(1)%	(1)%	\$ 2,766	\$ 2,820	(2)%	(2)%
International	341	392	(13)%	(1)%	1,496	1,592	(6)%	(2)%
Total revenue	\$ 1,023	\$ 1,084	(6)%	(1)%	\$ 4,262	\$ 4,412	(3)%	(2)%
Revenue:								
Subscription and maintenance	\$ 851	\$ 910	(6)%	(2)%	\$ 3,560	\$ 3,683	(3)%	(2)%
Professional services	83	90	(8)%	(3)%	351	379	(7)%	(6)%
Software fees and other	89	84	6%	11%	351	350	0%	2%
Total revenue	\$ 1,023	\$ 1,084	(6)%	(1)%	\$ 4,262	\$ 4,412	(3)%	(2)%
Segment Revenue:								
Mainframe solutions	\$ 572	\$ 613	(7)%	(2)%	\$ 2,392	\$ 2,478	(3)%	(2)%
Enterprise solutions	368	381	(3)%	2%	1,519	1,555	(2)%	(1)%
Services	83	90	(8)%	(3)%	351	379	(7)%	(6)%
Total expenses before interest and income taxes:								
Total non-GAAP ⁽²⁾	\$ 693	\$ 764	(9)%	(2)%	\$ 2,665	\$ 2,793	(5)%	(2)%
Total GAAP	812	899	(10)%	(5)%	3,100	3,342	(7)%	(5)%

(1) Constant currency information is presented to provide a framework for assessing how the Company's underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than U.S. dollars are converted into U.S. dollars at the exchange rate in effect on March 31, 2014, which was the last day of the prior fiscal year. Constant currency excludes the impacts from the Company's hedging program.

(2) Refer to Table 7 for a reconciliation of total expenses before interest and income taxes to total non-GAAP operating expenses.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Certain non-material differences may arise versus actual from impact of rounding.

Table 6
CA Technologies
Reconciliation of Select GAAP Measures to Non-GAAP Measures
(unaudited)
(dollars in millions)

	Three Months Ended		Fiscal Year Ended	
	March 31,		March 31,	
	2015	2014	2015	2014
GAAP net income	\$ 151	\$ 107	\$ 846	\$ 914
GAAP income from discontinued operations, net of income taxes	(6)	(6)	(36)	(27)
GAAP income from continuing operations	\$ 145	\$ 101	\$ 810	\$ 887
GAAP income tax expense (benefit)	57	69	305	129
Interest expense, net	9	15	47	54
GAAP income from continuing operations before interest and income taxes	\$ 211	\$ 185	\$ 1,162	\$ 1,070
GAAP operating margin (% of revenue) ⁽¹⁾	21%	17%	27%	24%
Non-GAAP adjustments to expenses:				
Costs of licensing and maintenance ⁽²⁾	\$ 1	\$ 1	\$ 5	\$ 4
Cost of professional services ⁽²⁾	1	1	4	4
Amortization of capitalized software costs ⁽³⁾	69	67	273	271
Selling and marketing ⁽²⁾	7	6	30	28
General and administrative ⁽²⁾	8	6	29	26
Product development and enhancements ⁽⁴⁾	5	3	19	(14)
Depreciation and amortization of other intangible assets ⁽⁵⁾	13	12	58	60
Other expenses, net ⁽⁶⁾	15	39	17	170
Total Non-GAAP adjustment to operating expenses	\$ 119	\$ 135	\$ 435	\$ 549
Non-GAAP income from continuing operations before interest and income taxes	\$ 330	\$ 320	\$ 1,597	\$ 1,619
Non-GAAP operating margin (% of revenue) ⁽⁷⁾	32%	30%	37%	37%
Interest expense, net	9	15	47	54
GAAP income tax expense (benefit)	57	69	305	129
Non-GAAP adjustment to income tax expense (benefit) ⁽⁸⁾	17	(44)	120	70
Non-GAAP income tax expense	\$ 74	\$ 25	\$ 425	\$ 199
Non-GAAP income from continuing operations	\$ 247	\$ 280	\$ 1,125	\$ 1,366

(1) GAAP operating margin is calculated by dividing GAAP income from continuing operations before interest and income taxes by total revenue (refer to Table 1 for total revenue).

(2) Non-GAAP adjustment consists of share-based compensation.

(3) For the three month periods ending March 31, 2015 and 2014, non-GAAP adjustment consists of \$37 million and \$29 million of purchased software amortization and \$32 million and \$38 million of internally developed software products amortization, respectively. For the twelve month periods ending March 31, 2015 and 2014, non-GAAP adjustment consists of \$124 million and \$116 million of purchased software amortization and \$149 million and \$155 million of internally developed software products amortization, respectively.

(4) For the three and twelve month periods ending March 31, 2015, non-GAAP adjustment consists of \$5 million and \$19 million of share-based compensation, respectively. For the three and twelve month periods ending March 31, 2014, non-GAAP adjustment consists of \$4 million and \$19 million of share-based compensation and (\$1) million and (\$33) million of software development costs capitalized, respectively.

(5) Non-GAAP adjustment consists of other intangibles amortization.

(6) Non-GAAP adjustment consists of charges relating to the FY2014 Board approved rebalancing initiative (the Fiscal 2014 Plan) and certain other gains and losses, including gains and losses since inception of hedges that mature within the quarter, but excludes gains and losses of hedges that do not mature within the quarter.

(7) Non-GAAP operating margin is calculated by dividing non-GAAP income from continuing operations before interest and income taxes by total revenue (refer to Table 1 for total revenue).

(8) The full year non-GAAP income tax expense is different from GAAP income tax expense because of the difference in non-GAAP income from continuing operations before income taxes. On an interim basis, this difference would also include a difference in the impact of discrete and permanent items where for GAAP purposes the effect is recorded in the period such items arise, but for non-GAAP such items are recorded pro rata to the fiscal year's remaining reporting periods.

Refer to the discussion of non-GAAP financial measures included in the accompanying press release for additional information.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Certain non-material differences may arise versus actual from impact of rounding.

Table 7
CA Technologies
Reconciliation of GAAP to Non-GAAP
Operating Expenses and Diluted Earnings per Share
(unaudited)
(in millions, except per share amounts)

<u>Operating Expenses</u>	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2015	2014	2015	2014
Total expenses before interest and income taxes	\$ 812	\$ 899	\$ 3,100	\$ 3,342
Non-GAAP operating adjustments:				
Purchased software amortization	37	29	124	116
Other intangibles amortization	13	12	58	60
Software development costs capitalized	-	(1)	-	(33)
Internally developed software products amortization	32	38	149	155
Share-based compensation	22	18	87	81
Other expenses, net ⁽¹⁾	15	39	17	170
Total non-GAAP operating adjustment	<u>\$ 119</u>	<u>\$ 135</u>	<u>\$ 435</u>	<u>\$ 549</u>
Total non-GAAP operating expenses	<u>\$ 693</u>	<u>\$ 764</u>	<u>\$ 2,665</u>	<u>\$ 2,793</u>
<u>Diluted EPS from Continuing Operations</u>	Three Months Ended March 31,		Fiscal Year Ended March 31,	
	2015	2014	2015	2014
GAAP diluted EPS from continuing operations	\$ 0.33	\$ 0.23	\$ 1.82	\$ 1.96
Non-GAAP adjustments, net of taxes:				
Purchased software amortization	0.06	0.04	0.20	0.22
Other intangibles amortization	0.02	0.01	0.10	0.11
Software development costs capitalized	-	-	-	(0.06)
Internally developed software products amortization	0.05	0.05	0.24	0.30
Share-based compensation	0.04	0.02	0.14	0.16
Other expenses, net ⁽¹⁾	0.02	0.05	0.03	0.33
Non-GAAP effective tax rate adjustments ⁽²⁾	0.04	0.22	-	-
Total non-GAAP adjustment	<u>\$ 0.23</u>	<u>\$ 0.39</u>	<u>\$ 0.71</u>	<u>\$ 1.06</u>
Non-GAAP diluted EPS from continuing operations	<u>\$ 0.56</u>	<u>\$ 0.62</u>	<u>\$ 2.53</u>	<u>\$ 3.02</u>

(1) Non-GAAP adjustment consists of charges relating to the FY2014 Board approved rebalancing initiative (the Fiscal 2014 Plan) and certain other gains and losses, including gains and losses since inception of hedges that mature within the quarter, but excludes gains and losses of hedges that do not mature within the quarter.

(2) The non-GAAP effective tax rate is equal to the full year GAAP effective tax rate, therefore no adjustment is required on an annual basis. On an interim basis, the difference in non-GAAP income tax expense and GAAP income tax expense relates to the difference in non-GAAP income from continuing operations before income taxes, and includes a difference in the impact of discrete and permanent items where for GAAP purposes the effect is recorded in the period such items arise but for non-GAAP purposes such items are recorded pro rata to the fiscal year's remaining reporting periods.

Refer to the discussion of non-GAAP financial measures included in the accompanying press release for additional information.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Certain non-material differences may arise versus actual from impact of rounding.

Table 8
CA Technologies
Effective Tax Rate Reconciliation
GAAP and Non-GAAP
(unaudited)
(dollars in millions)

	Three Months Ended March 31, 2015		Fiscal Year Ended March 31, 2015	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Income from continuing operations before interest and income taxes ⁽¹⁾	\$ 211	\$ 330	\$ 1,162	\$ 1,597
Interest expense, net	9	9	47	47
Income from continuing operations before income taxes	<u>\$ 202</u>	<u>\$ 321</u>	<u>\$ 1,115</u>	<u>\$ 1,550</u>
Statutory tax rate	35%	35%	35%	35%
Tax at statutory rate	\$ 71	\$ 112	\$ 390	\$ 543
Adjustments for discrete and permanent items ⁽²⁾	(14)	(38)	(85)	(118)
Total tax expense	<u>\$ 57</u>	<u>\$ 74</u>	<u>\$ 305</u>	<u>\$ 425</u>
Effective tax rate ⁽³⁾	28.2%	23.1%	27.4%	27.4%

	Three Months Ended March 31, 2014		Fiscal Year Ended March 31, 2014	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Income from continuing operations before interest and income taxes ⁽¹⁾	\$ 185	\$ 320	\$ 1,070	\$ 1,619
Interest expense, net	15	15	54	54
Income from continuing operations before income taxes	<u>\$ 170</u>	<u>\$ 305</u>	<u>\$ 1,016</u>	<u>\$ 1,565</u>
Statutory tax rate	35%	35%	35%	35%
Tax at statutory rate	\$ 60	\$ 107	\$ 356	\$ 548
Adjustments for discrete and permanent items ⁽²⁾	9	(82)	(227)	(349)
Total tax (benefit) expense	<u>\$ 69</u>	<u>\$ 25</u>	<u>\$ 129</u>	<u>\$ 199</u>
Effective tax rate ⁽³⁾	40.6%	8.2%	12.7%	12.7%

(1) Refer to Table 6 for a reconciliation of income from continuing operations before interest and income taxes on a GAAP basis to income from continuing operations before interest and income taxes on a non-GAAP basis.

(2) The effective tax rate for GAAP generally includes the impact of discrete and permanent items in the period such items arise, whereas the effective tax rate for non-GAAP generally allocates the impact of such items pro rata to the fiscal year's remaining reporting periods.

(3) The effective tax rate on GAAP and non-GAAP income from continuing operations is the Company's provision for income taxes expressed as a percentage of GAAP and non-GAAP income from continuing operations before income taxes, respectively. The non-GAAP effective tax rate is equal to the full year GAAP effective tax rate. On an interim basis, the effective tax rates are determined based on an estimated effective full year tax rate after the adjustments for the impacts of certain discrete items (such as changes in tax rates, reconciliations of tax returns to tax provisions and resolutions of tax contingencies).

Refer to the discussion of non-GAAP financial measures included in the accompanying press release for additional information.

Results reflect the discontinued operations associated with the CA ERwin Data Modeling and CA arcserve data protection businesses.

Certain non-material differences may arise versus actual from impact of rounding.

Table 9
CA Technologies
Reconciliation of Projected GAAP Metrics to Projected Non-GAAP Metrics
(unaudited)

<u>Projected Diluted EPS from Continuing Operations</u>	<u>Fiscal Year Ending March 31, 2016</u>	
Projected GAAP diluted EPS from continuing operations range	\$ 1.83	to \$ 1.90
Non-GAAP adjustments, net of taxes:		
Purchased software amortization	0.17	0.17
Other intangibles amortization	0.06	0.06
Internally developed software products amortization	0.18	0.18
Share-based compensation	0.14	0.14
Total non-GAAP adjustment	<u>\$ 0.55</u>	<u>\$ 0.55</u>
Projected non-GAAP diluted EPS from continuing operations range	<u>\$ 2.38</u>	<u>to \$ 2.45</u>

<u>Projected Operating Margin</u>	<u>Fiscal Year Ending March 31, 2016</u>
Projected GAAP operating margin	30%
Non-GAAP operating adjustments:	
Purchased software amortization	3%
Other intangibles amortization	1%
Internally developed software products amortization	3%
Share-based compensation	2%
Total non-GAAP operating adjustment	<u>9%</u>
Projected non-GAAP operating margin	<u>39%</u>

Refer to the discussion of non-GAAP financial measures included in the accompanying press release for additional information.