

EDITED TRANSCRIPT - Q&A SESSION

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Operator: We have our first question. Art, what is the Board process in reviewing the company's strategy?

Arthur F. Weinbach: That's a good kickoff question. First, let me say that the Board considers strategy as one of our most important functions. Strategic planning is an ongoing process at CA, so while there's no clear start or finish time, I'll start with a multiple-day Board meeting in November, where Mike and his executive management team present an updated three-year strategic plan.

The Board receives and reviews presentations from R&D, sales, finance, marketing, and risk. And based on our discussions and feedback, Mike and his team finalize the strategic plan and then, very importantly, convert the strategy into an annual operating plan, which the Board also reviews and approves.

As I said, it's an ongoing process. So at each meeting, we get updates on our performance against the plans. In addition to that process, at each quarterly Board meeting, one of the company's business units or operating functions presents to the Board how it is executing against the strategy.

So I'll finish where I started. It's a continuous process, and the Board is involved at multiple steps throughout it.

Operator: We have our next question. This one's for you, Mike. What are you doing to ensure that CA's products are competitive and relevant in the long term?

Michael P. Gregoire: Sure. This is a big focus of the company, and it really starts with our adoption of the agile methodology, which really puts the customer at the center of everything that we do. And the mantra inside the company is to build products that matter. We have products that have been with us for an awful long time. We have products that are relatively new that we're trying to scale. And we have net new ideas that we're trying to build, which we call incubation ideas.

And a well-run software company figures out the appropriate amount of budget to put into each one of these categories. And when you take a look at incubation, we've really moved a lot of R&D dollars into those incubation ideas in an effort to get ahead of the market.

So we feel that if we're very close to our customers and we really understand their needs and their pain points, and we have a very strong opinion on newer technologies that are going to make customers more effective and more efficient, merging those two things together puts us in a great spot to be very, very thoughtful about the future of our technology products.

Operator: Thank you. We have our next question. This one's for Art. I see Gary Fernandes is no longer on the Board. I don't recall seeing an announcement about his leaving. Could you comment, please?

Arthur F. Weinbach: Yes, Gary has been a terrific Board member of CA for a very long time. And along with a plan for retirement that he's had and had notified us of a few years ago, he completed his service with us. But Gary was a very major player for many years on the Board, and has made very significant contributions. And speaking for the whole Board, I can tell you that we will miss his wisdom and his participation and his humor, all of which were very important to us for many years. But the answer to your question is this is a retirement in the normal course.

Operator: Thank you, Art. We have no more questions.