AGENDA FOR SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
CONTROL DATA CORPORATION

Friday, November 10, 1972 - 8:00 A.M.
8100 - 34th Avenue South - Tower Building
Minneapolis, Minnesota 55440

1. Approval of Prior Minutes
   R. B. Hawkins (5)
   Board of Directors 9/15/72
   Option Committee 8/28/72; 10/05/72; 10/13/72

2. President's Comments
   W. C. Norris (30)

3. Consolidated Financial Summary
   B. R. Eng (10)

   R. C. Gottier (10)
   T. G. Kamp (10)
   R. M. Price (10)
   P. G. Miller (10)

   Computer Systems
   Peripheral Products
   Services
   Marketing

5. Commercial Credit Operations Report
   D. S. Jones (20)

6. Computer Business budgets - 1973
   W. R. Keye (10)

7. Declare Preferred Stock Dividend
   R. B. Hawkins (5)

8. OFDI
   M. G. Rogers (10)

9. Guarantees of Elbit Progress Payments
   M. G. Rogers (5)

10. "Hold Harmless" Guarantee for Ticketron
    M. G. Rogers (5)

11. SEC Form 144 Reporting
    R. B. Hawkins (5)

12. Option Agreement Amendment
    R. B. Hawkins (5)

13. Relief Position
    (60)

14. Other Business
    P. G. Miller (30)

15. Tour of Product Display Area
    P. G. Miller (30)

Executive Session
### Income Statement

#### TICKETRON, INC.

**ELEVEN MONTHS TO DATE - SEPTEMBER**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<td>Depreciation &amp; Amort.</td>
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<td>Sales</td>
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<tr>
<td>Operations</td>
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**Total Revenue**

<table>
<thead>
<tr>
<th>Income</th>
<th>Amount</th>
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<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$2,000</strong></td>
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**Net Income**

<table>
<thead>
<tr>
<th>Income</th>
<th>Amount</th>
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<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>$2,000</strong></td>
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**R M Price CDC speeches Charles Babbage Institute <www.cbi.umn.edu>**
<table>
<thead>
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<th>Budget Actual</th>
<th>Forecast</th>
<th>Budget CY 72</th>
<th>Total CY 72</th>
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<td>December 72</td>
<td>540 102</td>
<td>550 102</td>
<td>540 102</td>
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**Corporate Services Group Operating Statement Forecast**

**Revenue**
- Engineering Services
- Educational Services
- Data Services
- Consulting Services

**Expense**
- General
- International
- Material
- Rent
- Travel/Supplies
- Occupancy
- Labor

**Net Profit**

**Total Operating Expense**

**Division Marketing**

**Other Income**

**Other Cost of Sales**

**Variances & Reserves**

**Cost of Sales**

**Engineering Services**

**Consulting Services**

**Data Services**

**Educational Services**

**Total Revenue**

**Total Expense**
<table>
<thead>
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<th>Month</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
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<td>Dec</td>
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</table>

**Operating Statement Forecast**

**Corporation Net Profit**

**CP/Corps Expense Alloc.**

**Division Net Profit**

**Total Marketing Div.**

**Corp. Marketing**

**Cost Transfers**

- International
- Misc. Support
- Desp/Support
- PPM Support
- Pre-sales Support
- Other

**Total Op. Exp.**

- General
- International
- Material
- Dep. Payroll
- Tel/Travel/Engi
- Occupancy
- Labor

**Total Revenue**

- Domestic
- International

**Budget**

<table>
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<th>Current</th>
<th>Ending</th>
<th>Total</th>
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<td>Y-3</td>
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**Forecast**

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<th>Current</th>
<th>Ending</th>
<th>Total</th>
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<td>Y-1</td>
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<tr>
<td>Y-3</td>
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**Month of**

- Sept 2012
- Oct 2012

**Operations Services Corp.**

R M Price CDC speeches Charles Babbage Institute <www.cbi.umn.edu>
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<th>Date</th>
<th>Description</th>
<th>Amount</th>
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</tr>
<tr>
<td>1/1/76</td>
<td>Education Services KOB</td>
<td>Forecast</td>
</tr>
<tr>
<td>6/30/76</td>
<td>Education Services KOB</td>
<td>Actual</td>
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Board of Directors Speech
November 10

REVENUE

Year to date we are over in all areas except Education. This is true both against the official budget and the Board of Directors budget. Against the Board of Directors budget they are $1.2M under and against the Corporate budget they are $3.3M under.

The huge increase in the revenue forecast is primarily attributable to Syntonic ($3.8M). We also had increased revenues forecast from Data Services (approximately $700K over prior month’s levels). The balance of Engineering Services has also gone up in excess of $1.0M. The Engineering Service increase in revenues came about when they did their valid net profit projection.

GROSS PROFIT

The Board of Directors budget had a gross profit rate of 28%. We are now forecasting a rate of 27%. Slippage has occurred from Education Services. There have been slight favorable impact in Engineering and Data Services but that has been wiped out by the huge loss in Education. Education has missed its gross profit by 10% (36% versus 46%).

EXPENSES

As defined here expenses include Sales & Service. Education has deviated by $400K. We have also had to add $500K of expense for Syntonic. The budget doesn’t include Syntonic.

NET PROFIT

We have adjusted net profit to $7.850. I have also adjusted gross profit so that the arithmetic will track.

TICKETRON

The Fiscal Year 1972 projected net loss is $5.2M. A few comments regarding Ticketron:

1. OTB is being abandoned. The 1973 budget has $962K of revenue for OTB. It will disappear April 21.
2. Lottery revenues will increase from approximately $600K in 1972 to $4.5M in 1973 due to the initiation of daily lottery. Of the daily lottery scheme, Ticketron gets revenues for all tickets sold whether manually or through the terminals.

rro - 11/8/72