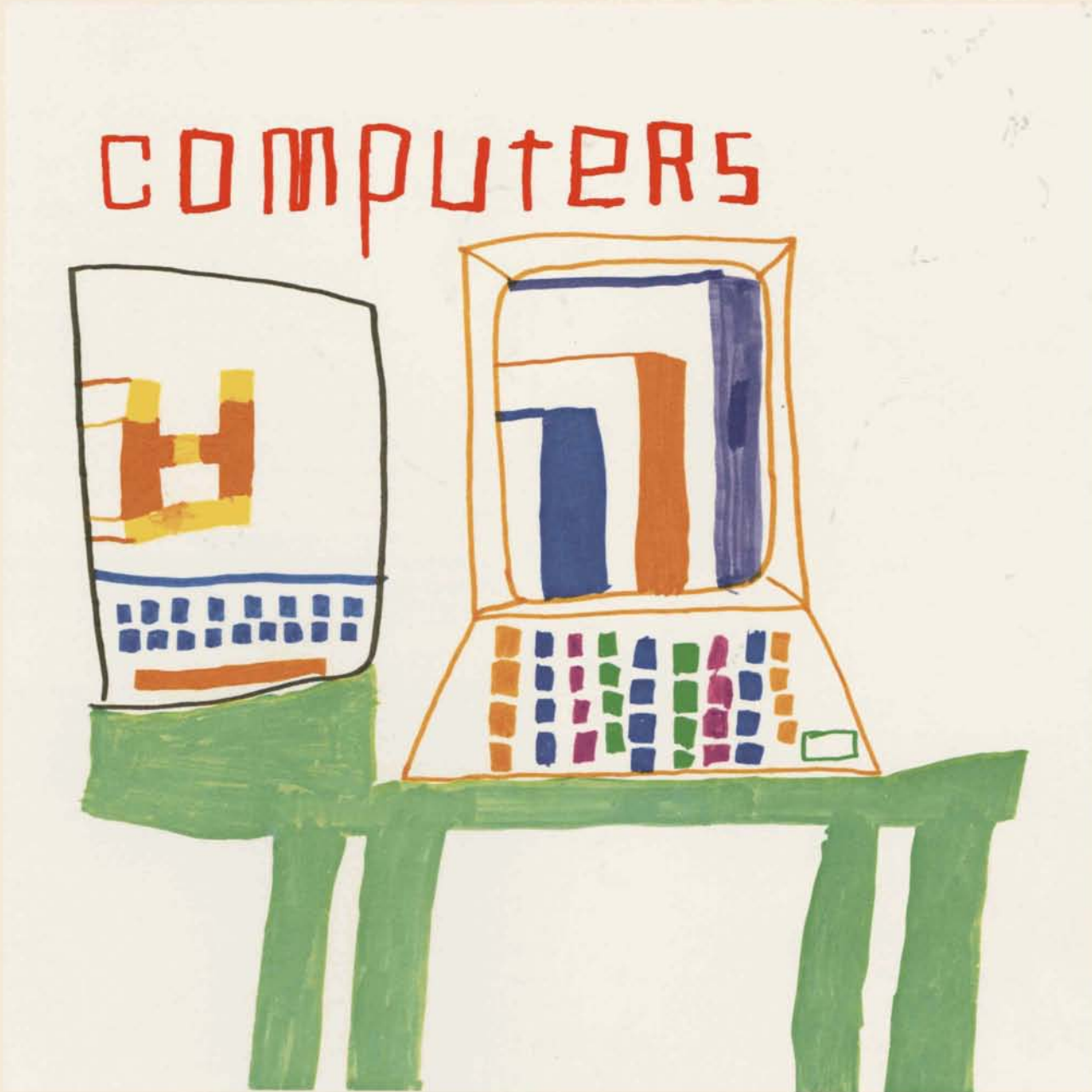


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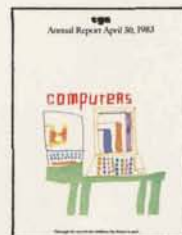
Annual Report April 30, 1983



Through the eyes of our children the future is seen.

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We asked students of The New School of Monmouth County for a graphic interpretation of computer software. Our purpose was to get a benchmark on computer literacy. Since CGA

has built our business on providing quality software products and services to a dynamic and changing market, we wanted to be abreast of the current perceptions of future CGA software users.

The response of nine-year old Ryan Moore, selected for the cover of the 1983 CGA Annual Report, not only confirms our faith in the children of the Information Age, but assures the very future of our Company. Even at the elementary school level, software is an accepted definition of computers.

"Through the eyes of our children, the future is seen." CGA has a place in that exciting vision. Our commitment is to grow and expand our resources to satisfy the needs of every new generation of software users.

A copy of the Company's Annual Report on Form 10-K to the Securities and Exchange Commission will be furnished free of charge (except for exhibits) to any shareholder upon written request to Leonard S. Ostfeld, Vice President-Controller, CGA Computer Associates Inc., 960 Holmdel Road, Holmdel, New Jersey 07733.

Financial

Selected Financial Data *(Dollars in thousands except per share amounts)*

POOLING OF INTERESTS ACCOUNTING METHOD*

	<i>Years Ended April 30,</i>				
	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Revenue	\$15,120	\$19,227	\$20,358	\$25,854	\$33,130
Operating income	3,087	3,433	3,599	3,690	3,664
Net income	1,690	1,760	2,175	1,636	2,665
Primary earnings per share . . . . .	.59	.63	.70	.50	.77
Fully diluted earnings per share . . . . .	.59	.63	.70	.50	.74
Total assets	5,144	6,594	11,578	15,680	21,131

PURCHASE ACCOUNTING METHOD*

	<i>Years Ended April 30,</i>				
	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Revenue	\$ 8,790	\$11,813	\$15,510	\$25,854	\$33,130
Operating income	1,020	1,568	1,638	1,336	1,310
Net income (loss)	615	801	815	(1,099)	(14)
Primary earnings (loss) per share . . . . .	.42	.56	.42	(.33)	(.01)
Fully diluted earnings (loss) per share . . . . .	.42	.56	.42	(.33)	(.01)
Total assets	2,786	3,805	29,299	29,735	31,520

* See Notes A and B to the consolidated financial statements.

MARKET INFORMATION

The Company's common stock is traded on the National over-the-counter market, NASDAQ symbol CGAC. The range of high and low bid quotations as reported by NASDAQ are as follows:

<i>Calendar Quarter</i>	<i>Bid Prices</i>					
	<u>1981</u>		<u>1982</u>		<u>1983</u>	
	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Low</i>
First	\$16.50	\$ 9.75	\$6.50	\$4.75	\$14.50	\$ 8.00
Second	14.25	10.00	7.75	5.25	13.75*	10.75*
Third	11.25	4.00	6.25	5.50		
Fourth	7.50	4.75	9.25	5.25		

*Through April 30, 1983.

Letter to Stockholders

Fiscal 1983 will prove to be an historic year in the building of your Company. While continuing our record of healthy growth and business expansion, this fifteenth anniversary year saw CGA take significant steps to insure its future successes. We reorganized our operations in several areas, consolidated our management team and announced the appointment of a new President and Chief Operating Officer who is eminently qualified to see that CGA realizes its potential for growth and expansion.

It is a pleasure to report that fiscal 1983 was again a record year for sales and earnings. Under the pooling of interests accounting method, CGA increased sales 28% to \$33,130,000. Net income increased 63% to \$2,665,000. Operating income stayed level. Without the costs associated with the closing of our Blood Bank Division, our operating income would have increased 12% to \$4,125,000, up from \$3,690,000.

Under the purchase method of accounting, we increased sales 28% to \$33,130,000. Net loss was reduced from \$1,099,000 to \$14,000. Operating income stayed level as noted above.



*Bernard M. Goldsmith III
Chairman of the Board, Chief Executive Officer and Treasurer*

*Robert J. Sywolski
President and Chief Operating Officer*

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We continue to generate significant amounts of cash from our businesses and project that fiscal 1984's cash flow will enhance this trend.

We achieved this record financial performance while making a significant investment in our management team. CGA's success in the past year has enabled us to realize objectives to establish a broader based management organization. Along with realigning senior management responsibilities, we hired several executives to key positions in the Company.

Richard J. deLuca joins CGA as the President of Software Shop Systems, a CGA subsidiary that develops and markets business software designed to run on IBM personal computers. Rich brings more than twenty years experience in the computer industry that will insure CGA's success in the rapidly growing personal computer market. Alexander R. DeVito, who joined us this year, will head the CGA Software Products Group's technical support organization for all our mainframe software products, as Vice President and Technical Director. Judith Boiseau, who also joined us this year, as Vice President of Sales for CGA Software Products Group is in charge of all mainframe software product sales. Judy's responsibilities include opening new markets, developing new products and increasing the size of the division's sales organization. We have full confidence in the capabilities of these executives and welcome them to CGA.

The relocation of our corporate office to new facilities in Holmdel, New Jersey realizes another goal: the reorganization of operations for more efficient management. CGA functions essentially under a decentralized management philosophy that places responsibility for decisions on the individual and fosters an entrepreneurial spirit that defines our corporate character and contributes to the success of our Company. The new CGA headquarters is intended to bring more of our key corporate and divisional personnel together so that we may better implement that philosophy.

The proof of the viability of the CGA management style is reflected in the sustained growth of our business. It has allowed CGA to become a well-balanced company in a vital industry. Our strong management structure is capable of developing the abundant resources we have accumulated through acquisition and internal growth.

When we acquired Allen Services Corporation in February, 1981, CGA bought a business with annual software revenues of \$2,800,000. In fiscal 1983, we generated more than \$7,200,000 in revenues by marketing the same software product line plus newly developed products, CGA style. At the same time, we turned around the trend of Allen's Consulting Division by revamping the management structure and introducing our decentralized management style. It is now growing as a healthy part of CGA's Consulting Division.

Similar success has been realized at the Software Shop. Purchased in June 1982, CGA has doubled revenues. For the twelve months prior to the acquisition, the Software Shop had an annual sales volume of \$700,000 through the marketing of software to small businesses. As a CGA subsidiary for eleven months, the Software Shop had revenues of over \$1,400,000 in fiscal 1983. With our direct attention and full support, we expect even better performance from the Software Shop in the future. CGA has signed a Value Added Dealer (VAD) marketing agreement for the IBM PC, gaining entrance into the lucrative personal computer market.

Contributing an ever-widening customer base and revenues of \$23,214,000 for fiscal 1983, our Custom Software and Consulting Division has exhibited steady growth. Once again, where our management style is applied, business succeeds, even in an area of custom software which is subject to variable market conditions.

And now I would like to add a personal note to this letter and also introduce Robert J. Sywolski who succeeds me as President and Chief Operating Officer of CGA.

The fifteen years that I have served in this capacity have seen extraordinary growth in the computer services industry, as well as for CGA. Our Company has risen to a position of leadership and, I believe, has positively influenced the quality standards of our industry by maintaining our own.

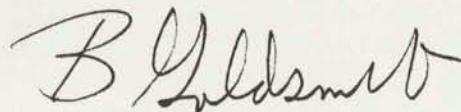
Since joining CGA in August 1981, Bob Sywolski has been instrumental in positioning CGA to take advantage of our best opportunities. His contributions over the past two years as Senior Vice President and Executive Vice President have been outstanding. He has introduced management programs to plan future growth and formalized procedures for establishing and evaluating corporate goals and strategies. They have given CGA management the leadership depth to support our growth and expansion.

I am confident that Bob will continue to be an extremely effective leader. While he assumes direct responsibility for the daily management of CGA operations, we will both be playing a vital role in planning the Company's long-term growth. It is our intent to work in close harmony to maintain the high performance standard that has been the trademark of CGA.

There have been many achievements made by CGA during the past year. Continued growth was realized as we took actions to solidify our management team. With a solid management foundation now in place, CGA is ready to experience sustained long-term growth. As we enjoy the rewards that come from fully realizing our own potential, we are pleased you are here to share in our success.

The contributions of CGA's Board of Directors, along with the support of our shareholders, have made fiscal 1983 a successful year for CGA. We want to express our special appreciation to the people of CGA for their talent, dedication and commitment to the high standards of excellence which assure us a successful future even greater than the past. Thank you all. Together we can look ahead to the future, confident of our continuing success.

Sincerely,



Bernard M. Goldsmith III
Chairman and Chief Executive Officer



Robert J. Sywolski
President and Chief Operating Officer

