

Presentation Session — Alliance with NETMARKS INC.

Growth Initiatives in the ICT Business

June 13, 2007

Nihon Unisys, Ltd.

TOB of NETMARKS

Period of TOB: From March 5 to May 31, 2007 (60 business days)

*The initial period is 28 business days to April 12. The period was extended based on a revision of the financial results of NETMARKS on April 10.

Number of shares expected to be bought: 80,949 shares or more, which represent 46.3% of shares outstanding (174,848 shares)

Buying Price: 80,300 yen



Result of the TOB

- ◆ Total tender offers: 115,909 shares (66.3% of shares outstanding)
- ◆ Total amount of acquisition: 9,307 million yen

- ◆ Ownership: 66.6%
- ◆ Voting rights: 67.1%

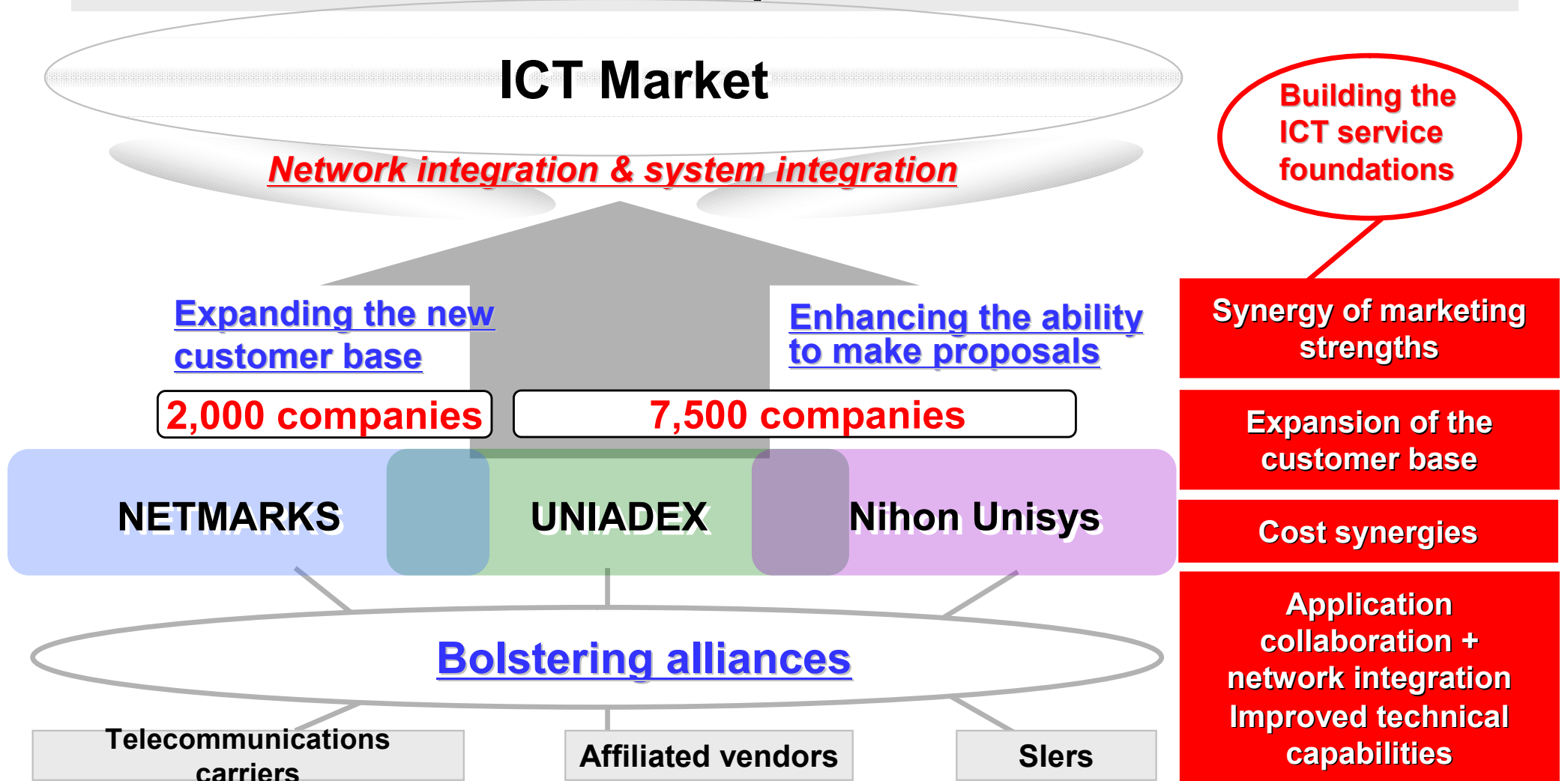
[Assumption]

Number of NETMARKS treasury shares: 1,604

Number of shares held by UNIADDEX: 480

Image of the Alliance

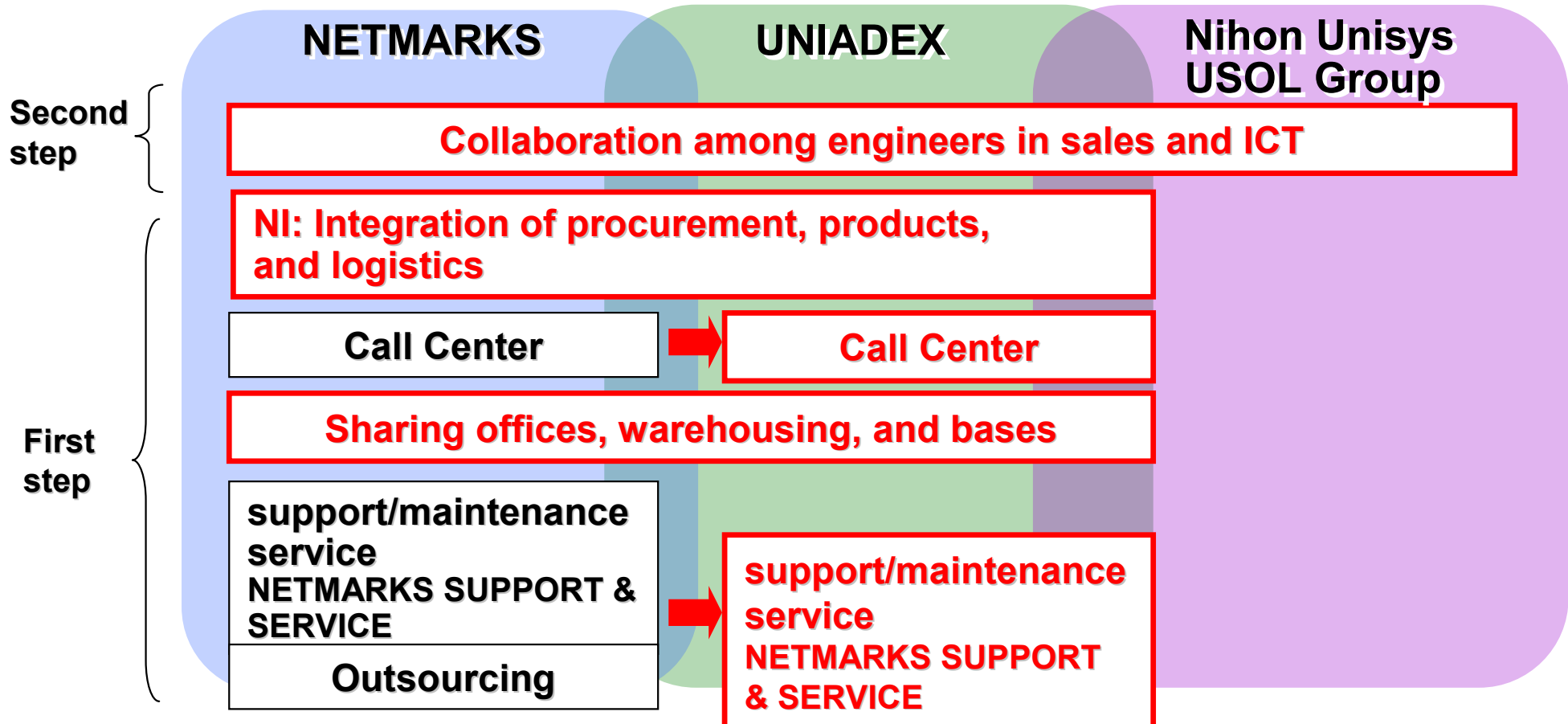
To launch comprehensive services in the ICT market and establish a profitable structure



Alliance Plan

1st Step (from the second half of the term ending March 2008) → Creating early cost synergies
 Cutting costs by integrating the support services of both companies and sharing procurement, logistics and products

2nd Step (from the term ending March 2009) → Large sales synergies based on careful preparations
 Increasing collaboration among engineers to bolster full-line services in the field of ICT



Synergies from the Alliance

1. Cost savings from integration and sharing: savings of ¥2.4 billion in three years

- Reducing outsourcing costs by integrating support/maintenance services
- Consolidating support/maintenance bases, sharing parts inventory, etc.
- Sharing facilities

2. Sales growth in ICT: sales target of ¥20 billion three years from now

- Cross-selling by Nihon Unisys Group companies
- Expanding sales of support/maintenance services by integrating support/maintenance operations
- Increasing sales by expanding the range of ICT solutions
- ICT platform outsourcing services

3. Bolstering technical capabilities through application collaboration and network integration

- Consolidating network integration and system integration technologies with the best ICT engineers in Japan
- Establishing comprehensive multi-vendor ICT technology foundations that provide security, safety, and quality.

For Reference: Change in the Composition of the Board of Directors and the Board of Auditors of NETMARKS

(Previous members)

**Chairman and CEO
President and CEO**

Three full-time directors

Four part-time directors

One full-time auditor

Three part-time auditors

(New members)

**Retired (special advisor)
President and CEO (incumbent)**

**Three full-time directors from NETMARKS
Three full-time directors from the Nihon Unisys Group**

**Three part-time directors from the Nihon Unisys Group
One part-time director from outside the Nihon Unisys Group
and NETMARKS**

**One full-time auditor (incumbent)
Two part-time auditors from the Nihon Unisys Group
One part-time auditor from outside the Nihon Unisys Group
and NETMARKS**

Synergy Effects from the Alliance

The expected quantitative cost synergy effects are shown in the table below.

Million yen

Item	March 2008		March 2009		March 2010	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Reducing outsourcing costs by integrating support/maintenance services	—	280	—	535	—	630
Consolidating support/maintenance bases, sharing parts inventory, etc.	—	20	—	65	—	70
Sharing facilities	—	—	—	400	—	400
Total cost synergy	—	300	—	1,000	—	1,100

Sales synergy (sales targets until the term ending March 2010)

- Cross-selling by Nihon Unisys Group companies 5 billion yen
- Expanding sales of support/maintenance services 3 billion yen
by integrating support/maintenance operations
- Increasing sales by expanding the range of ICT solutions 5 billion yen
- ICT platform outsourcing services 7 billion yen



Sales synergy will be examined and reflected in forecasts in the future.

Earnings Forecasts for the Term Ending March 2008

(Million yen)

	Existing forecast (as of May 8)	NETMARKS consolidated forecast (as of May 10)	Synergy effects	Amortization of goodwill	Revised forecast	Change
Net sales	318,000	48,800			366,800	+48,800
Gross profit	77,200	11,365	300		88,900	+ 11,700
Selling, general and administrative expenses	58,200	10,865		465	69,500	+ 11,300
Operating income	19,000	500	300	(465)	19,400	+ 400
Ordinary income	18,500	300	300	(465)	18,700	+ 200
Net income	10,000	*268	180	(465)	10,000	—

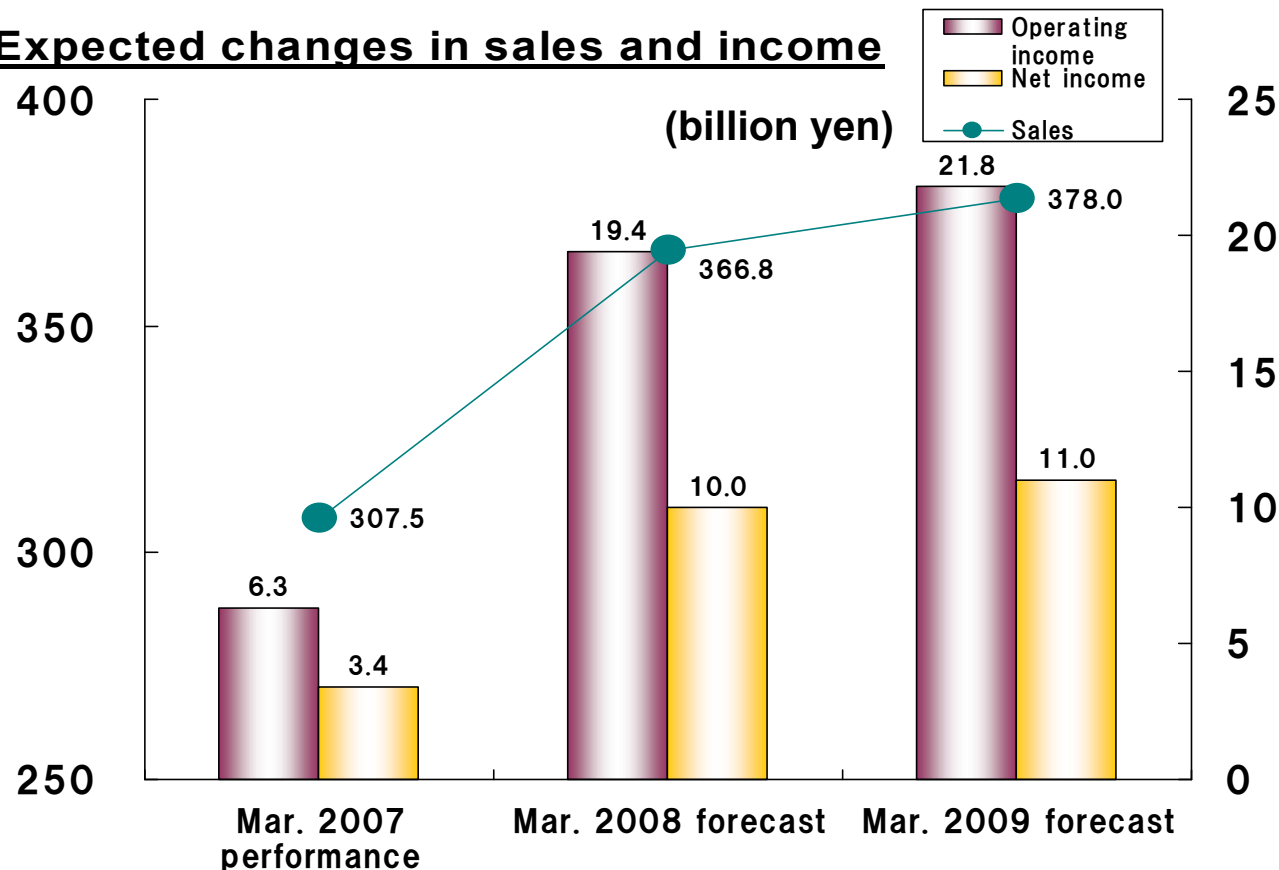
*Forecast net income of NETMARKS (400 million yen) multiplied by the Company's shareholding (67.1%)

- Amortization of goodwill for the term generated from the TOB is 470 million yen.
(The amortization period is 20 years; total goodwill is 9.3 billion yen.)
- The synergy effect is expected to be 300 million yen due to support/maintenance personnel redistribution and a reduction in outsourcing costs.
- The sales forecast increases significantly, while the operating income forecast rises 0.4 billion yen to 19.4 billion yen.

Expected Changes in Performance

Assumption: Among the synergy effects, only cost synergies are reflected in forecasts for the term ending March 2009.

Expected changes in sales and income



■ Forecasts for the term ending March 2008

- Earnings increase significantly with the completion of a lump-sum payment of license fees
- Synergies of 300 million yen from the alliance with NETMARKS is included

■ Forecasts for the term ending March 2009

- Results for NETMARKS improve
- A cost synergy effect of 1 billion yen is included. (Sales synergy will be reflected separately after scrutiny.)

Cash Flow Forecasts

	March 2007			March 2008	Change
	NUL	NM	Total	Total	
Operating cash flow	8,813	(1,164)	7,649	24,500	+16,851
Investing cash flow	(32,270)	(1,920)	(34,190)	(25,900)	+8,290
Free cash flow	(23,457)	(3,084)	(26,541)	(1,400)	+25,141
Financing cash flow	15,856	3,758	19,614	300	(19,314)
Cash and cash equivalents	23,225	2,823	26,048	25,000	(1,048)

	March 2007			March 2008	Change
	NUL	NM	Total	Total	
Interest-bearing debt	78,728	11,800	90,528	91,300	+772
Net interest-bearing debt	55,493	8,977	64,470	66,300	+1,830

- The financing for the acquisition of NETMARKS is 9.5 billion yen (including incidental expenses).
- Despite the acquisition financing, negative free cash flow will only be 1.4 billion yen since a lump-sum payment of license fees was completed and investments in large outsourcing projects have peaked.

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Note: Forecasts in this document relies on judgments and assumptions based on information available at present, and are subject to changes in risks, uncertainties, economy and other factors that could cause actual results to be materially different from expectations. Information in this document is intended to provide further understanding of Nihon Unisys, and is not intended to solicit investment.