

**For Reference**

**The Third Quarter of the Fiscal Year  
Ending March 2013**

**February 1, 2013**

**Nihon Unisys, Ltd.**

# Summary of the Consolidated Performance Results for FY March 2013 Q3 (Oct-Dec)

- ✓ The current expectation of economic recovery has been overshadowed by the continued strong uncertainties about the future. Thus, companies remained selective in the information services investments.
- ✓ Operating income turned positive, attributable to the improved profitability of services and software businesses as well as the reduction of costs.
- ✓ A positive bottom line was achieved, ascribable to improvements in extraordinary income and extraordinary loss, in addition to the positive operating income.

(Billion Yen)

	FY March2013 Q3 (Oct-Dec)	FY March 2012 Q3 (Oct-Dec)	Changes	
Net Sales	<b>56.5</b>	<b>54.9</b>	<b>+1.6</b>	<b>+2.9%</b>
Gross Profit	13.5	11.4	+2.1	+18.0%
SG&A Expenses	12.9	13.6	-0.7	-5.1%
Operating Income	<b>0.6</b>	<b>-2.1</b>	<b>+2.8</b>	— (Turnaround)
Net Income	(※1) <b>0.5</b>	(※2) <b>-13.1</b>	<b>+13.6</b>	— (Turnaround)

※1 At the end of Q3, the prices of stocks recovered. Accordingly, the Company has made a reversal of a portion (¥0.3 billion) of the losses on the valuation of securities that were allocated to extraordinary loss in the first half of this fiscal year. For this reversal, the full reversal method is utilized. As a result, improvements in extraordinary income and extraordinary loss totaled ¥0.9 billion on a year-over-year basis.

※2 A ¥11.3 billion deferred tax asset was reversed in the same period of the previous fiscal year.

(Note) Amounts shown in billion yen are rounded to one decimal place.

# Summary of the Consolidated Performance Results for FY March 2013 Q3 Cumulative (Apr-Dec)

- ✓ Sales from large-scale infrastructure renewal projects were posted. Also, the range of outsourcing business has expanded. As a result, our IT infrastructure businesses continued to be strong.
- ✓ Due to the increase in net sales and also attributable to further cost reductions, operating income significantly increased and turned around.
- ✓ A net loss was posted, as a result of allocating a loss on valuation of securities to extraordinary loss.

(Billion Yen)

	FY March 2013 Q3 Cumulative (Apr-Dec)	FY March 2012 Q3 Cumulative (Apr-Dec)	Changes	
Net Sales	<b>181.0</b>	<b>171.9</b>	<b>+9.1</b>	<b>+5.3%</b>
Gross Profit	45.0	42.1	+2.9	+6.8%
SG&A Expenses	40.1	42.3	-2.1	-5.1%
Operating Income	<b>4.9</b>	<b>-0.1</b>	<b>+5.0</b>	— (Turnaround)
Net Income	(※1) <b>-2.0</b>	(※2) <b>-12.4</b>	<b>+10.3</b>	— (Improvement)

※1 A loss (¥4.8 billion) on valuation of a portion of stocks held by the Company, ascribable to a decline of the prices, is allocated to extraordinary loss.

※2 A ¥11.3 billion deferred tax asset was reversed in the same period of the previous fiscal year.

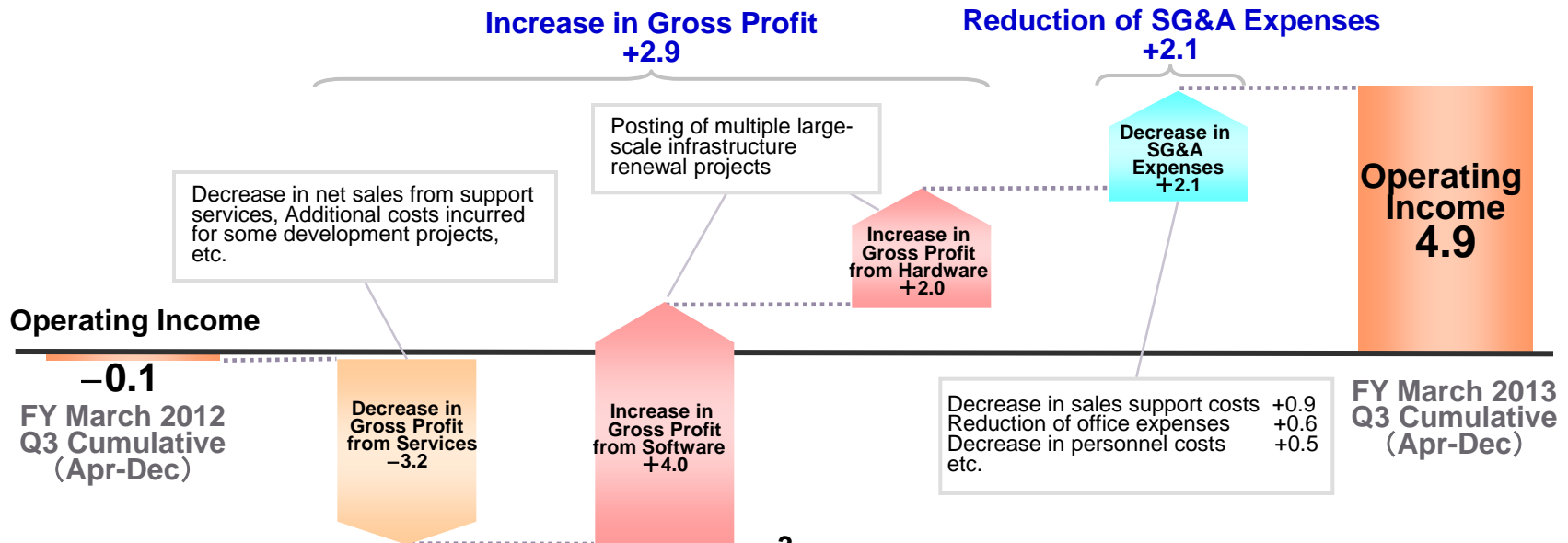
# Factors for Changes in Operating Income

(Billion Yen)

	FY March 2013 Q3 Cumulative (Apr-Dec)		FY March 2012 Q3 Cumulative (Apr-Dec)		Changes	
	Net Sales	Gross Profit	Net Sales	Gross Profit	Net Sales	Gross Profit
Services	130.2	29.9	129.9	33.1	+0.3 (+0.2%)	-3.2
Software	19.9	6.9	14.4	2.9	+5.5 (+38.5%)	+4.0
Hardware	30.9	8.2	27.6	6.2	+3.3 (+12.1%)	+2.0
<b>Total</b>	<b>181.0</b>	<b>45.0</b>	<b>171.9</b>	<b>42.1</b>	<b>+9.1 (+5.3%)</b>	<b>+2.9</b>
SG&A Expenses		40.1		42.3		-2.1
<b>Operating Income</b>		<b>4.9</b>		<b>-0.1</b>		<b>+5.0</b>

## 【Breakdown of Operating Income】

(Unit: Billion Yen) (Yr/Yr Changes)



# Net Sales & Gross Profit by Segment

(Billion Yen)

	FY March 2013 Q3 Cumulative (Apr-Dec)		Yr/Yr Changes		Key Factors for Changes
	Net Sales	Gross Profit	Net Sales	Gross Profit	
Total	181.0	45.0	+9.1 (+5.3%)	+2.9	Sales and gross profit increased, partly due to posting large-scale infrastructure renewal projects.
Breakdown					
System Services	48.5	8.3	+0.2 (+0.3%)	-1.0	Gross profit decreased, ascribable to additional costs incurred for some projects.
Support Services	37.3	13.4	-1.3 (-3.5%)	-1.9	Despite a decrease in net sales, partly due to requests from some customers to revise the service levels, this business segment has showed signs of gradually bottoming out.
Outsourcing	24.2	3.4	+1.1 (+4.6%)	+0.1	Net sales increased, partly due to the start of operation of a large-scale backup center.
Netmarks Services	14.4	2.6	+0.2 (+1.3%)	-0.4	Despite a generally strong demand for renewal projects, gross profit decreased ascribable to an intensified price competition.
Other Services	5.7	2.2	+0.2 (+3.4%)	+0.0	—
Software	19.9	6.9	+5.5 (+38.5%)	+4.0	Net sales and gross profit increased, partly ascribable to posting large-scale infrastructure renewal projects.
Hardware Sales	26.8	5.1	+3.5 (+15.0%)	+2.2	Large-scale infrastructure renewal projects were posted from the second half of the previous fiscal year through to the first half of this fiscal year. They drove net sales and gross profit.
Hardware Rental	4.2	3.1	-0.2 (-3.6%)	-0.2	—

# Net Sales by Market

(Billion Yen)

	Statuses of Markets	First Half of FY March 2013 (Apr-Sep)		FY March 2013 Q3 (Oct-Dec)		Forecast for FY March 2013 Q4 (Jan-Mar)	
		Net Sales	Yr/Yr Changes	Net Sales	Yr/Yr Changes	Net Sales	Yr/Yr Changes
Total	Infrastructure businesses demonstrated a continued strength mainly in the Financial market and the market of Utilities/Services/Others.	124.6	+7.5 (+6.4%)	56.5	+1.6 (+2.9%)	84.0	+0.8 (+0.9%)
Breakdown							
Financial	Net sales continued strong, partly attributable to continued steady IT investments by companies, and also due to orders from new customers; net sales are expected to decrease in Q4 in response.	39.9	+7.6 (+23.5%)	17.0	-0.0 (-0.1%)	18.9	-2.4 (-11.2%)
Public/ Government	Large-scale development projects passed a peak in Q3. Current efforts are being focused on the market of local governments.	8.9	+1.5 (+20.8%)	3.9	-1.8 (-31.9%)	7.6	-1.1 (-12.6%)
Manufacturing	During the first half, there was a decrease in sales in response to large-scale projects posted in the previous fiscal year. Amid the recent trend among companies toward discreet IT investments, hopes are laid on a future recovery of economy.	16.4	-2.4 (-12.9%)	7.3	-0.1 (-1.7%)	13.8	+0.8 (+6.2%)
Commerce	There was an increase in businesses for existing customers, on the basis of an increase in inquiries about our businesses for direct marketing/e-commerce markets. Also, efforts are being made to expand new services and businesses.	15.4	+0.4 (+2.4%)	7.2	-0.3 (+3.6%)	12.3	+2.4 (+24.0%)
Utilities/Services /Others	Businesses by subsidiaries for telecommunications carriers and service enterprises continued strong.	43.9	+0.5 (+1.1%)	21.0	+3.3 (+18.8%)	31.3	+1.0 (+3.4%)

# Orders and Order Backlogs

(Billion Yen)

	FY March 2013 Q3 Cumulative (Apr-Dec)				Remarks
	Orders	Yr/Yr Changes	Order Backlogs	Yr/Yr Changes	
Total	179.1	+2.6 (+1.5%)	196.3	+6.0 (+3.2%)	Orders increased, attributable to an increase in the Software orders that outweighed a y/y decrease in the System Service orders. Also, order backlogs increased, driven by an increase in those of Software and on the basis of an increment in the Support Service order backlogs.
Breakdown					
System Services	51.0	-8.0	24.3	+0.1	Orders decreased, overshadowed by a decrease in response to multiple large-scale projects that had been posted in the previous fiscal year.
Support Services	34.9	-0.8	36.8	+4.4	Orders decreased in response to the large-scale projects of a year earlier. However, order backlogs steadily accumulated.
Outsourcing	12.8	-0.1	93.1	-7.2	In contrast to orders near the level of a year earlier, order backlogs decreased, partly attributable to the large-scale projects going live.
Netmarks Services	15.7	+2.1	7.8	+0.1	Orders increased, on the basis of strong demands for network renewal.
Other Services	5.9	-2.7	4.2	-0.6	Order backlogs decreased, attributable to posting a large-scale project (of network services) in the year-earlier period.
Software	27.6	+11.7	19.1	+9.2	Orders and order backlogs both largely increased, due to posting large-scale projects under monthly payment contract.
Hardware Sales	27.9	+0.3	7.0	+0.5	Orders and order backlogs both increased, ascribable to an increase in those related to telecommunications industry, despite a decrease in response to large-scale projects posted in the first half of the previous fiscal year.
Hardware Rental	3.3	+0.0	3.9	-0.4	-

# Performance Forecast for FY March 2013

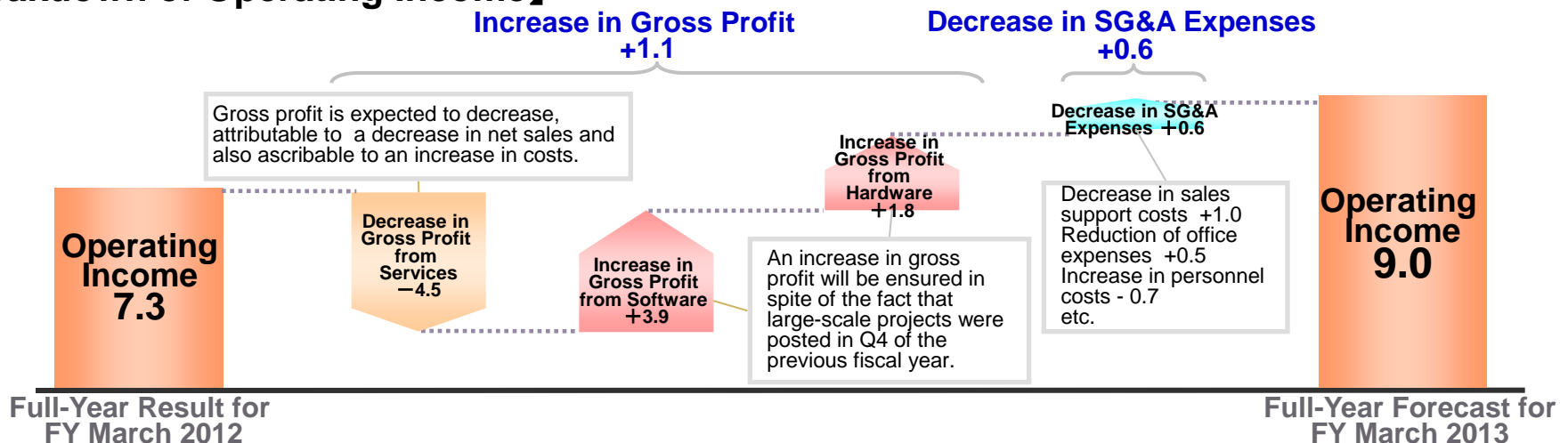
No Revisions have been made to the Previous Forecasts (of November 1, 2012) of Net Sales, Operating Income and Net Income.

(Billion Yen)

	Full-Year Forecast for FY March 2013	Full-Year Result for FY March 2012	Changes	
Net Sales	265.0	255.1	+9.9	+3.9%
Gross Profit	64.7	63.6	+1.1	+1.8%
SG&A Expenses	55.7	56.3	-0.6	-1.0%
Operating Income	9.0	7.3	+1.7	+23.1%
Net Income	1.0	-12.5	+13.5	- (Turnaround)

## 【Breakdown of Operating Income】

(Unit: Billion Yen) (Yr/Yr Changes)



The year-end dividend forecast has remained ¥5 per share (full-year totaling ¥10, up by ¥5 compared with the actual payout of the previous fiscal year). No revisions have been made to the announcement of May 10, 2012.



# Results and Forecasts for Cash Flow and Balance Sheet

(Billion Yen)

	FY March 2013 Q3 Cumulative (Apr-Dec)		Full-Year Forecast for FY March 2013	
	Amount	Yr/Yr Change	Amount	Yr/Yr Change
Net Cash Provided by Operating Activities	<b>8.6</b>	- 0.8	<b>14.0</b>	<b>+0.6</b>
Net Cash Provided by Investing Activities	- <b>8.9</b>	- <b>1.0</b>	- <b>11.0</b>	- <b>0.4</b>
Free Cash Flows	- <b>0.3</b>	- <b>1.8</b>	<b>3.0</b>	<b>+0.2</b>

	End of FY March 2013 Q3 (End of Dec)		Forecasts for End of FY March 2013	
	Amount	vs End of FY2012	Amount	vs End of FY2012
Total Assets	<b>178.8</b>	-11.3		
Total Liabilities	<b>115.0</b>	-11.8		
Net Assets	<b>63.8</b>	+0.6		
Interest-bearing Debts	<b>70.0</b>	-4.2	<b>69.4</b>	-4.8
Net Interest-bearing Debts	<b>48.1</b>	+1.2	<b>44.9</b>	-2.0
Shareholders' Equity Ratio	<b>34.9%</b>	+2.3pt	<b>34.3%</b>	<b>+1.7pt</b>
Debt/Equity Ratio (times)	<b>1.12</b>	- (near the level of the end of FY2012)	<b>1.06</b>	Improvement of 0.14pt
Net Debt/Equity Ratio (times)	<b>0.77</b>	- (near the level of the end of FY2012)	<b>0.69</b>	- (near the level of the end of FY2012)

Net Interest-bearing Debts = Interest-bearing Debts – Cash and Deposits

# U & U

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**Note:**

Forecasts in this document rely 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 different from expectations. Thus, the certainty of these forecasts is not guaranteed by our Group.

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