



Results for the Fiscal Year ended March 2014

May 9, 2014
Nihon Unisys, Ltd.

General Overview

Settlement Summary

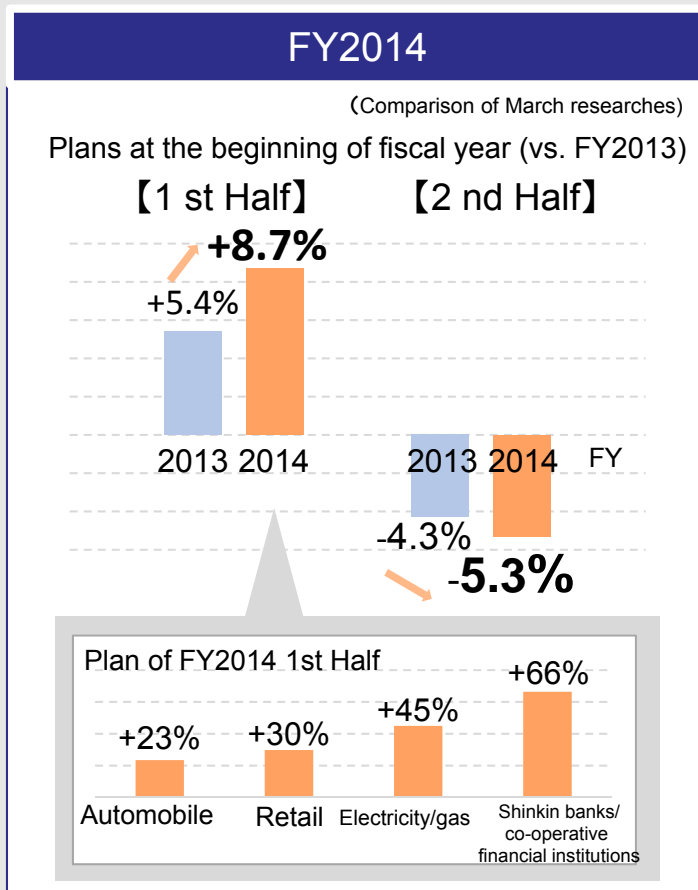
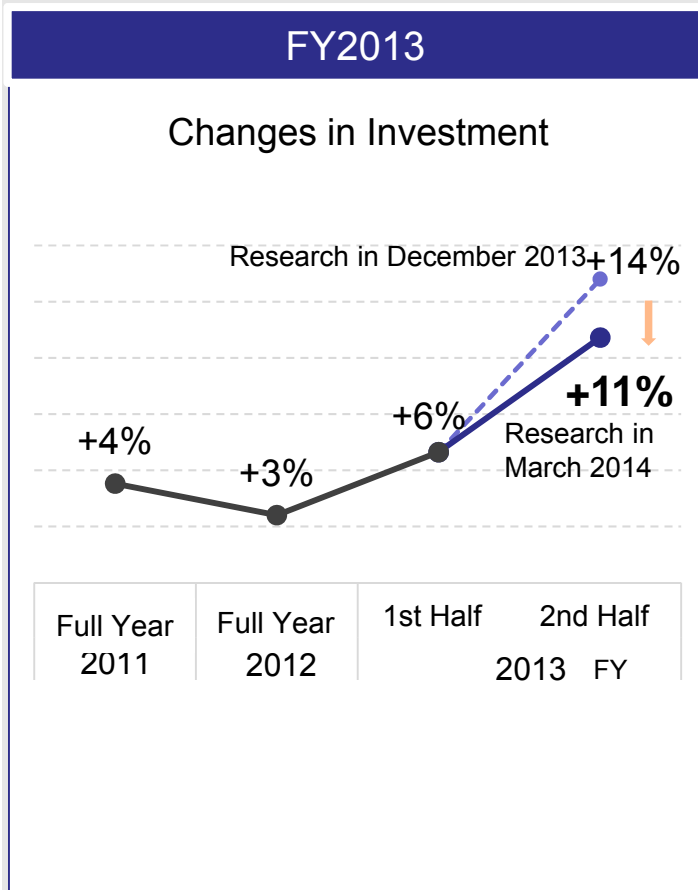
Progress of the Mid-term Management Plan(2012→2014)

Note: The expression “FY/ fiscal year” utilized in this document indicates the fiscal year which finishes at the end of March of the following year.
(Example: The expression FY2013 refers to the fiscal year ending March 2014.)

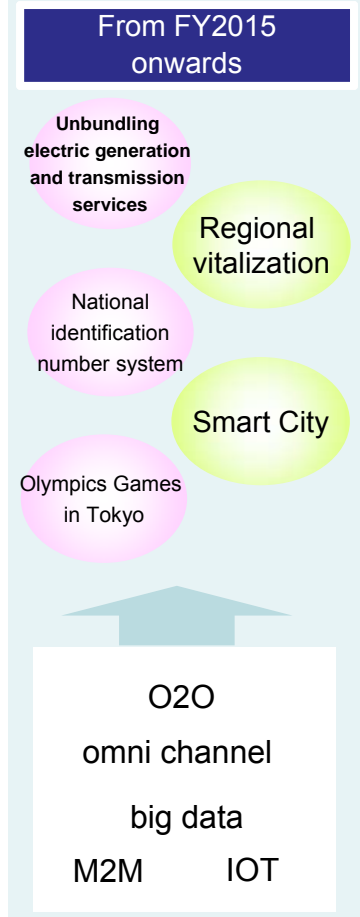
External Business Environment

- ✓ Investments in software are expected to continue to be strong in FY2014.
- ✓ A high level of investments will continue due to the business themes that are associated with IT investments.

【Tankan Survey by Bank of Japan Annual Projections pertaining to Companies' Software Investment (Yr/Yr Growth Rate)】



【 Business Themes 】



[All enterprises and all industries (including financial institutions)]
Source: Bank of Japan
Explanation of the Short-Term Economic Survey of Enterprises in Japan (Tankan)

Management Summary of FY2013

- ✓ Net sales beat the record of the previous fiscal year and the forecast.
- ✓ Operating income was lower than the forecast due to an gross margin of products suppressed by fiercer competitions, although it increased.
- ✓ Net income grew. ROE was improved to be 9%.

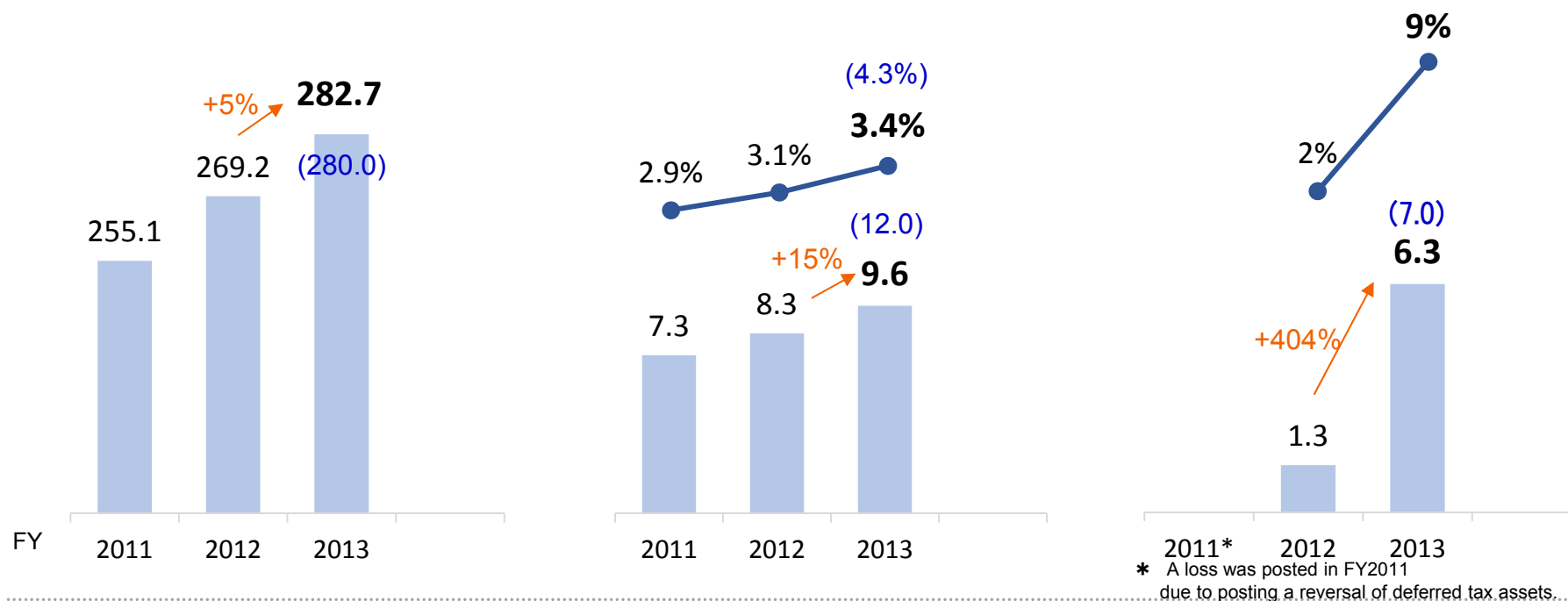
(Billion Yen)

Net Sales

Operating Income
/Operating Margin

Net Income/ROE

Note: Figures in brackets represent the forecasts made in Q3.



Summary of the FY2014 Forecasts

- ✓ Net sales are expected to increase attributable to the sales of core businesses outweighing a pullback.
- ✓ Operating income is anticipated to increase ascribable to the increase in net sales and thorough enforcement of cost management.
- ✓ Net income will increase and ROE will be 10%.

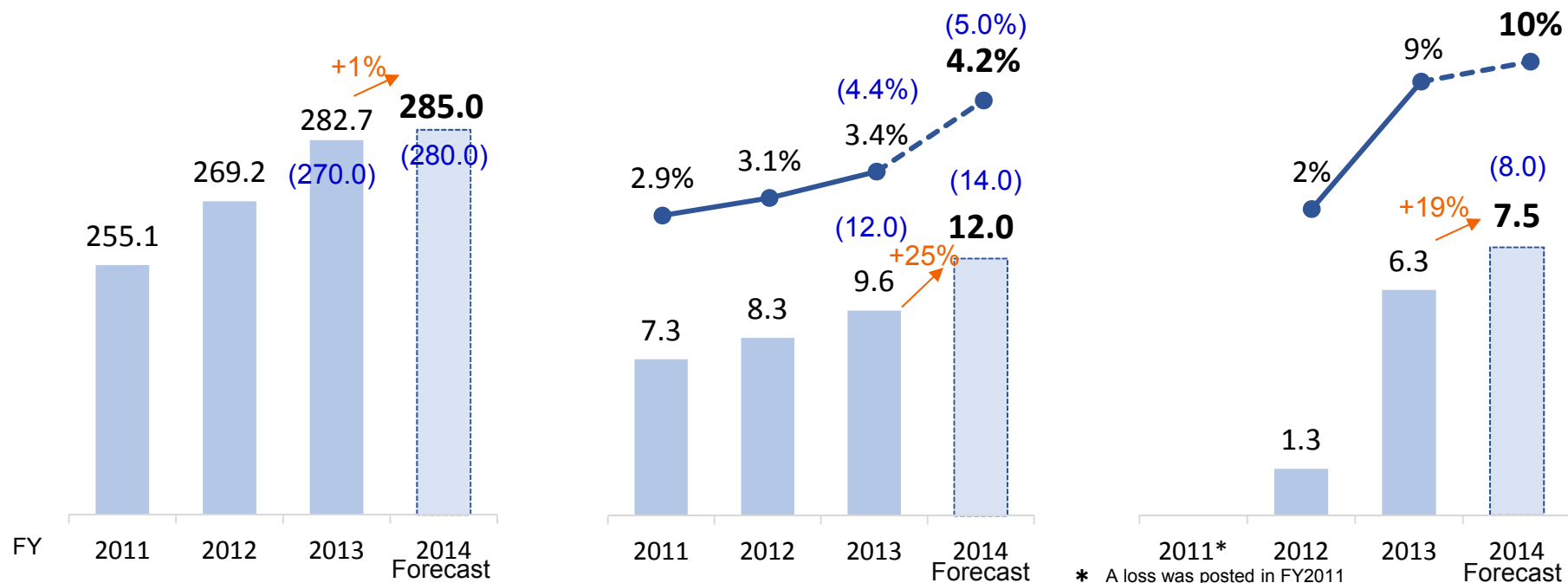
(Billion Yen)

Net Sales

Operating Income/ Operating Margin

Net Income/ROE

Note: Figures in brackets represent the planned values pursuant to the 'Mid-term Management Plan (2012→2014)'.

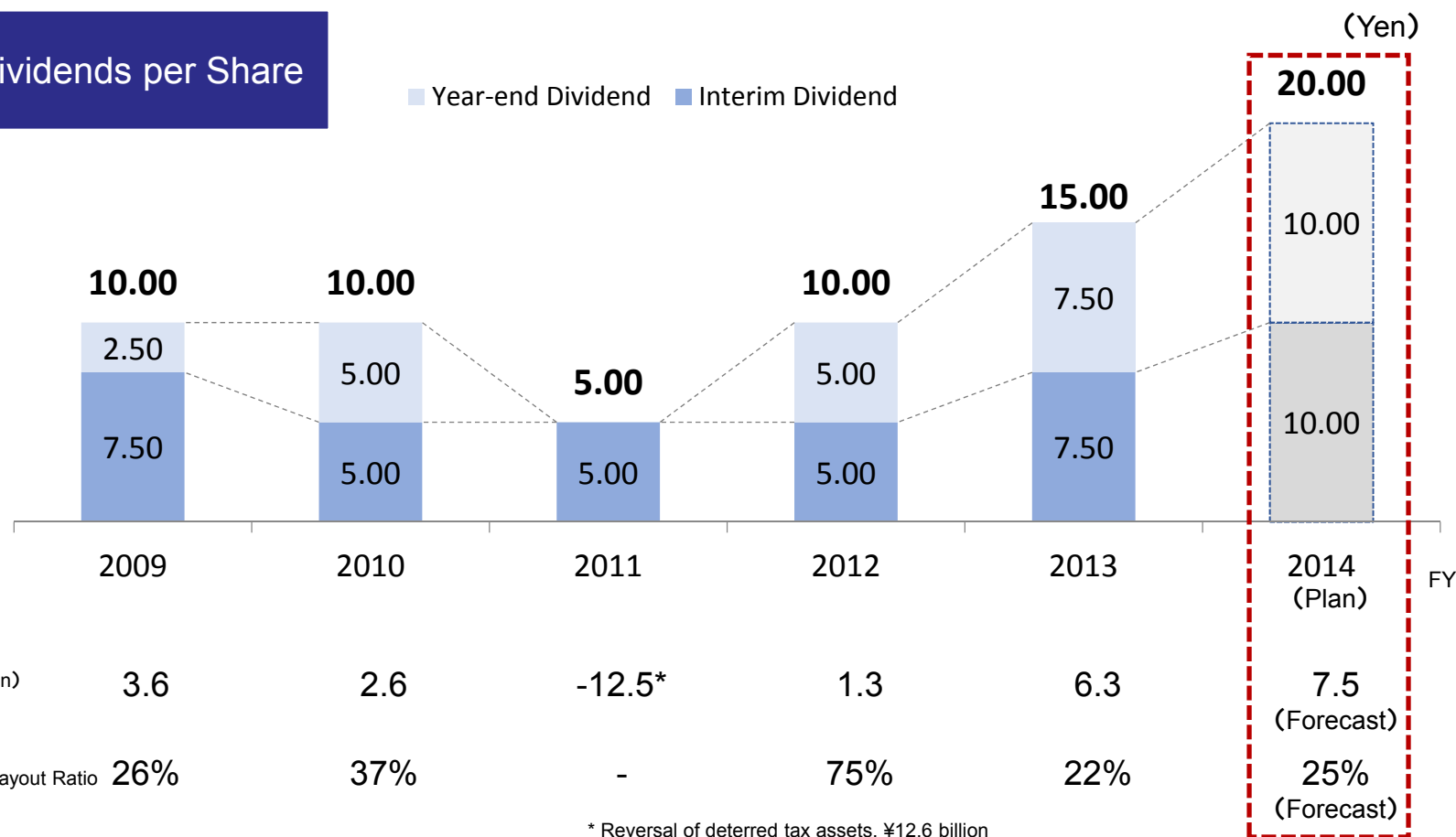


Return to Shareholders

- ✓ FY2013: scheduled annual dividends of ¥15 (increase by ¥5, dividend payout ratio of 22%)
- ✓ FY2014: scheduled annual dividends of ¥20 (increase by ¥5, dividend payout ratio of 25%)

Dividends per Share

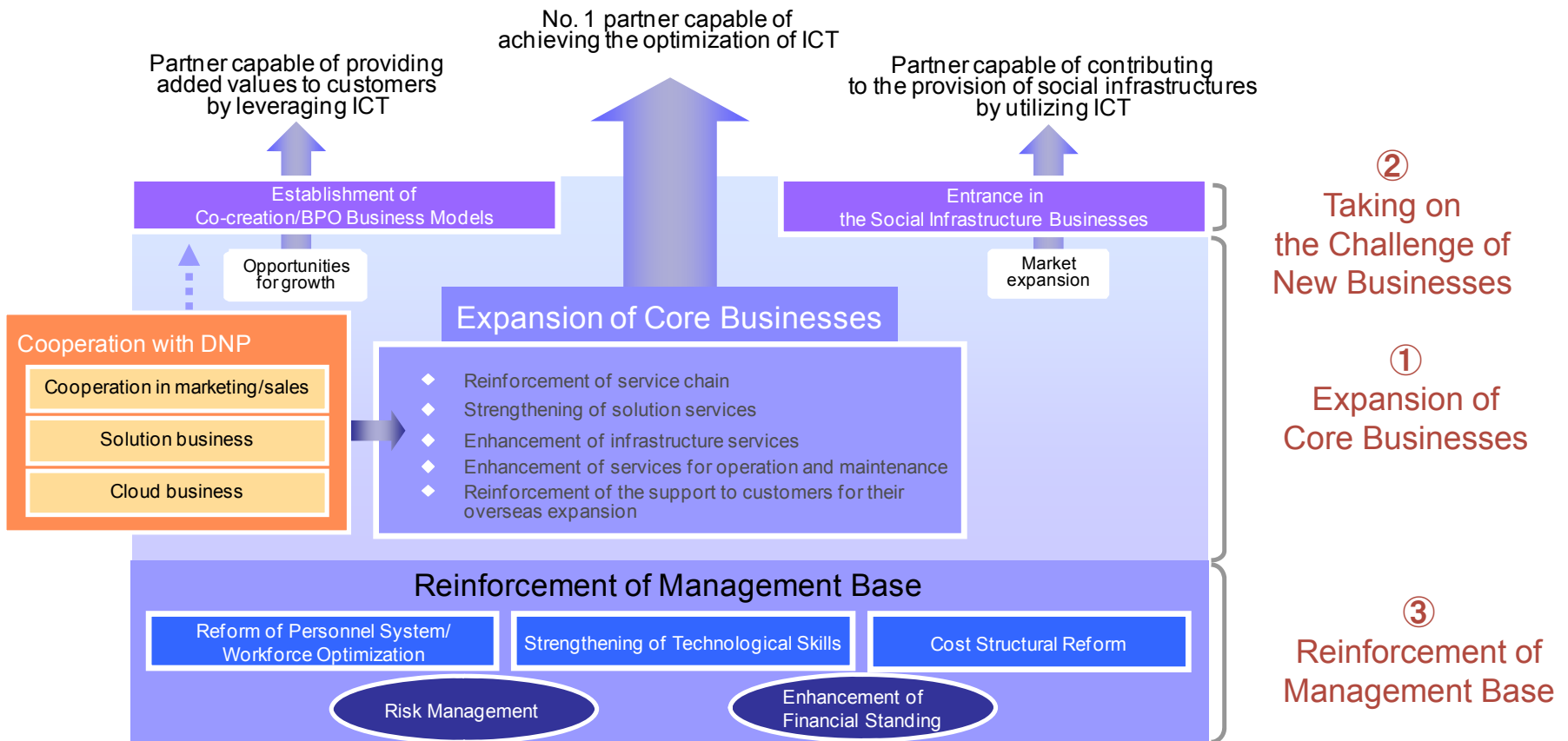
■ Year-end Dividend ■ Interim Dividend



* Reversal of deferred tax assets, ¥12.6 billion

The Mid-term Management Plan (2012→2014)

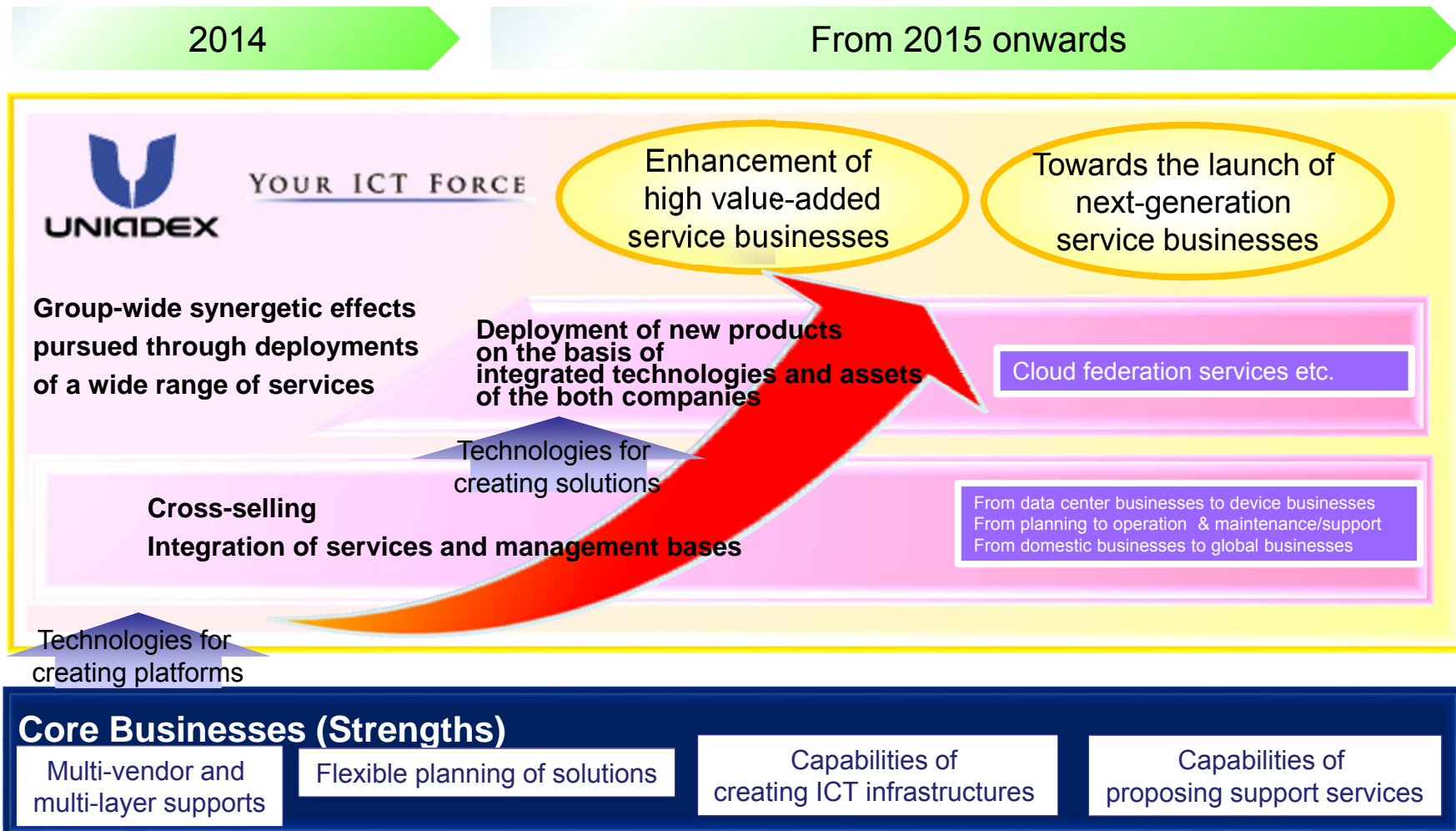
- ✓ Strengthening of income base on the basis of enhancement of core businesses (*)
- ✓ Future business increase by taking on the new opportunities
- ✓ Enhancement of management base toward a sustainable growth



(*) The existing business domains such as system integration, network integration, and operation and maintenance/support services

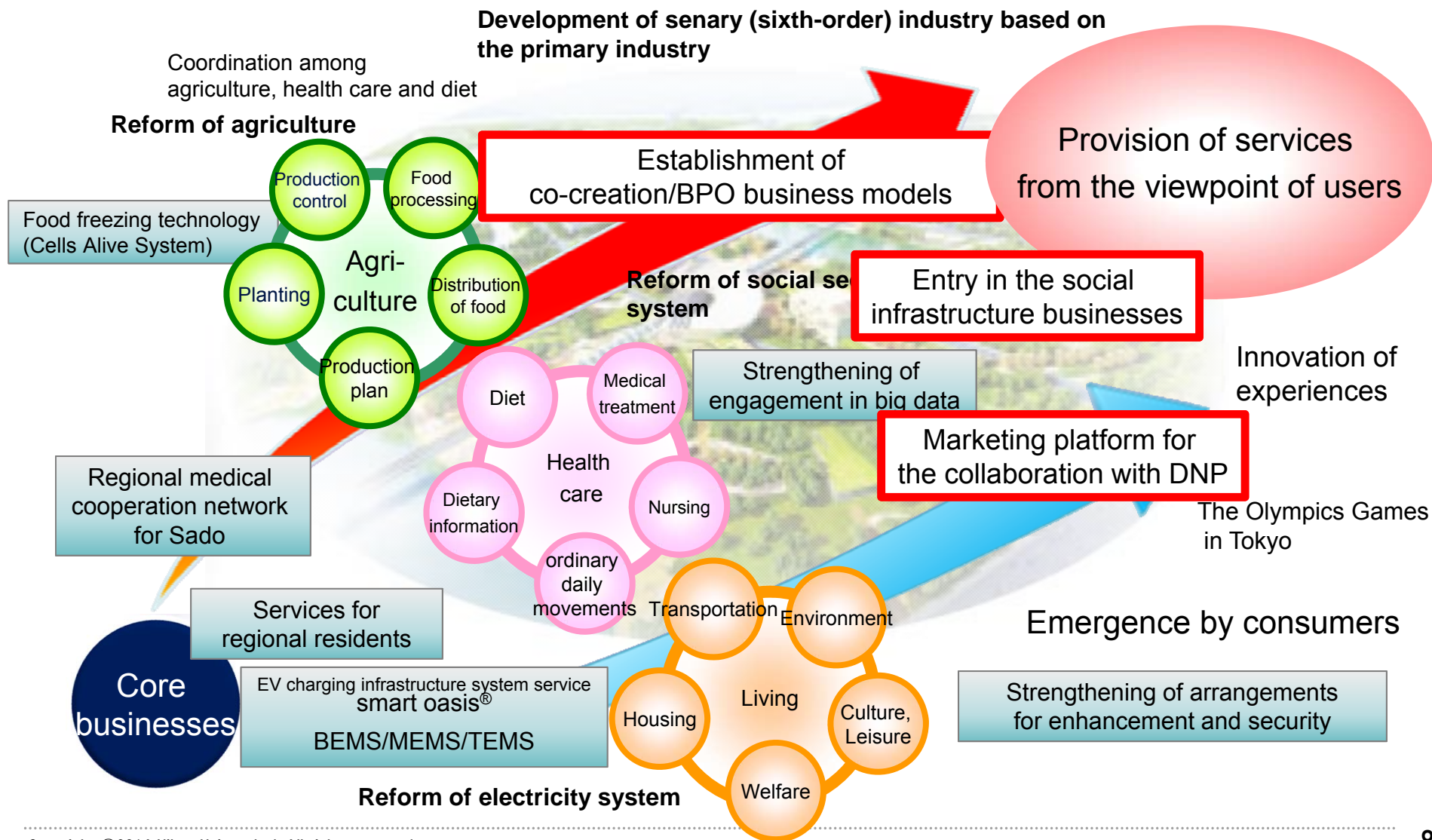
New-born UNIADEX that Supports the Core Businesses

- ✓ Integration of UNIADEX and Netmarks in March 2014
- ✓ Enhancement of high value-added service businesses where IT infrastructures are not considered as commodities



Towards the Mid-and-Long-Term Growth Evolution to Service Aggregator

- ✓ Creation of new services through the deployment of core businesses and continued challenges of taking on new businesses



General Overview

Settlement Summary

Progress of the Mid-term Management Plan(2012→2014)

Consolidated Performance Results for FY March 2014 (vs. Forecast)

Net sales surpassed the forecast announced on January 31.

However, the gross margin of products sales fell short of our expectation due to fiercer competitions. Thus, operating income did not reach the forecast.

(Billion Yen)

	Full Year FY March 2014		
	Actual	Forecast (Jan 31)	Difference
Net Sales	282.7	280.0	+2.7
Gross Profit	63.6	66.8	-3.2
System Services	15.9	16.7	-0.8
Support Services	16.4	16.0	+0.4
Outsourcing	7.1	6.9	+0.2
Netmarks Services	4.5	4.4	+0.1
Other Services	2.4	3.0	-0.6
Software	9.6	11.0	-1.4
Hardware	7.7	8.8	-1.1
SG&A Costs	-54.0	-54.8	+0.8
Operating Income	9.6	12.0	-2.4
Net Income	6.3	7.0	-0.7

Services -0.6

Products -2.6

Cost reduction +0.8

Consolidated Performance Result for FY March 2014 (vs. FY March 2013)

Net sales and net income increased
as a result of offsetting a pullback of products sales.

(Billion Yen)

【Full Year】

	FY March 2014	FY March 2013	Changes	
			Value	%
Net Sales	282.7	269.2	+13.5	+5.0%
Operating Income	9.6	8.3	+1.3	+15.2%
Ordinary Income	9.8	8.3	+1.5	+18.1%
Net Income	6.3	1.3	+5.1	+404.0%

<Full Year>

- **Net sales :**
Services increased and outweighed a pullback of products. Thus, net sales increased.
- **Operating income :**
Operating income increased due to the efforts of cost reduction in addition to the increase in net sales.
- **Net income :**
Net income increased partly attributable to a decrease in loss on valuation of investment securities in addition to the increase in operating income.

(For Reference)

【Q4(Jan-Mar)】

	FY March 2014			
	Q1 through Q3	Yr/Yr Change	Q4 (Jan-Mar)	Yr/Yr Change
Net Sales	190.6	+9.6 (+5.3%)	92.1	+3.9 (+4.4%)
Operating Income	2.7	-2.2 (-44.2%)	6.9	+3.4 (+99.9%)

<Q4 (Jan-Mar)>

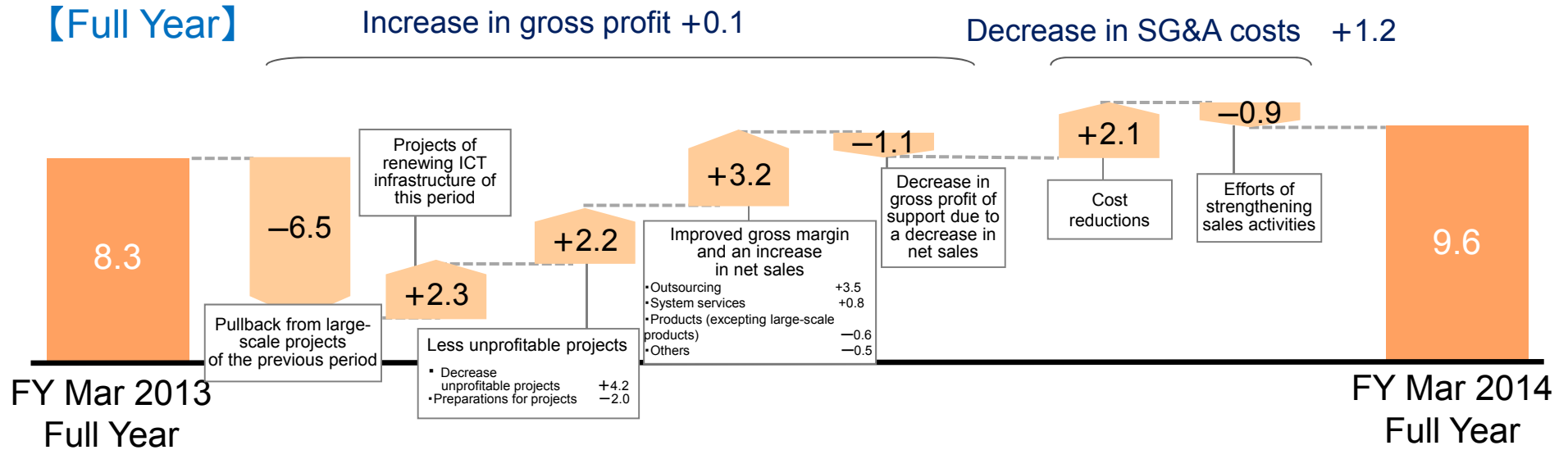
- **Net sales :**
Net sales increased as a result of outweighing the pullback of products.
- **Operating income :**
Operating income increased due to posting highly profitable projects



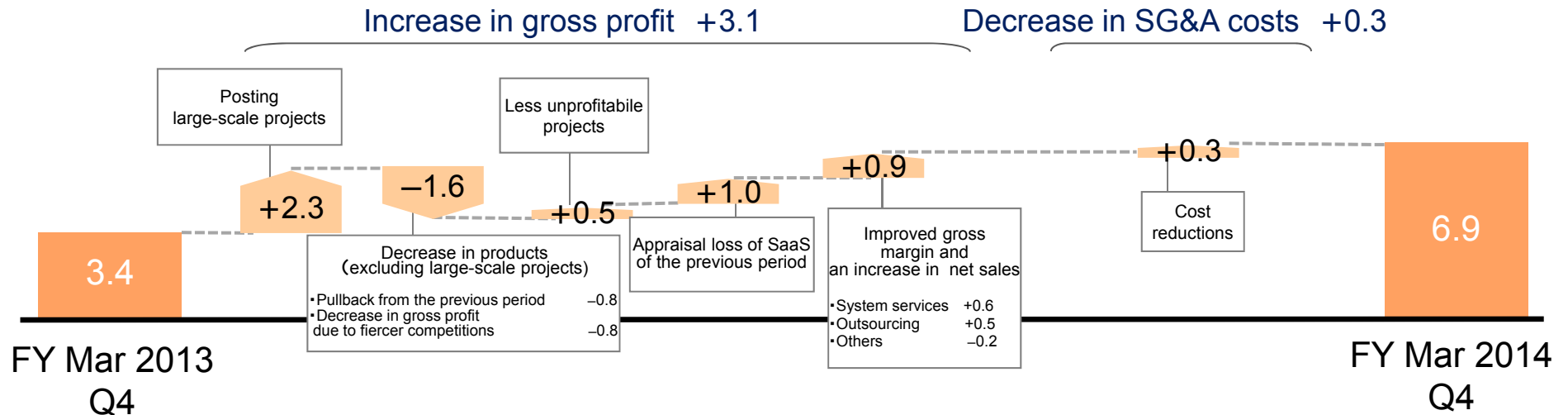
Yr/Yr Varying Factors for Operating Income

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

【Full Year】



【Q4 (Jan-Mar)】



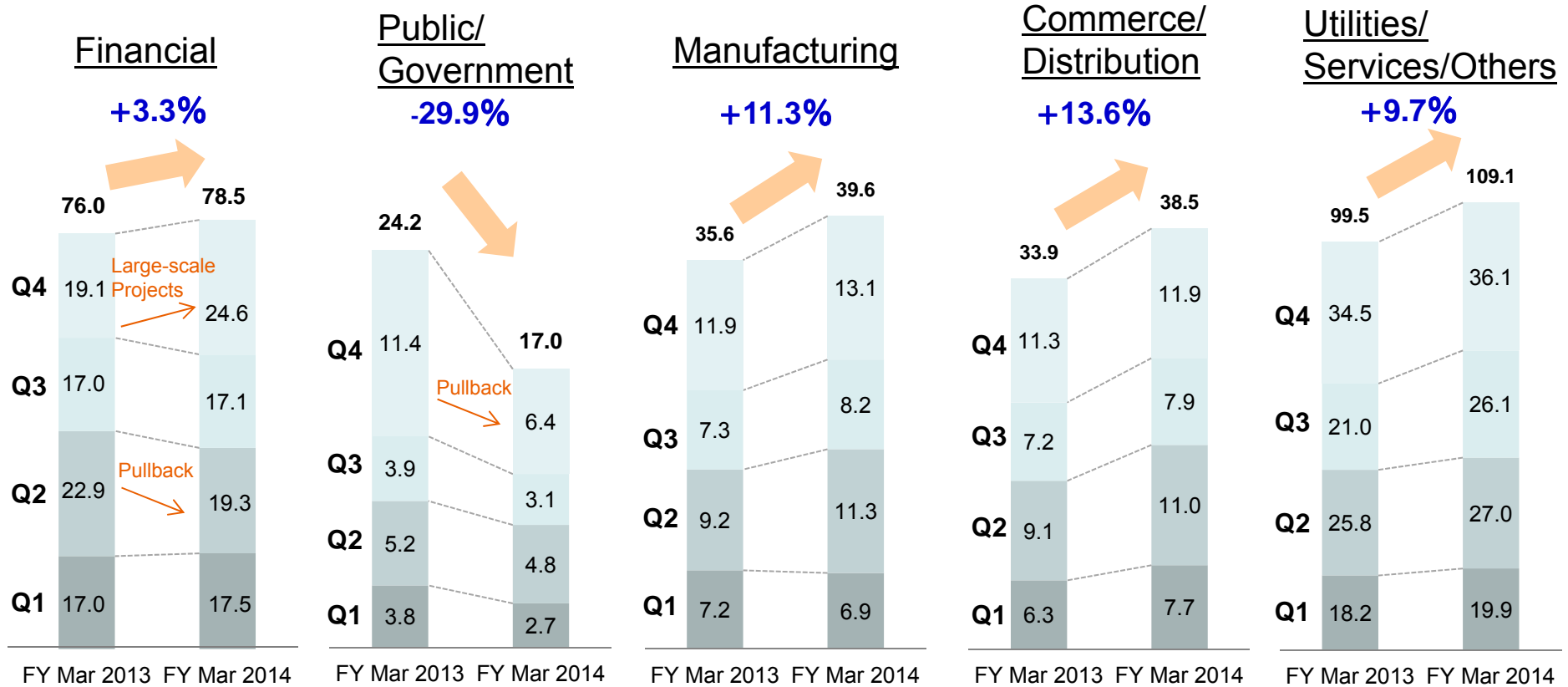
Net Sales and Gross Profit by Segment

(Billion Yen)	FY March 2014				
	Net Sales	Yr/Yr Change	Gross Profit Gross Margin	Yr/Yr Change	Remarks
Total	282.7	+13.5 (+5.0%)	63.6 22.5%	+0.1 -1.1pt	Services drove up net sales. However, a pullback of products suppressed gross profit on the level of the previous period.
Services	199.7	+13.1 (+7.0%)	46.4 23.2%	+4.9 +1.0pt	
System Services	79.4	+7.1 (+9.8%)	15.9 20.1%	+3.0 +2.1pt	Net sales and gross profit increased due to an increase in small- and mid-sized projects.
Support Services	49.1	-2.2 (-4.3%)	16.4 33.3%	-1.1 -0.7pt	Net sales and gross profit decreased attributable to a change in contract terms and a pullback from implementation services.
Outsourcing	35.3	+3.0 (+9.2%)	7.1 20.2%	+3.5 +8.9pt	Net sales and gross profit increased ascribable to an increase in new businesses and improved efficiencies.
Netmarks Services	26.5	+4.7 (+21.7%)	4.5 17.0%	+0.6 -1.1pt	Net sales and gross profit grew partly due to projects of Unified Communication, UC.
Other Services	9.3	+0.5 (+5.7%)	2.4 26.0%	-1.0 -13.0pt	Net sales increased as a result of an increase in installation work. However, gross profit decreased due to a decrease in profitability.
Products	83.0	+0.4 (+0.5%)	17.2 20.8%	-4.8 -5.9pt	
Software	31.3	+0.6 (+1.9%)	9.6 30.6%	-0.9 -3.6pt	Gross profit failed to offset the effects of pullback from highly profitable projects of the previous term.
Hardware	51.7	-0.2 (-0.3%)	7.7 14.8%	-3.9 -7.5pt	Net sales and gross profit decreased due to a smaller gross margin as a result of fiercer competitions as well as a pullback.



(For Reference) Quarterly Changes in Net Sales by Market

All industries remained strong, except Public/Government. (Billion Yen)



(Financial Institutions)
 A pullback from the previous term was outweighed by posting large-scale projects. Accordingly, strong net sales continued.

(Public/Government)
 Net sales continued to decline in Q4, partly due to a pullback from the previous period.

(Manufacturing)
 A wide range of industries such as automobile and food turned around.

(Commerce/Distribution)
 Strong net sales continued mainly in retail.

(Utilities/Services/Others)
 Strong net sales continued in transportation and telecommunications, although utilities suffered a pullback.

Orders and Order Backlogs

Several large-scale projects were posted in outsourcing,
while products were impacted from a pullback.

(Billion Yen)

	FY March 2014				Appendix
	Orders	Yr/Yr Change	Order Backlogs	Yr/Yr Change	
Total	309.8	+50.2 (+19.4%)	215.9	+27.1 (+14.4%)	Orders and order backlogs significantly grew partly due to posting several large-scale outsourcing projects.
Services	230.5	+54.8	196.2	+30.8	
System Services	76.7	+1.7	21.6	-2.8	Orders increased attributable to accumulated small and medium sized projects. Order backlogs decreased as a result of orders surging at the end of previous term.
Support Services	48.9	-4.3	40.9	-0.3	Orders and order backlogs decreased partly due to impacts from pullback.
Outsourcing	68.4	+52.6	121.1	+33.1	Orders and order backlogs increased ascribable to posting several large-scale long-term projects.
Netmarks Services	27.6	+4.6	8.8	+1.1	Orders and order backlogs increased partly due to an increase in UC (Unified Communications) projects.
Other Services	9.0	+0.2	3.8	-0.3	—
Products	79.3	-4.6	19.7	-3.7	
Software	28.4	-8.0	14.2	-2.9	Orders and order backlogs decreased partly attributable to a pullback from large-scale projects of the previous period.
Hardware	50.9	+3.4	5.6	-0.8	Orders increased partly owing to an increase in small servers.

Consolidated Performance Forecast for FY March 2015

Net sales will outweigh a pullback and grow.

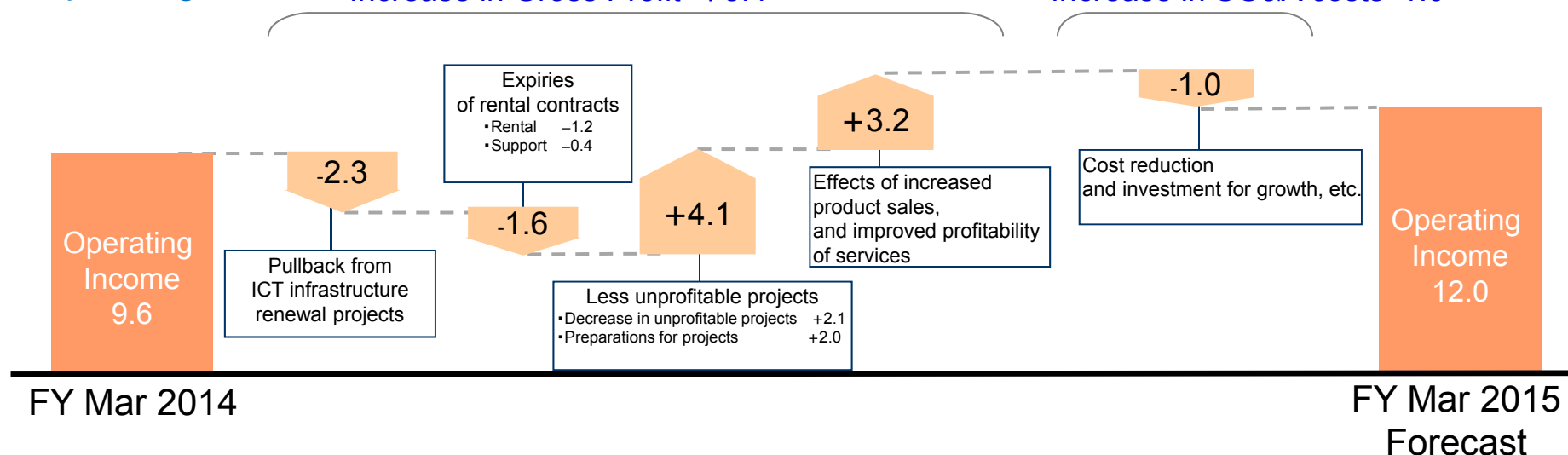
Operating income will increase due to a thorough cost management.

(Billion Yen)

	FY March 2015	Forecast	FY March 2014	Actual	Changes	
	Amount	vs Net Sales	Amount	vs Net Sales	Amount	Percentage
Net Sales	285.0	-	282.7	-	+2.3	+0.8%
Operating Income	12.0	4.2%	9.6	3.4%	+2.4	+25.3%
Ordinary Income	11.3	4.0%	9.8	3.5%	+1.5	+15.0%
Net Income	7.5	2.6%	6.3	2.2%	+1.2	+19.0%

【Operating Income】 Increase in Gross Profit +3.4

Increase in SG&A costs -1.0



Balance Sheet and Cash Flows

Balance Sheet

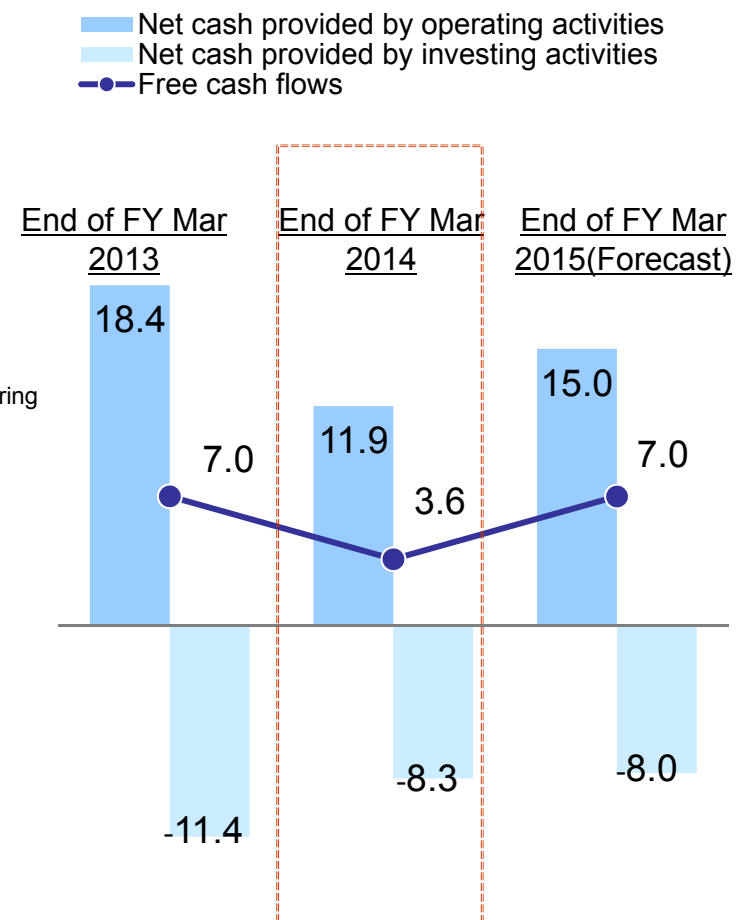
(Billion Yen)

End of 2013/3	End of 2014/3 *1	End of 2015/3 (Forecast) *2																		
Total Assets 197.8	Total Assets 202.5	Total Assets 198.4																		
<table border="1"> <tr> <td>Current Assets 124.0</td> <td>Liabilities 63.7</td> </tr> <tr> <td>Non-current Assets 73.7</td> <td>Interest-bearing Debts 66.1 (40.9)</td> </tr> <tr> <td></td> <td>Net Assets 67.9</td> </tr> </table>	Current Assets 124.0	Liabilities 63.7	Non-current Assets 73.7	Interest-bearing Debts 66.1 (40.9)		Net Assets 67.9	<table border="1"> <tr> <td>Current Assets 128.4</td> <td>Liabilities 59.3</td> </tr> <tr> <td>Non-current Assets 74.1</td> <td>Interest-bearing Debts 67.2 (38.5)</td> </tr> <tr> <td></td> <td>Net Assets 76.0</td> </tr> </table>	Current Assets 128.4	Liabilities 59.3	Non-current Assets 74.1	Interest-bearing Debts 67.2 (38.5)		Net Assets 76.0	<table border="1"> <tr> <td>Current Assets 131.8</td> <td>Liabilities 60.6</td> </tr> <tr> <td>Non-current Assets 66.6</td> <td>Interest-bearing Debts 62.2 (33.5)</td> </tr> <tr> <td></td> <td>Net Assets 75.6</td> </tr> </table>	Current Assets 131.8	Liabilities 60.6	Non-current Assets 66.6	Interest-bearing Debts 62.2 (33.5)		Net Assets 75.6
Current Assets 124.0	Liabilities 63.7																			
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Current Assets 131.8	Liabilities 60.6																			
Non-current Assets 66.6	Interest-bearing Debts 62.2 (33.5)																			
	Net Assets 75.6																			

Equity	66.5	74.8	74.6
Equity ratio	33.6%	36.9%	37.6%
Net D/E Ratio	0.61	0.51	0.45
ROE	2%	9%	10%

Cash Flows

(Billion Yen)



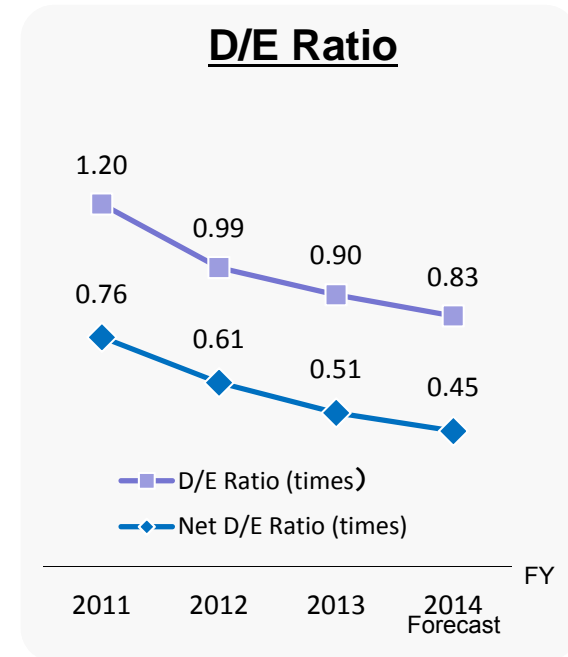
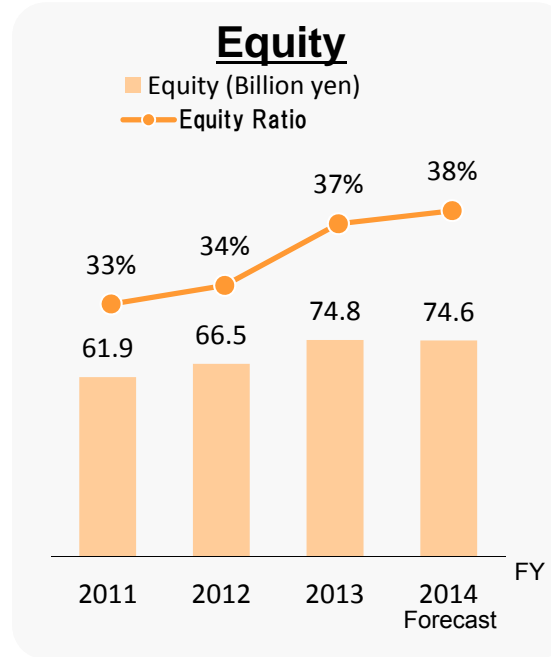
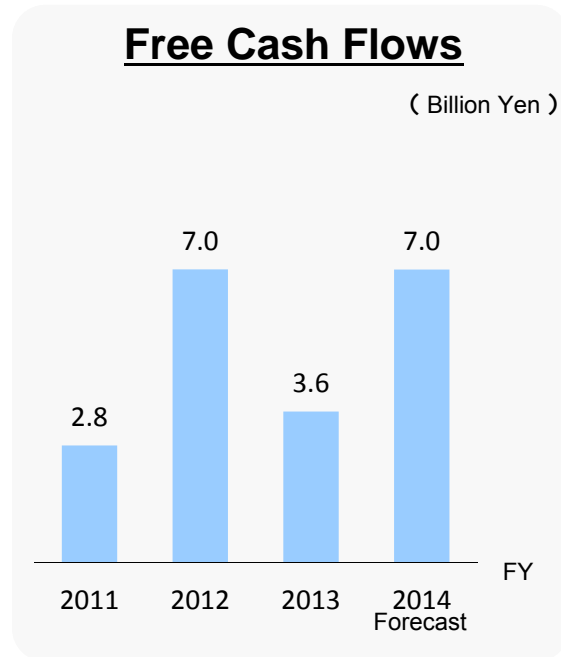
*1 The amount of re-measurements of defined benefit plans (¥1.7 billion) due to changes in the accounting standards has been reflected.

*2 The amount of impact from reduction of discount rate (-¥6.1 billion) as a result of adoption of new accounting standards has been reflected.



Progress towards Enhancement of Financial Strength

A progress has been made smoothly towards the enhancement of financial strength.



Promoted implementation of financial measures that prioritize capital efficiency on the basis of our growth strategies



(For Reference) Notice pertaining to a Change in Disclosure Segments

A change of disclosure segment in FY March 2015
as a result of integration of management of UNIADDEX, Ltd. and Netmarks, Inc.

Up to FY March 2014 (inclusive)



From FY March 2015 onwards



※ See the 'Appendix of Consolidated Financial Results for FY ended March 31, 2014' for the numbers of FY March 2014 categorized by new segmentation.

General Overview

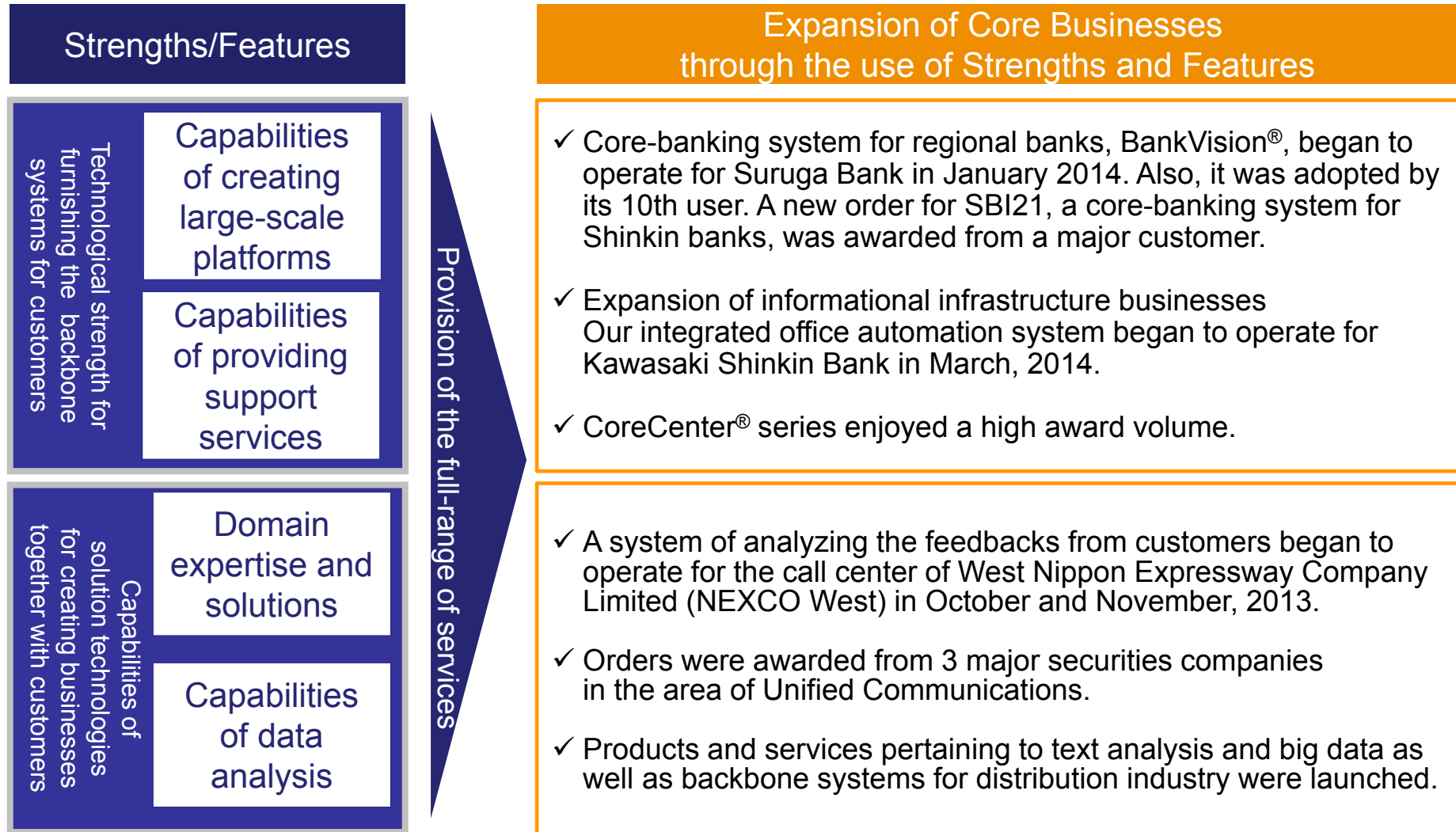
Settlement Summary

Progress of the Mid-term Management Plan(2012→2014)

Mid-term Management Plan - Progress of FY 2013

(1) Expansion of Core Businesses

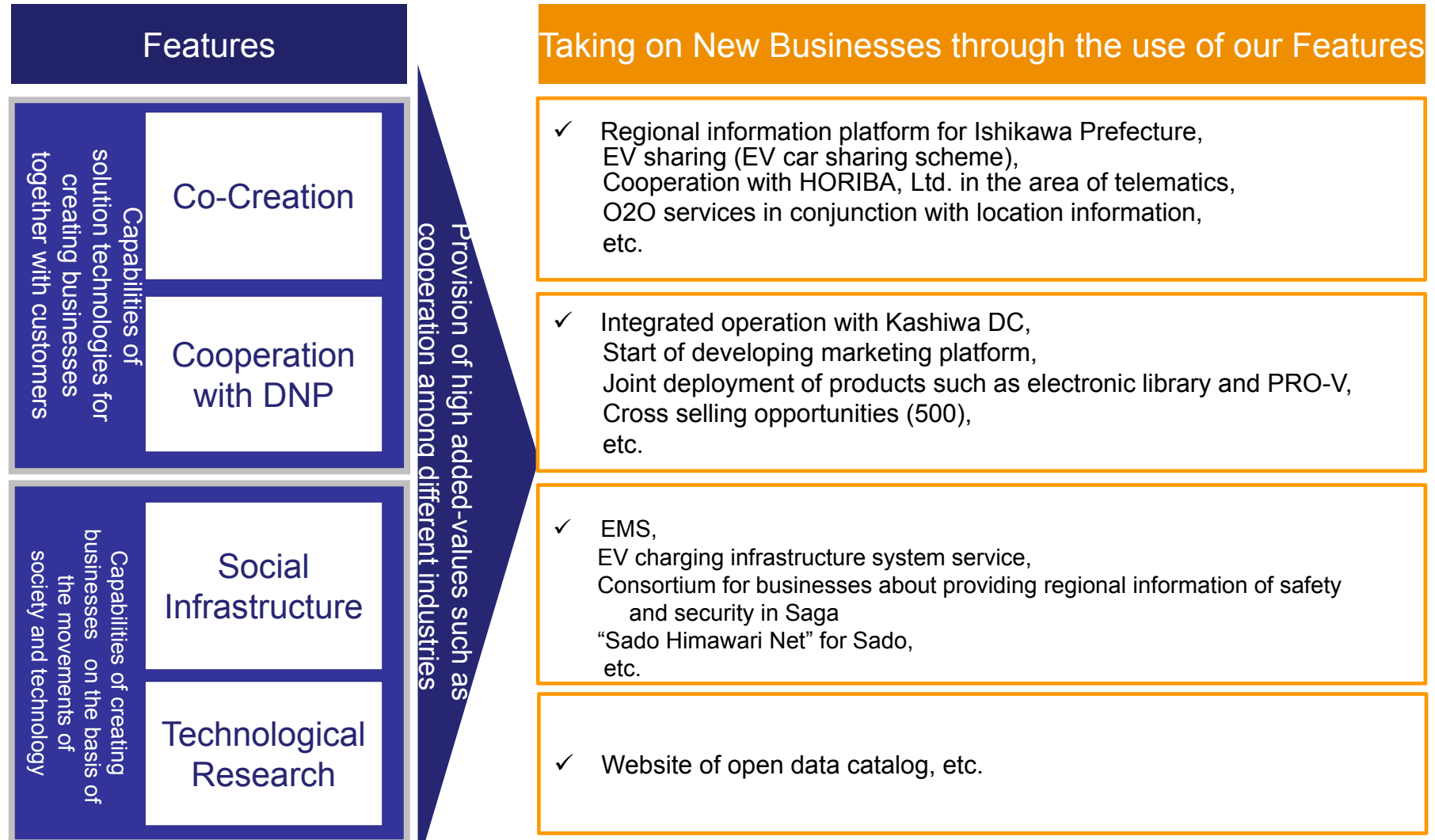
- ✓ Net sales remained strong, attributable to robust businesses of enterprise systems and also as a result of strengthened ICT infrastructure services, and services of operation & maintenance/support.
- ✓ A further expansion of core businesses has been attempted through the use of our strengths.



Mid-term Management Plan - Progress of FY 2013

(2) Taking on New Businesses

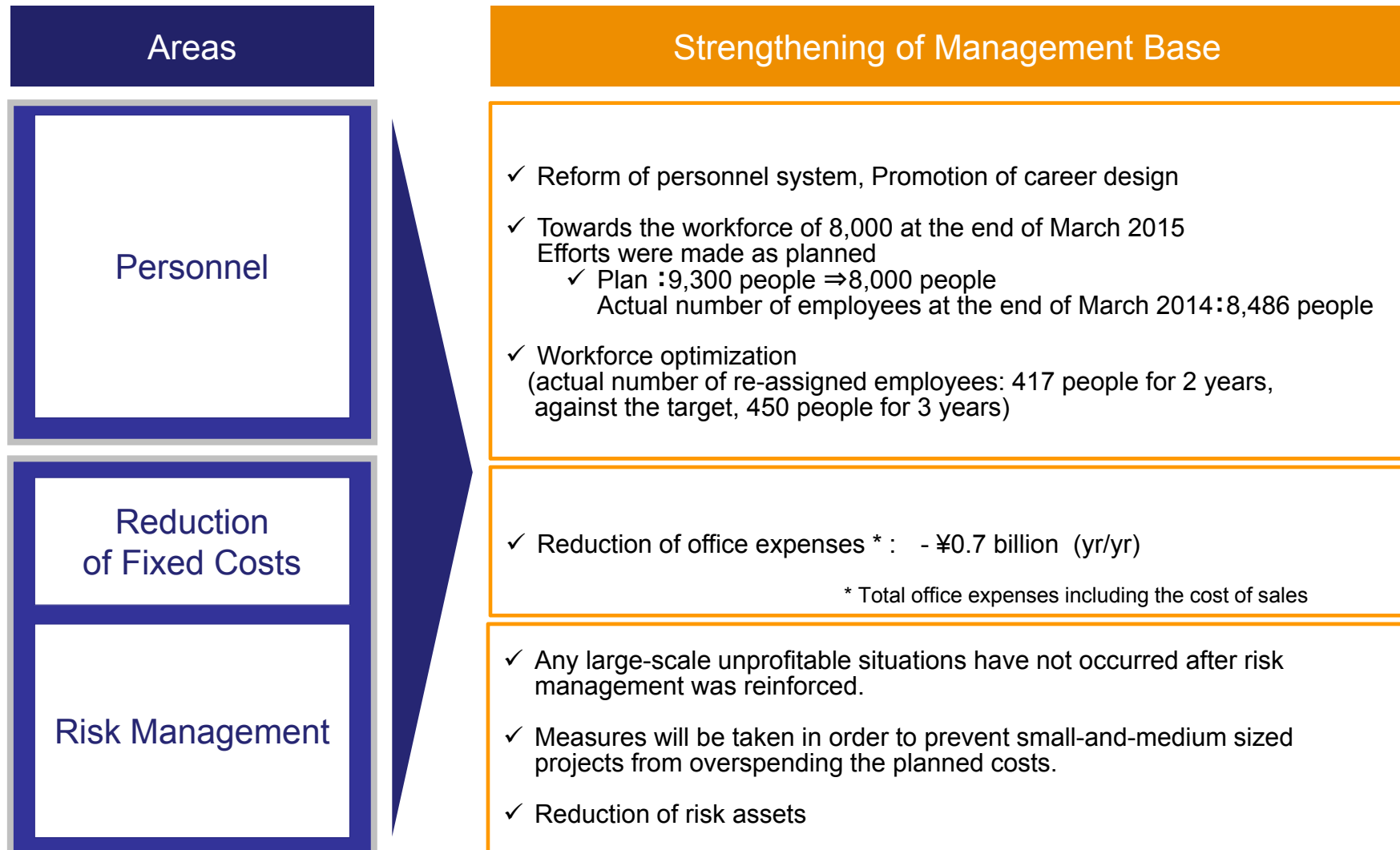
- ✓ Various business initiatives started internally and from the side of customers and business partners.
- ✓ They have favorably impacted our core businesses.



Mid-term Management Plan - Progress of FY 2013

(3) Strengthening of Management Base

- ✓ The engagements in the efforts of revitalizing our material assets of workforce were focused on.
- ✓ Continuous improvements of cost structures were promoted.



Key Measures for FY 2014

- ✓ Finish of the mid-term management plan in the final fiscal year
- ✓ Preparations towards the next mid-term management plan

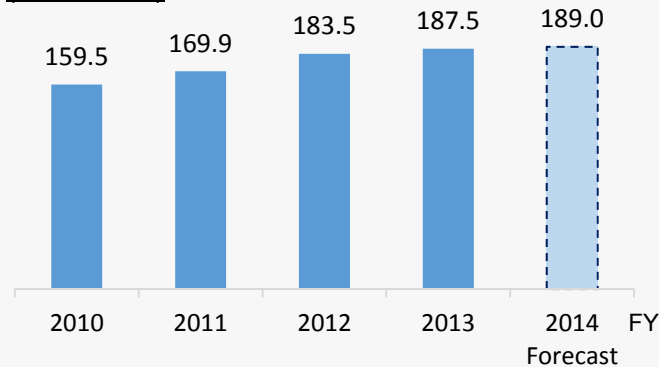
	Measures	Purposes
Further promotion of core businesses	<ul style="list-style-type: none"> ✓ To establish newly an organization for cross-selling service businesses at newborn UNIADDEX ✓ To strengthen the arrangements for reviewing small-and mid- sized projects 	<ul style="list-style-type: none"> ✓ To plan new services through the promotion of cross-selling scheme and integration of technologies ✓ To detect soon any signs of aggravation in projects and take measures accordingly
Further enhancement of new businesses	<ul style="list-style-type: none"> ✓ To establish newly an organization, Business Aggregation ✓ To establish newly a task force for the businesses about enhancement and security 	<ul style="list-style-type: none"> ✓ To develop products suitable to the mid-and-long term movements of society To respond to the Olympics Games in Tokyo ✓ To consider how to expand businesses in the phase of operation To strengthen the ICT infrastructure technologies that can respond to the age of social media
Further strengthening of management base	<ul style="list-style-type: none"> ✓ To develop workforce To promote a new career design 	<ul style="list-style-type: none"> ✓ To develop personnel who are good at promoting new businesses and new technologies

(For Reference) Progress of Key Measures

[Strengthening of ICT Infrastructure Services]

Net Sales from ICT Infrastructure Services (Billion Yen)

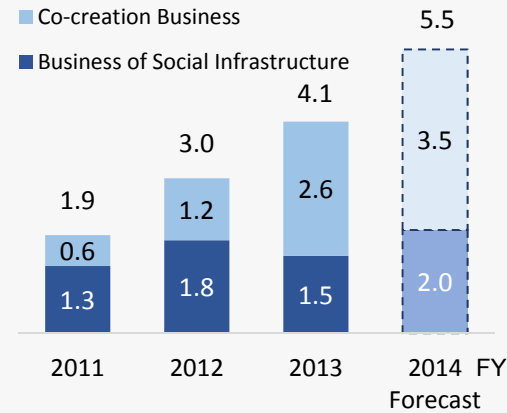
※Excluding system services



Total of support service, outsourcing, Netmarks services, software, and hardware

[Taking on New Businesses]

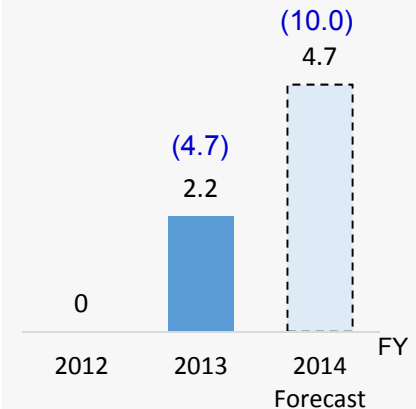
Net Sales from New Businesses (Billion Yen)



[Cooperation with DNP]

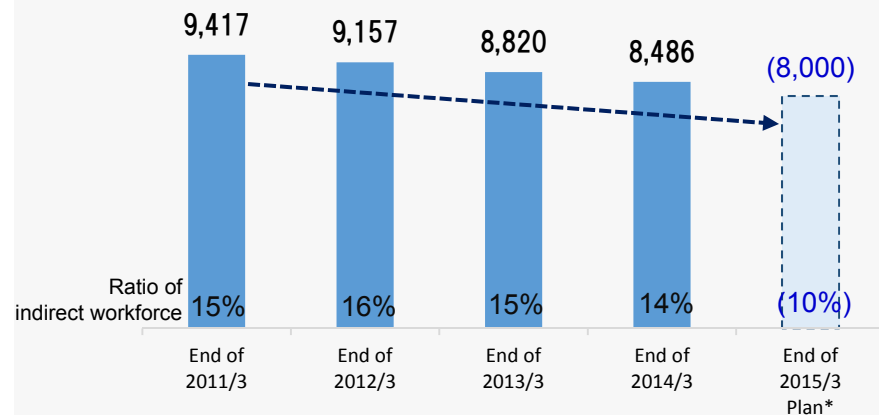
Net Sales from the Cooperative Businesses with DNP (Billion Yen)

Numbers in brackets show target values.



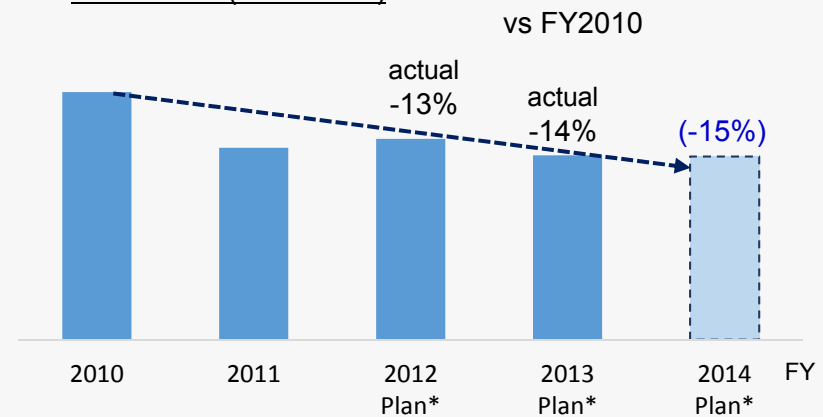
[Strengthening of Management Base] Numbers in brackets show target values.

Changes in the Number of Employees on a Consolidated Basis (people)



* Planned value pursuant to the "Mid-term Management Plan (2012→2014)"

Total Costs (Billion Yen)



U&U

Users & Unisys

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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.

Also, the information is subject to change without prior notice in future.

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