

# Results for the Fiscal Year Ended March 2017

May 9, 2017  
Nihon Unisys, Ltd.

Foresight in sight

(Note) The expression 'FY/Fiscal Year' utilized in this document indicates a fiscal year which finishes at the end of March of the following year.

Example: The expression of FY2016 refers to the fiscal year ended March 2017.)

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## General Overview

2

## Efforts under the Mid-term Management Plan

# FY2016 Consolidated Performance Results

Foresight in sight

Outsourcing took the lead in increasing sales and income.  
Profit attributable to owners of parent hit a record-high.

(Unit : Billion Yen)

	Full Year (Apr-Mar)		Changes	
	FY2016	FY2015		
Net Sales	282.2	278.0	+4.2	+1.5%
Gross Profit	66.7	64.6	+2.1	+3.3%
SG&A Costs	-52.4	-52.1	-0.3	-0.6%
Operating Income	14.3	12.5	+1.8	+14.3%
(Operating Margin)	(5.1%)	(4.5%)	(+0.6pt)	
Profit Attributable to Owners of Parent	10.3	8.9	+1.3	+15.0%
Orders	281.4	279.4	+2.0	+0.7%
Order Backlogs	210.7	211.6	-0.9	-0.4%

## <Key Points>

### ■ Net Sales

were boosted by on the basis of growth in our outsourcing business.

### ■ Operating Income

increased mainly due to the increase in net sales and improved profitability.

### ■ Profit Attributable to Owners of Parent

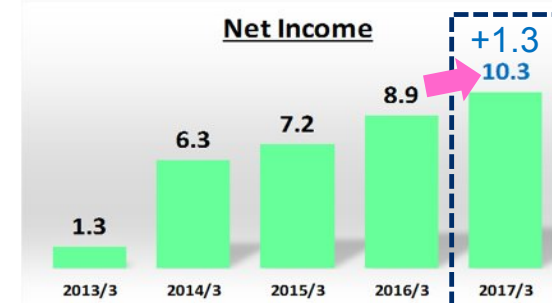
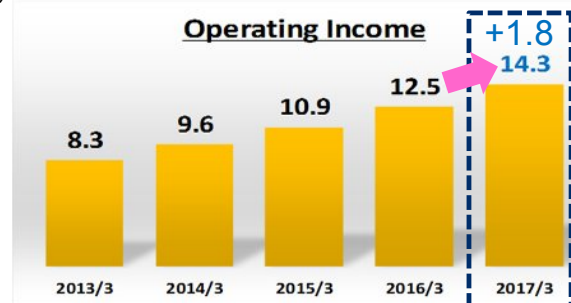
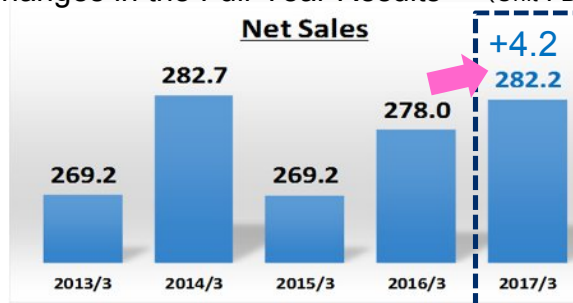
increased as a result of the increase in operating income.

### ■ Orders and order backlogs

Orders increased as a result of a continued strength in outsourcing.

Order backlogs remained at a similar level to those of the previous fiscal year.

■ Changes in the Full-Year Results (Unit : Billion Yen)

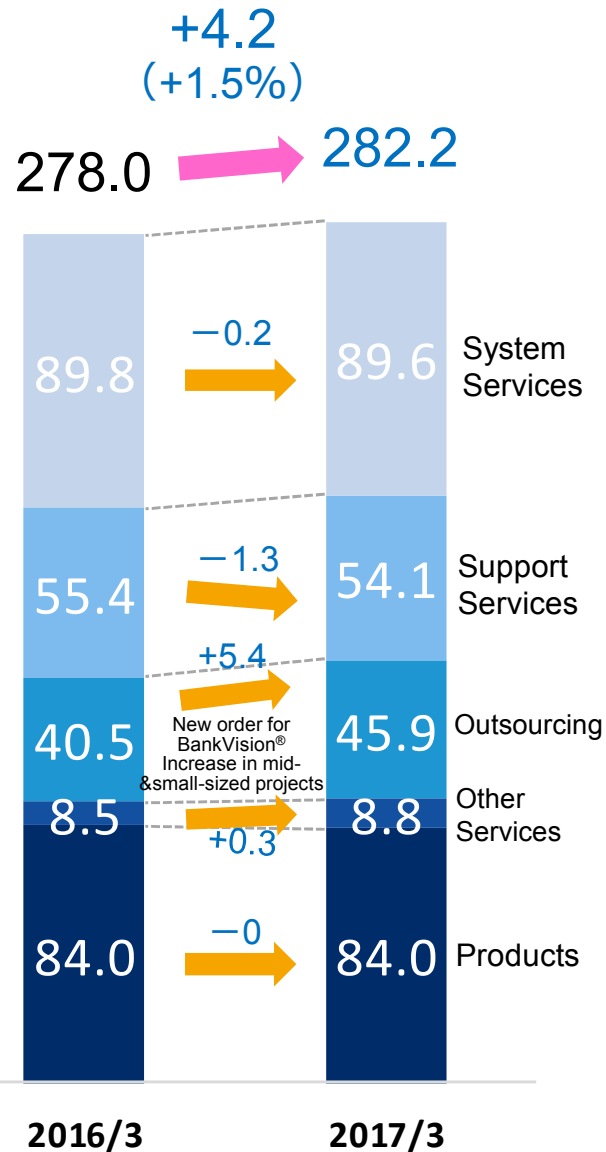


# Net Sales and Gross Profit by Segment

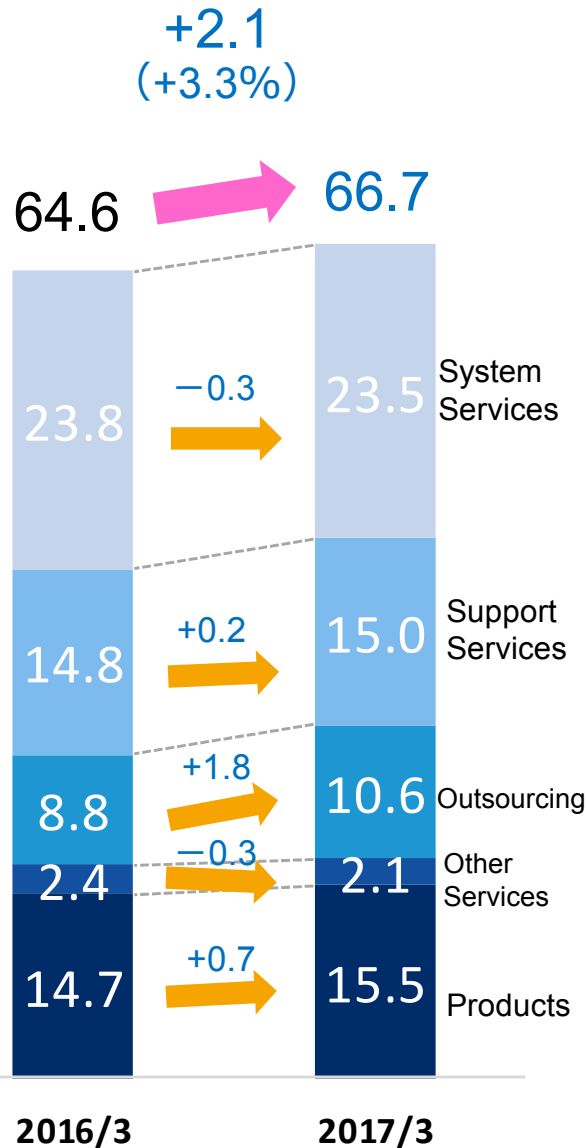
Foresight in sight

(Unit : Billion Yen)

## Net Sales

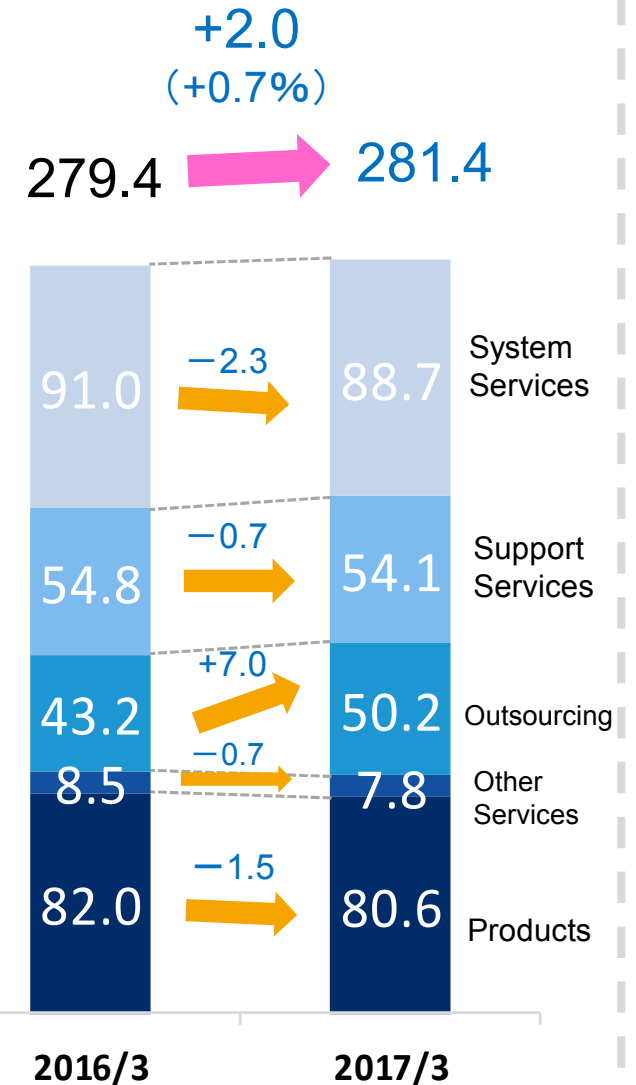


## Gross Profit



## 【For Reference】

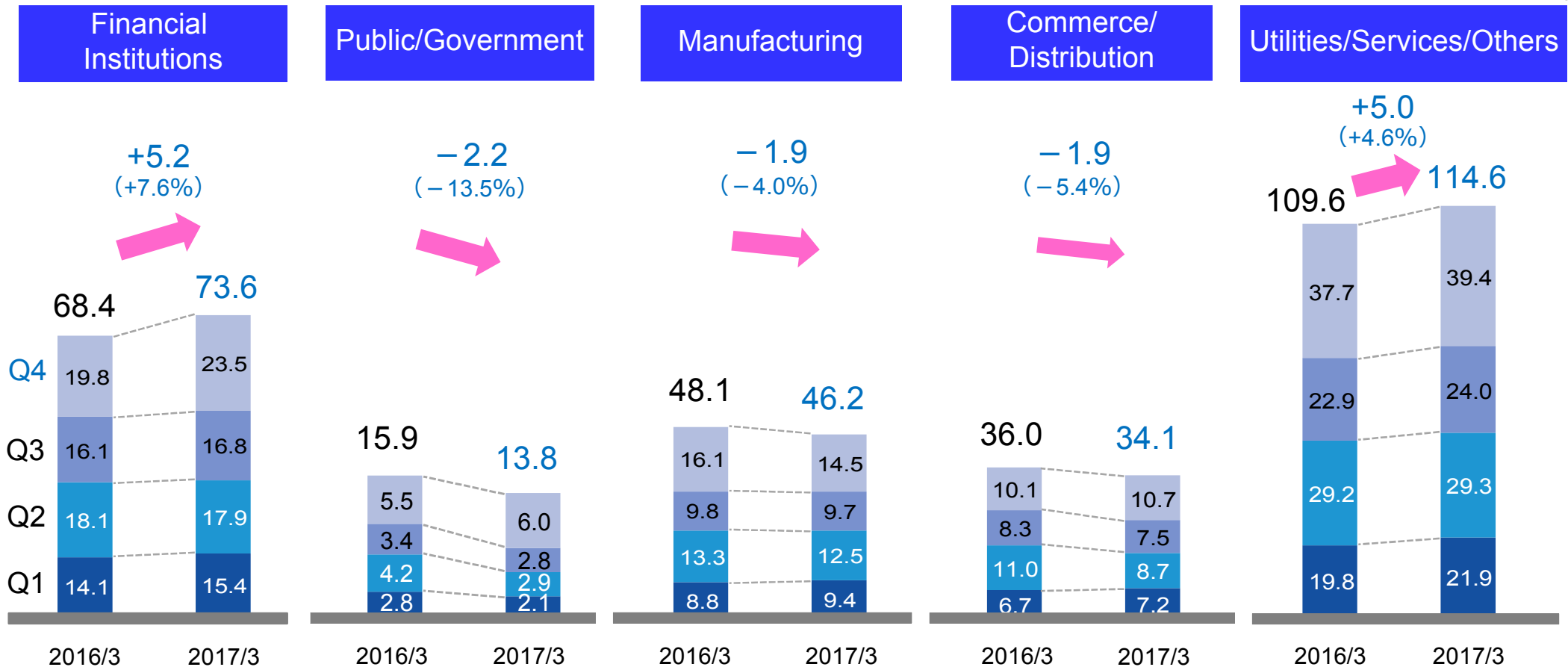
## Orders



# Net Sales by Market

Foresight in sight

(Unit : Billion Yen)



## Market Summaries

**(Financial Institutions)**  
We were active in providing services for the front-line area and those relating to treasury and securities, in the financial market where stable ICT investments continued. FinTech efforts were strengthened further.

**(Public/Government)**  
Project risks were examined before bidding.

**(Manufacturing)**  
Our sector was busy with project activities mainly for the automotive industry. Earnest efforts to deal with IoT began.

**(Commerce/Distribution)**  
Our sector saw an increase in enquiries regarding omni-channel support capable of improving retail competitiveness. Use of robotics/AI was emphasized.

**(Utilities/Services/Others)**  
Businesses for the social infrastructure area were strengthened by putting our energy management systems at the core. EDRs were released overseas.

# Performance Forecast for FY2017

Foresight in sight

An increase in income is forecasted on the basis of an increase in sales and improved profitability.

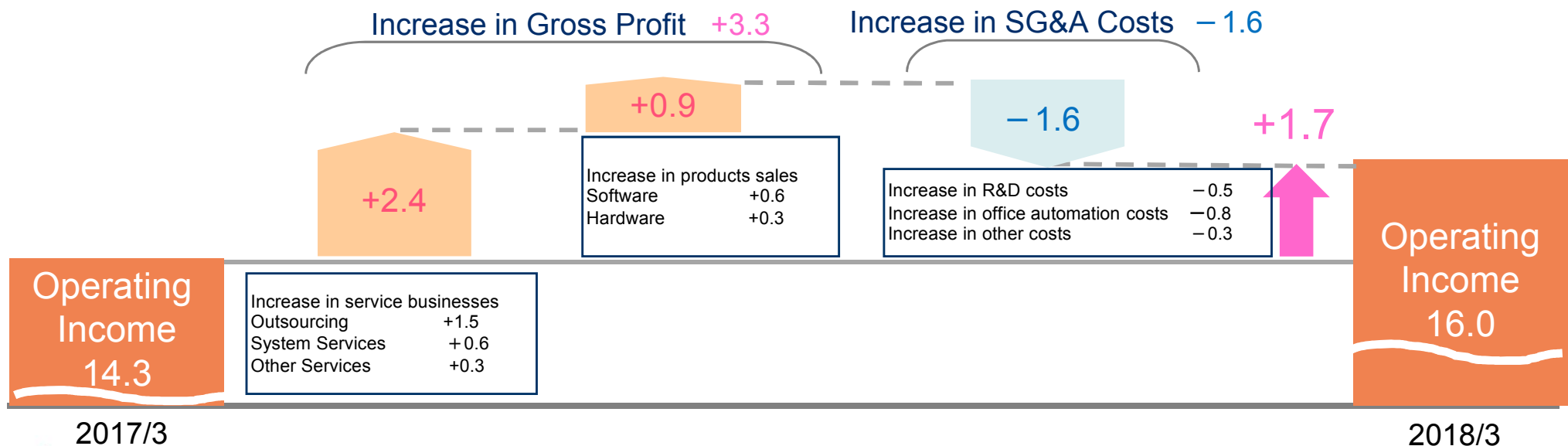
(Unit : Billion Yen)

	FY2016 Full-Year Actual			FY2017 Full-Year Forecast		
	Amount	Yr/Yr Changes		Amount	Yr/Yr Change	
Net Sales	282.2	+4.2	+1.5%	290.0	+7.8	+2.7%
Operating Income	14.3	+1.8	+14.3%	16.0	+1.7	+11.8%
(Operating Margin)	(5.1%)		(+0.6pt)	(5.5%)		(+0.4pt)
Profit attributable to Owners of Parent	10.3	+1.3	+15.0%	11.0	+0.7	+7.2%

(Note) See the supplementary material for the full-year forecast breakdown.

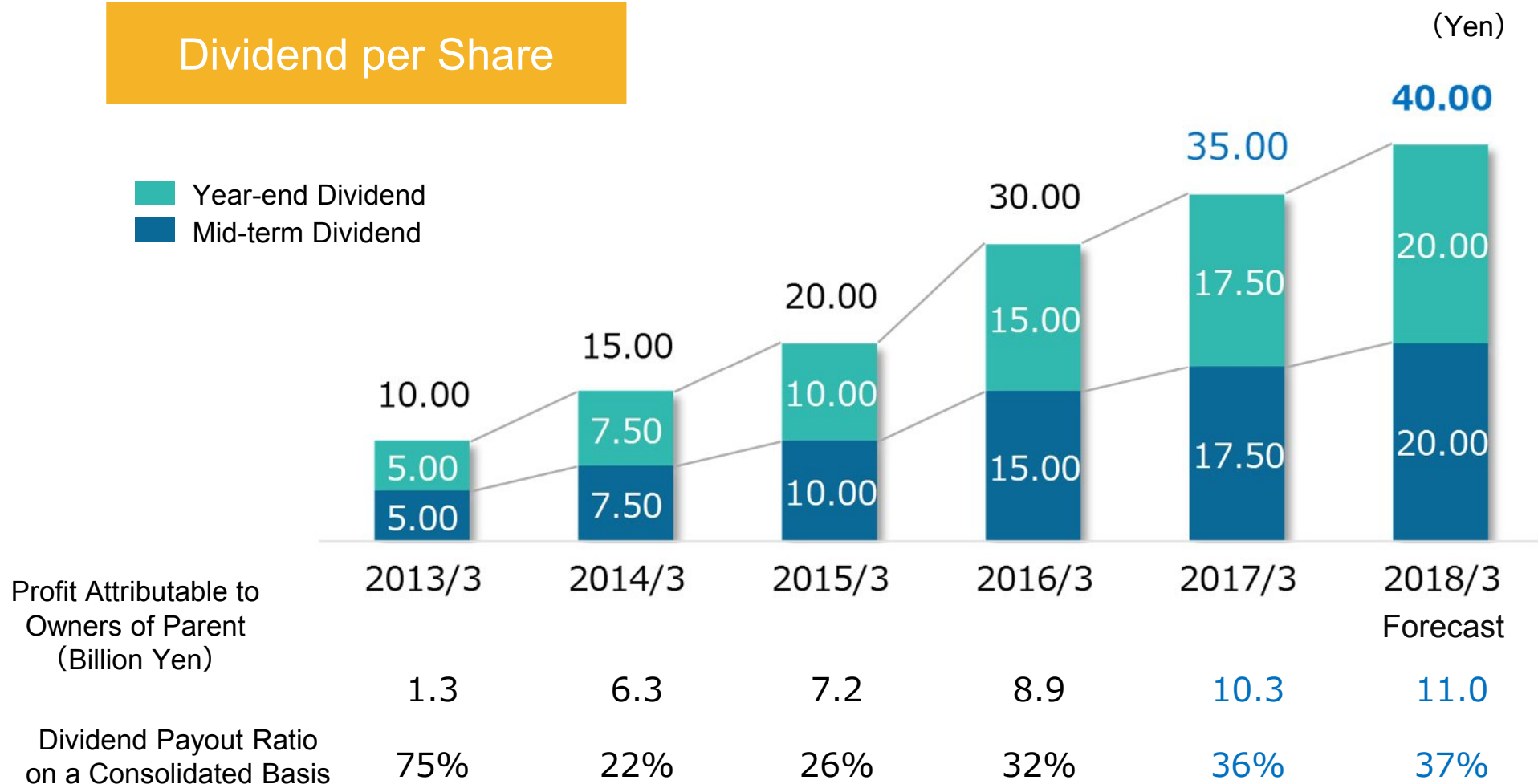
## 【Operating Income Changes】

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



- ✓ Continued increase in dividends for six consecutive periods
- ✓ Fiscal year ending March 2018  
expected annual dividends ¥40 per share (up by ¥5 / dividend payout ratio 37 %)

## Dividend per Share





# 1 General Overview

# 2 Efforts under the Mid-term Management Plan

## ✓ Situation of Efforts in the Areas as Envisaged in the Mid-term Management Plan

### Digital Innovation

Designing service models on the basis of movements and issues in society and industries

- ✓ Establishing a new company operating payment/settlement related businesses
- ✓ Strengthening services for customer contact areas of regional financial institutions

### Life Innovation

- ✓ Providing Sharing Business Platform Services
- ✓ Businesses to entice foreign visitors into consumption POC for hospitality project through the use of IoT

Designing service models on the basis of movements and issues in society and industries

### Business ICT Platforms

- ✓ Shifting to service-type business models on the basis of the promoted reformation of business models

Cultivating corporate cultures capable of innovation and attempting new approaches

### Reforming Corporate Culture/ Human Resources Capabilities

- ✓ Enabling various work styles through satellite offices and non-territorial offices as well as telecommuting

### Investment Strategies

- ✓ Investing in a Fund of Funds of Silicon Valley

# Efforts as Envisaged in the Mid-term Management Plan

Foresight in sight

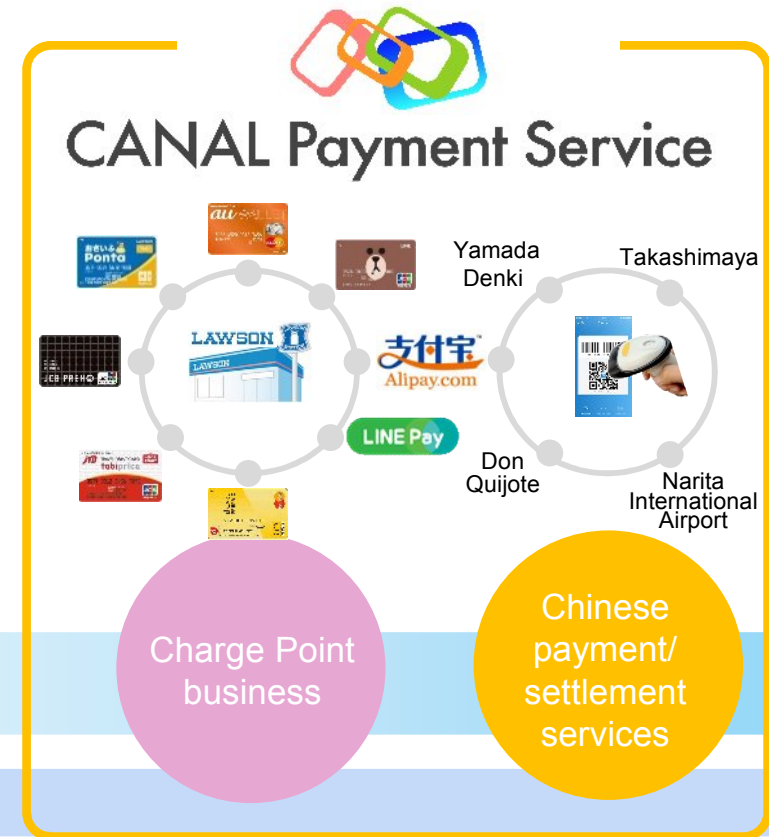
## Digital Innovation

- ✓ Attempting to accelerate a business increase through a spin-off company operating Chinese payment/settlement services and Charge Point businesses

Preparing for the advent of new cashless society, and aiming to solve societal issues through the use of proven services

### Establishing 'Canal Payment Services, Ltd.'

a new company in order to further expand businesses through participation by member stores and an increase in operable types of denomination



Increase in track records

Payment/settlement services through global-brand prepaid cards

Payment linked marketing

Value Card business

Charge Point business

Chinese payment/settlement services

Increase in track records

Payment/settlement related markets

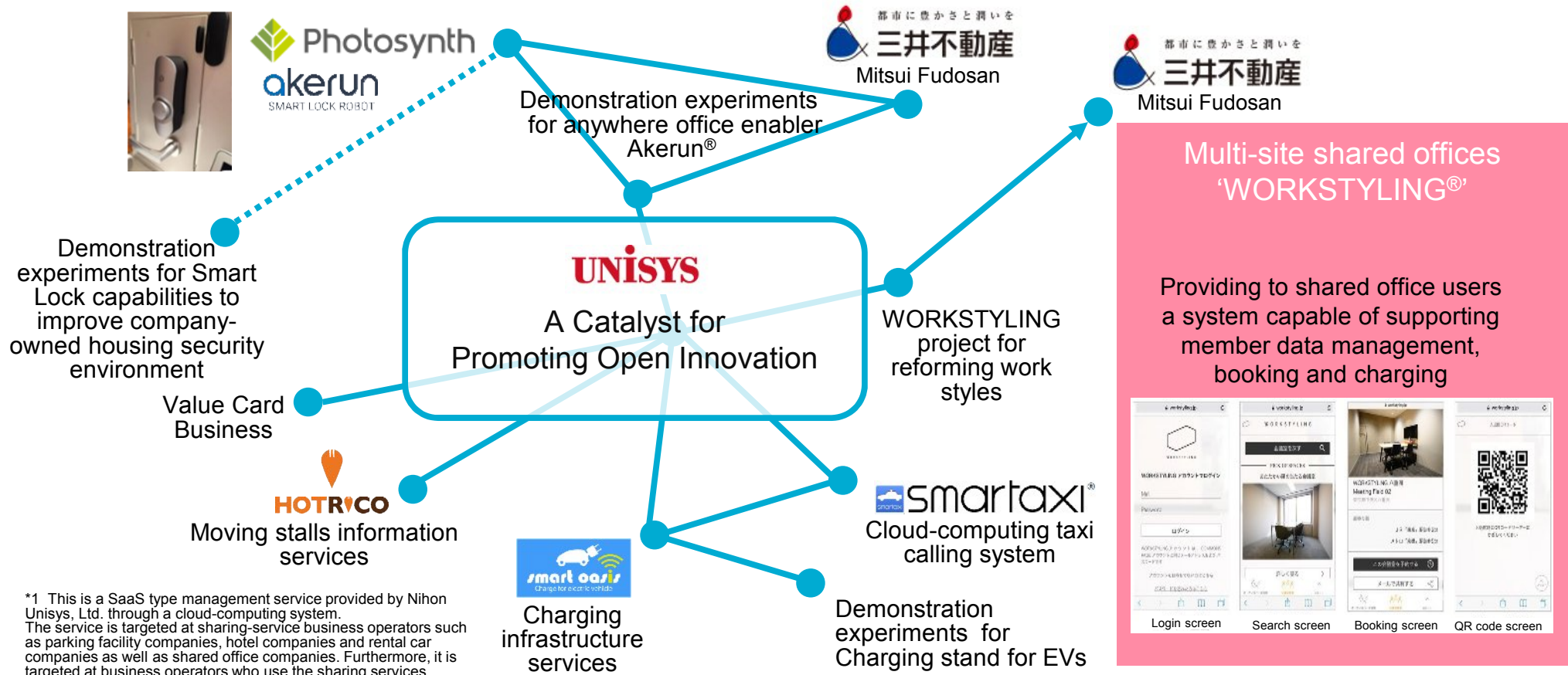
# Efforts as Envisaged in the Mid-term Management Plan

Foresight in sight

## Life Innovation

- ✓ Starting to provide the Sharing Business Platform Services for Mitsui Fudosan Co., Ltd.'s WORKSTYLING®

Enabling Sharing Business Platform Services (\*1)  
in order to create a business ecosystem capable of supporting a future sharing economy



\*1 This is a SaaS type management service provided by Nihon Unisys, Ltd. through a cloud-computing system. The service is targeted at sharing-service business operators such as parking facility companies, hotel companies and rental car companies as well as shared office companies. Furthermore, it is targeted at business operators who use the sharing services.

## Business ICT Platforms

- ✓ Shifting to service-type business models on the basis of the promoted reformation of business models

### Key Points of Reform

Standardization/Re-use

Enhancement of  
Implementation-Type  
Businesses

Promoting  
service menu creation

Promotion of  
Work Style Reform

### Key Performances

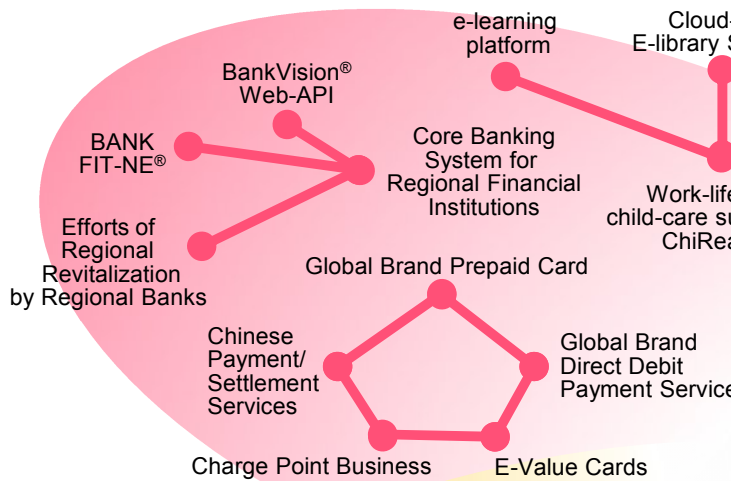
- ✓ Continuously providing implementation-type solutions for retail stores and mail-order companies, and also re-using the solutions
- ✓ Deploying advanced practices and solutions mainly in the areas of front line business and strategic business of financial institutions
- ✓ Increasing businesses targeted at new business operators against the backdrop of energy reform
- ✓ Releasing new platforms and strengthening an organization capable of supporting service monetization through the use of such platforms

# Efforts as Envisaged in the Mid-term Management Plan

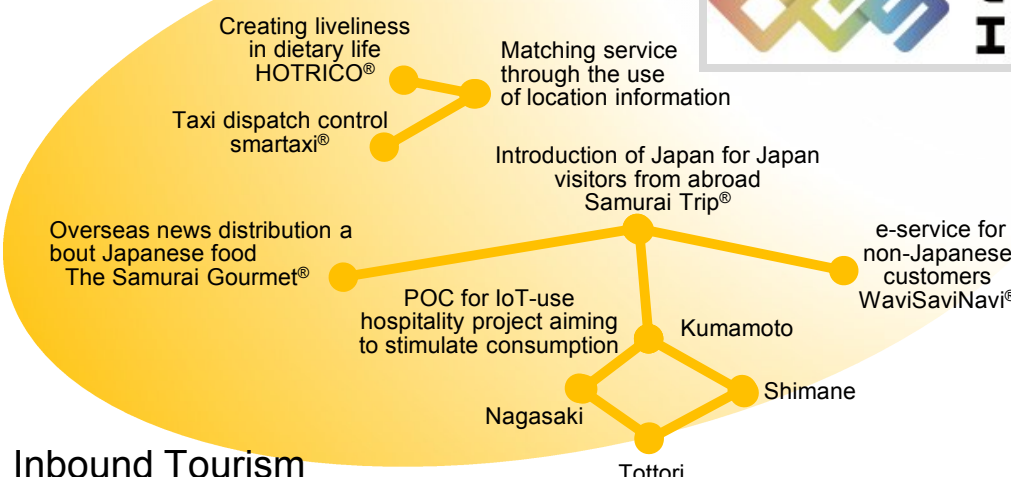
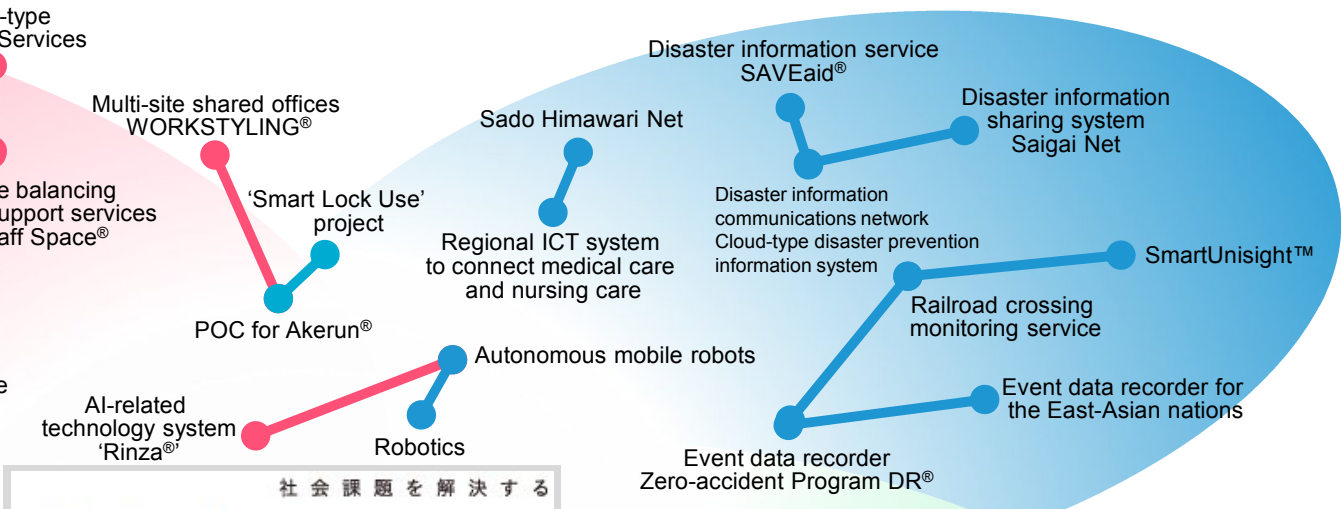
Foresight in sight

Connecting different types of businesses on the basis of proven service track records as if points are mutually connected and further networked onto a plane in order to create a business ecosystem that aims to solve societal issues

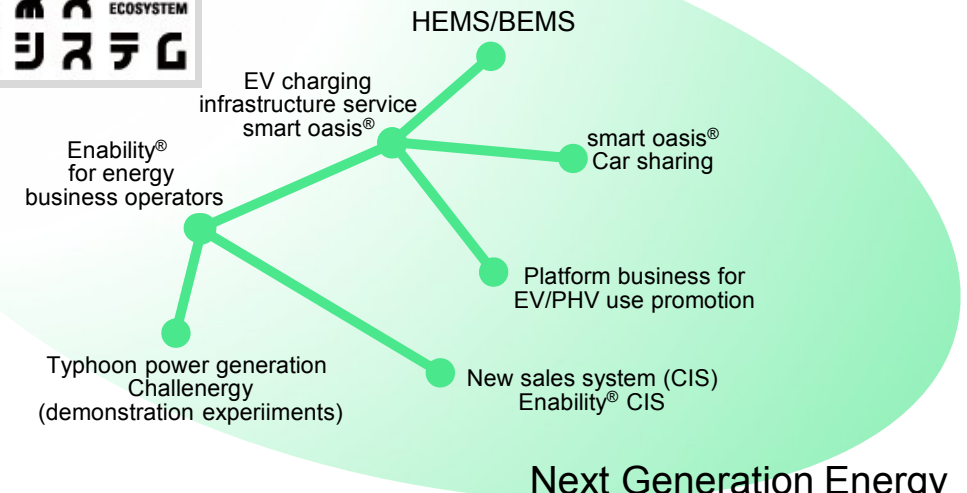
## Supporting Lives



## Regional Safety and Disaster Prevention



## Inbound Tourism



## Next Generation Energy

# Efforts as Envisaged in the Mid-term Management Plan

Reform of Corporate Culture/  
Human Resources Capabilities

✓ Cultivating a corporate culture of capable of innovation

- Purposes
1. Reform of management style
  2. Cultivating a corporate culture of capable of innovation
  3. Fulfilling individuals' lives and promoting their growth

## Developing an innovation-friendly corporate culture

### Reform-minded Leadership Program: Reforming workforce capabilities

#### Management Reform

Developing management personnel  
(Coaching, M3 Project)  
Diversity & Inclusion

#### Business Reform

NextPrincipal (program for developing human resources capable of creating new businesses)  
Acceleration program  
T3 Activities (activities for business operation reformation)

#### Open Innovation Promotion

Leave a Nest Co., Ltd. – TECH PLANTER  
Tsuruoka Incubation Lab.  
Morning Challenge (internal event)

### WorkStyle Foresight™ : Work Style Reform

#### Environmental Reform

Satellite Offices  
Non-territorial Offices  
Renovating meeting rooms

#### Reforming Sense of Value and Work-life Style

Campaign to reduce overtime by varying the pace of work  
Working from home/  
Telecommuting  
Paperless operation

#### Reforming Processes

Reform of meeting procedures  
Electronic approval  
Reform of business operations

#### ICT Tool Use (System Reform)

Cloud-first (use of Office365®)  
Mobile-first (mobiGate®)  
Use of Skype® for Business  
Use of enterprise SNS

Request from society

Promoting diversity

Strengthening competitiveness

Improving productivity

Activating communication

## Investment Strategies

- ✓ Investing in a Fund of funds in order to create new businesses through open innovation



Studying start-ups, VC-related information, and technological trends

Participating in the NSV's (\*2) 'Venture Scan'

Use of Silicon Valley's 'Plug and Play'

Coordinating with Scrum Ventures and Btrax



Playing a role as partner in Leave a Nest's 'TECH PLANTER'

Investing in Real Tech Fund

Investing in 'JAFCO' and 'JICT' (\*3)

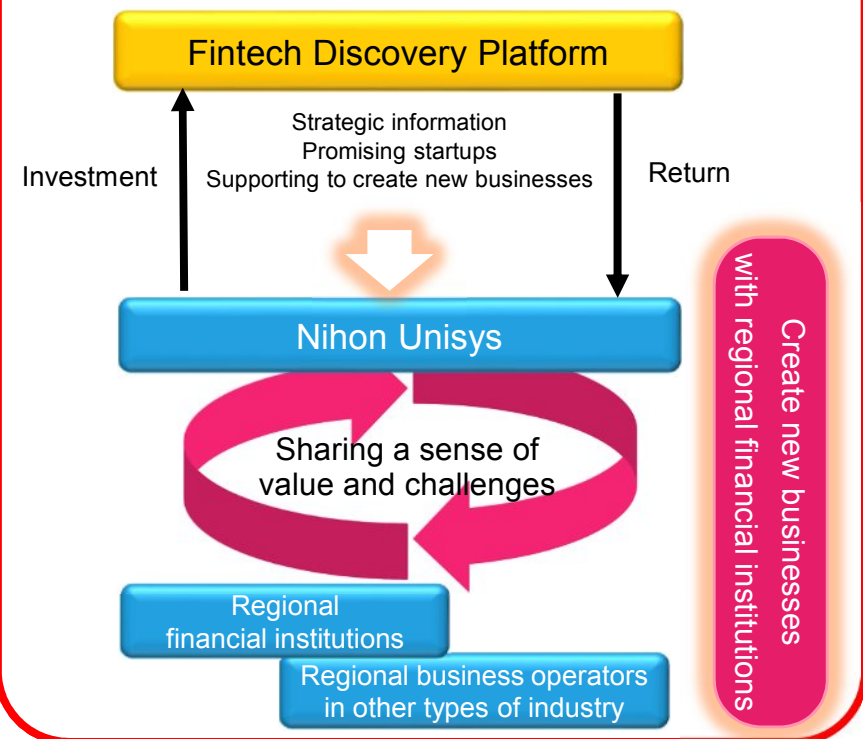
\*1 NUL (Nihon Unisys) System Services Corporation (at Silicon Valley and Minneapolis)

\*2 NSV Wolf Capital, a Fund of Funds established and operated by NetService Ventures (headquartered in Silicon Valley / US <http://nsv.com/japan/>)

\*3 Fund Corporation for the Overseas Development of Japan's ICT and Postal Services (Japan ICT Fund)

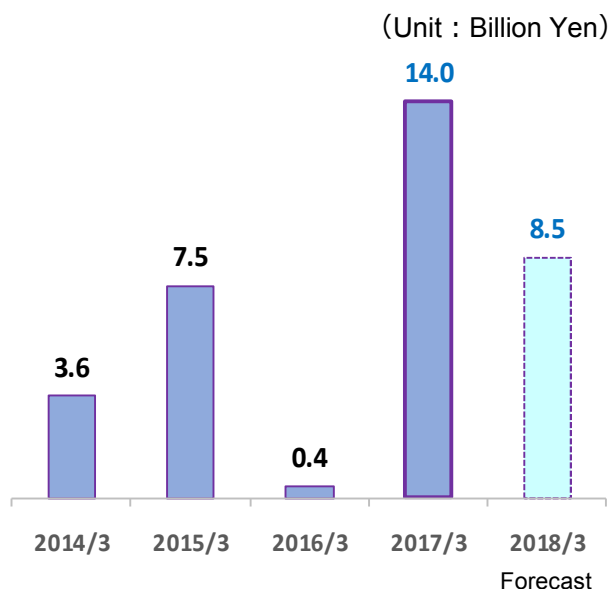
## New Effort of Participating in a Fund of Funds

Aiming to create new businesses in cooperation with regional financial institutions through the use of multilateral knowledge and assets including those to do with cutting edge startup information and business models as well as different types of industry

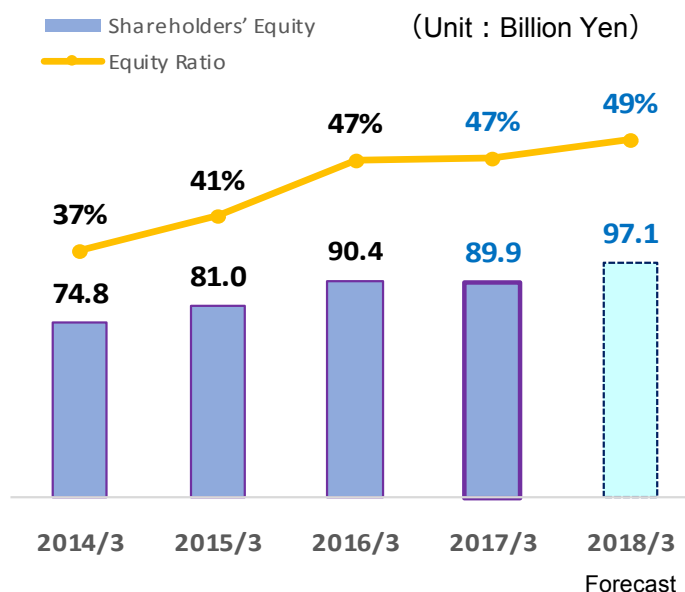




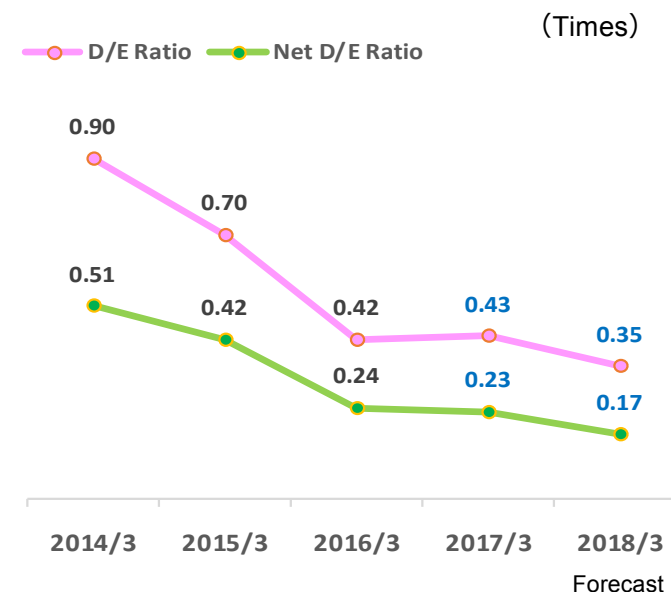
## Free Cash Flows



## Shareholders' Equity

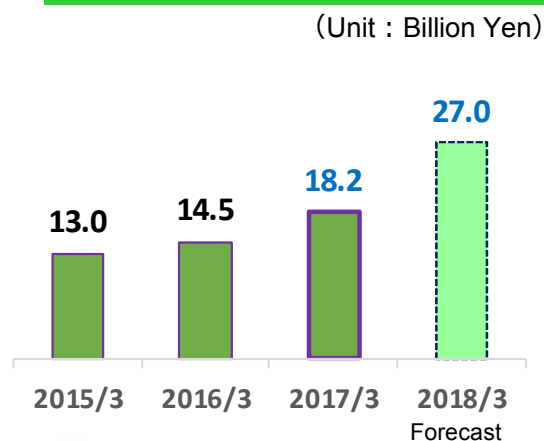


## D/E Ratio

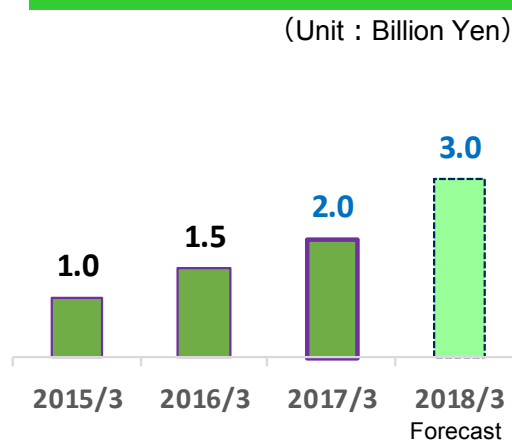


## Net Sales

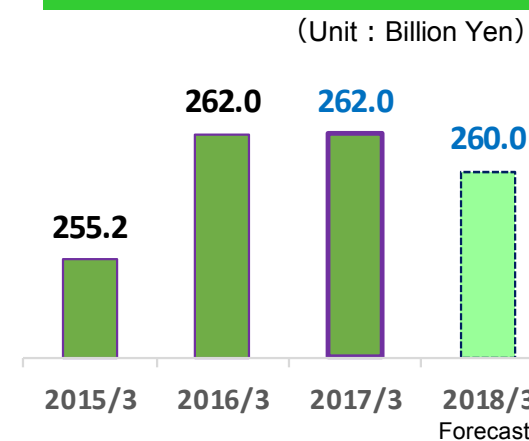
### Digital Innovation



### Life Innovation



### Business ICT Platform



# Foresight in sight

**UNISYS**

**(Note)**

Forecasts in this document rely on judgments and assumptions based on information available at present. Actual results may differ from the forecasts due to changes in risks, uncertainties, economy and other factors.

Thus, the certainty of these forecast is not guaranteed by our Group.

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

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