

Note) This translation is prepared and provided for readers' convenience only. In the event of any discrepancy between this translated document and the original Japanese document, the original document shall prevail.



Consolidated Financial Report for the First Quarter of Fiscal Year Ending March 31, 2013 [Japan GAAP]

August 1, 2012

Nihon Unisys, Ltd.

Stock Listing:	Tokyo Stock Exchange 1st section
Stock Code:	8056
URL:	http://www.unisys.co.jp/
Representative:	Shigeru Kurokawa, Representative Director, President & CEO
Contact:	Katsuhiro Ohtomo, Corporate Officer, General Manager, Corporate Communications
TEL:	+81-3-5546-7404
Scheduled Submission Date for Quarterly Report:	August 13, 2012
Scheduled Starting Date for Dividend Payment:	—
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results in FY2013 Q1 (from April 1, 2012 to June 30, 2012)

(1) Consolidated Results of Operations (Percentage below represents increase (decrease) from the same period of previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2013 Q1	52,437	6.7	904	—	1,084	—	329	—
FY2012 Q1	49,143	(5.2)	(620)	—	(653)	—	(646)	—

(Note) Comprehensive income FY2013 Q1: -89 Million Yen (—%) FY2012 Q1: -554 Million Yen (—%)

	Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
FY2013 Q1	3.50	—
FY2012 Q1	(6.87)	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
FY2013 Q1	171,421	63,126	36.1
FY2012	190,083	63,223	32.6

(Reference) Shareholders' Equity FY2013 Q1: 61,833 Million Yen FY2012 : 61,923 Million Yen

2. Dividends

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2012	—	5.00	—	0.00	5.00
FY2013	—	—	—	—	—
FY2013 (Forecast)	—	5.00	—	5.00	10.00

(Note) Revision of the latest forecast of dividends: No

3. Consolidated Earnings Forecast for FY2013 (from April 1, 2012 to March 31, 2013)

(Percentage below represents increase (decrease) from the same period of previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2013 1st Half	118,500	1.2	2,600	30.3	2,400	32.9	1,400	103.4	14.90
FY2013	265,000	3.9	9,000	23.1	8,300	17.0	4,800	—	51.07

(Note) Revision of the latest forecast of consolidated earnings: No

Notes

- (1) Change in the scope of consolidation (change of condition of significant consolidated subsidiaries) during this quarterly period: No
- (2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and restatement of corrections
1. Changes in accounting policies in association with revision in accounting standards: No
 2. Other changes in accounting policies: No
 3. Changes in accounting estimates: No
 4. Restatement of corrections: No

- (4) Number of shares outstanding (common stock)

(shares)

1. Number of shares outstanding (including treasury stock)	FY2013 Q1	109,663,524	FY2012	109,663,524
2. Number of shares of treasury stock	FY2013 Q1	15,672,079	FY2012	15,684,004
3. Average number of shares outstanding (during the period)	FY2013 Q1	93,985,464	FY2012 Q1	93,979,877

Indication of quarterly review procedure implementation status

This quarterly earnings report is not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act. Thus, at the time of disclosure of the financial results, the quarterly financial statement review procedures based upon the Financial Instruments and Exchange Act have not been completed.

Comment regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to us and certain assumptions which are regarded as legitimate. Actual results may differ from these forecasts due to various factors

1. Qualitative Information on the Consolidated Operating Results for the First Quarter of Fiscal Year Ending March 31, 2013

(1) Qualitative Information on the Consolidated Operating Results

During the first quarter of this fiscal year, amid the continuing severe circumstances, the Japanese economy was expected to show more stable signs of recovery in future, supported primarily by the demand fueled by the post-quake recovery effort. However, there are concerns about risks such as the fluctuations in the financial and capital markets and a slowdown in overseas economies, attributable to the uncertainties over the European debt crisis. Against this backdrop, companies' investments in the Japanese information services market have been generally flat.

In this environment, the Nihon Unisys group established the basic policies of the mid-term management plan: "expansion of our core businesses", "establishment of Co-Creation/BPO (Business Process Outsourcing) business models", and "entrance in the social infrastructure business". Through our experience of providing various ICT services that suit companies' business strategies of a broad spectrum of industries, we have developed our technologies, expertise and relationships with customers. On this basis, we have expanded our core businesses and stabilized the income base. Also, we have endeavored to create new sources of income such as joint businesses with customers, BPOs, and social infrastructure businesses.

Firstly, with regard to the expansion of our core businesses, "BANK FIT-NE®", a next-generation bank branch system was purchased for the first time by a regional bank following sinkin bank. Also, the orders for network devices and outsourcing services have remained stable. Secondly, as regards the establishment of Co-Creation/BPO business models, the business of "Gift Card Mall" that has already been launched has continued to be stronger than planned. Also, the new provision of "smart oasis®", a battery charging infrastructure service for electric vehicles, to SHIN-TOMEI EXPRESSWAY as well as our involvement in the project promoting the introduction of BEMS^(Note 1) of METI, the Ministry of Economy, Trade and Industry, as BEMS aggregator^(Note 2) have been achieved through our efforts in the entrance in the social infrastructure business. Furthermore, our information platform system concerning a centralized management of regional medical information has been procured for the Sado region.

(Notes) 1. BEMS (Building and Energy Management Systems) : Energy management systems for buildings

2. BEMS aggregators (Energy utilization information administrative operators) : Businesses that promote the introduction of building and energy management systems (BEMS) in small and medium-sized buildings, install centralized systems for managing energy through cloud computing, and provide low-volume, high-voltage energy consumers with energy management support services (which will aid these consumers' understanding of the amount of electricity consumed thereby promoting energy saving)

As regards the consolidated operating results for the first quarter of this fiscal year, net sales totaled ¥52,437 million, up by 6.7 % compared with the same period of the previous fiscal year. This is mainly ascribable to the continued robust hardware sales.

Concerning profit, due to an increase in income as a result of the increase in net sales and also our efforts of reducing costs such as selling, general and administrative expenses, operating income was ¥904 million (a loss of ¥620 million of the same quarter last year), and ordinary income was ¥1,084 million (a ¥653 million loss of the same quarter last year). The Group posted a net income of ¥329 million (a net loss of ¥646 million of the same period last year).

(2) Qualitative Information on Consolidated Financial Position

Total assets at the end of the quarter under review were ¥171,421 million, a decrease of ¥18,661 million from the end of the previous fiscal year, mainly attributable to a decrease in accounts receivable-trade.

Liabilities were ¥108,294 million, down by ¥18,565 million from the end of the previous fiscal year, owing to a decrease in accounts payable-trade and redemption of commercial paper.

Net assets were ¥63,126 million at the end of this period. The shareholders' equity ratio was 36.1%, an improvement of 3.5 percentage points from the end of the previous fiscal year.

(3) Qualitative Information on Consolidated Financial Forecast

Our consolidated performance forecast as announced on May 10, 2012 has not been revised.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of Yen

	FY2012 (As of March 31, 2012)	FY2013 Q1 (As of June 30, 2012)
ASSETS		
Current assets		
Cash and deposits	27,254	24,614
Notes and accounts receivable-trade	64,421	42,743
Merchandise and finished goods	5,334	6,195
Work in process	2,139	4,760
Raw materials and supplies	165	163
Deferred tax assets	5,137	5,343
Others	10,848	12,653
Allowance for doubtful accounts	(431)	(62)
Total current assets	114,869	96,410
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,274	3,307
Machinery, equipment and vehicles, net	6,434	6,262
Others, net	3,832	4,119
Total property, plant and equipment	13,540	13,689
Intangible assets		
Goodwill	2,209	2,175
Software	22,390	22,957
Others	106	121
Total intangible assets	24,706	25,254
Investments and other assets		
Investment securities	13,663	12,814
Deferred tax assets	9,621	9,097
Prepaid pension cost	1,606	1,622
Others	12,475	13,072
Allowance for doubtful accounts	(400)	(539)
Total investments and other assets	36,966	36,067
Total non-current assets	75,213	75,011
Total assets	190,083	171,421

	FY2012 (As of March 31, 2012)	FY2013 Q1 (As of June 30, 2012)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	23,377	14,740
Current portion of bonds	10,000	10,000
Current portion of long-term loans payable	10,173	9,237
Commercial papers	12,000	-
Income taxes payable	1,223	124
Allowance for loss on contract development	3,739	3,097
Other provision	738	610
Others	20,457	25,432
Total current liabilities	81,710	63,242
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	30,987	30,787
Deferred tax liabilities	175	68
Provision for retirement benefits	887	909
Other provision	439	513
Asset retirement obligations	1,300	1,307
Negative goodwill	7	3
Others	1,351	1,461
Total non-current liabilities	45,150	45,052
Total liabilities	126,860	108,294
NET ASSETS		
Shareholders' equity		
Capital stock	5,483	5,483
Capital surplus	15,281	15,281
Retained earnings	62,369	62,689
Treasury stock	(19,360)	(19,344)
Total shareholders' equity	63,773	64,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,868)	(2,257)
Deferred gains (losses) on hedges	17	(19)
Total accumulated other comprehensive income	(1,850)	(2,276)
Subscription rights to shares	847	847
Minority interests	452	445
Total net assets	63,223	63,126
Total liabilities and net assets	190,083	171,421

(2) Consolidated Statements of Income and Statements of Comprehensive Income
(Consolidated Statements of Income)

Millions of Yen

	FY2012 Q1 (Three months ended June 30, 2011)	FY2013 Q1 (Three months ended June 30, 2012)
Net sales	49,143	52,437
Cost of sales	35,796	38,692
Gross profit	13,347	13,744
Selling, general and administrative expenses	13,967	12,840
Operating income (loss)	(620)	904
Non-operating income		
Interest income	20	17
Dividends income	148	266
Others	54	129
Total non-operating income	223	413
Non-operating expense		
Interest expenses	217	178
Others	38	55
Total non-operating expenses	256	233
Ordinary income(loss)	(653)	1,084
Extraordinary income		
Gain on sales of golf memberships	-	0
Others	1	0
Total extraordinary income	1	0
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	9	13
Loss on valuation of investment securities	205	310
Loss on valuation of golf club membership	65	5
Others	0	8
Total extraordinary loss	280	337
Income (loss) before income taxes and minority interests	(932)	748
Income taxes-current	20	61
Income taxes-deferred	(313)	350
Total income taxes	(293)	411
Income (loss) before minority interests	(639)	336
Minority interests in income	6	7
Net income (loss)	(646)	329

(Consolidated Statements of Comprehensive Income)

Millions of Yen

	FY2012 Q1 (Three months ended June 30, 2011)	FY2013 Q1 (Three months ended June 30, 2012)
Income (loss) before minority interests	(639)	336
Other comprehensive income		
Valuation difference on available-for-sale securities	114	(388)
Deferred gains (losses) on hedges	(30)	(37)
Share of other comprehensive income of associates accounted for using equity method	(0)	(0)
Total other comprehensive income	84	(425)
Comprehensive income	(554)	(89)
(Breakdown)		
Comprehensive income attributable to owners of the parent	(561)	(96)
Comprehensive income attributable to minority interests	6	7

(3) Notes concerning Going Concern Assumption
Not applicable

(4) Notes in the Event of Material Changes in amount of Shareholders' Equity
Not applicable