



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

**Reference Material**

**August 1, 2012**

**Nihon Unisys, Ltd.**

## Consolidated Performance for the 1<sup>st</sup> Quarter of FY March 2013

(Billion Yen)

	FY 2013 Q1		FY 2012 Q1		Changes	
	Amount	vs Net Sales	Amount	vs Net Sales	Amount	%
Net Sales	52.4	100.0%	49.1	100.0%	+3.3	+6.7%
Gross Profit	13.7	26.2%	13.3	27.2%	+0.4	+3.0%
SG&A Expenses	12.8	24.5%	14.0	28.4%	-1.1	-8.1%
Operating Income	0.9	1.7%	-0.6	-1.3%	+1.5	Regained profitability
Ordinary Income	1.1	2.1%	-0.7	-1.3%	+1.7	Regained profitability
Net Income	0.3	0.6%	-0.6	-1.3%	+1.0	Regained profitability

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

# Net Sales and Gross Profit by Segment for the 1<sup>st</sup> Quarter of FY March 2013

(Billion Yen)

	FY 2013 Q1			Yr/Yr Change			Key Factors for Change
	Net Sales	Gross Profit	Gross Margin	Net Sales	Gross Profit	Gross Margin	
<b>Total</b>	<b>52.4</b>	<b>13.7</b>	<b>26.2%</b>	<b>+3.3</b>	<b>+0.4</b>	<b>- 0.9%</b>	Net sales and gross profit increased, as driven by Hardware Sales
<b>Breakdown</b>							
<b>System Services</b>	<b>13.5</b>	<b>2.6</b>	<b>19.0%</b>	<b>+0.5</b>	<b>- 0.6</b>	<b>- 5.5%</b>	Net sales increased, owing to orders received in the previous fiscal year. However, gross profit decreased, mainly ascribable to an increase in unprofitable projects.
<b>Support Services</b>	<b>12.4</b>	<b>4.5</b>	<b>36.5%</b>	<b>- 0.5</b>	<b>- 0.5</b>	<b>- 2.7%</b>	Net sales decreased, partly due to our price reviews for a few customers. Gross profit also decreased, mainly due to the fact that our effort of cost reduction has run its course.
<b>Outsourcing</b>	<b>7.8</b>	<b>1.4</b>	<b>17.8%</b>	<b>+0.1</b>	<b>+0.2</b>	<b>+3.0%</b>	Net sales had a limited increase, ascribable to a lack of new large-scale operations. However, the improvement of efficiency of outsourcing business helped the increase in gross margin.
<b>Netmarks Services</b>	<b>4.2</b>	<b>0.7</b>	<b>16.4%</b>	<b>+0.3</b>	<b>- 0.3</b>	<b>- 9.6%</b>	Net sales increased, mainly owing to demand for network renewal. However, due to an increase in projects of small gross margin, gross profit decreased.
<b>Other Services</b>	<b>1.8</b>	<b>0.8</b>	<b>44.1%</b>	<b>+0.1</b>	<b>- 0.0</b>	<b>- 3.7%</b>	—
<b>Software</b>	<b>3.8</b>	<b>0.6</b>	<b>15.3%</b>	<b>+0.2</b>	<b>- 0.1</b>	<b>- 3.3%</b>	Demand remained stable. However, gross margin decreased, mainly attributable to a decrease in monthly payment contracts.
<b>Hardware Sales</b>	<b>7.6</b>	<b>2.2</b>	<b>28.5%</b>	<b>+2.7</b>	<b>+1.8</b>	<b>+21.7%</b>	Net sales and gross profit significantly increased, attributable to booking of host computer renewal projects.
<b>Hardware Rental</b>	<b>1.4</b>	<b>1.0</b>	<b>73.7%</b>	<b>- 0.1</b>	<b>- 0.1</b>	<b>- 2.5%</b>	An outsourcing project (worth ¥0.2 billion) was recategorized to the hardware rental business. However, due to the impact of the expiration of large-scale project, net sales and gross profit decreased.

## Cash Flows and Balance Sheet

(Billion Yen)

	FY March 2013 Q1	FY March 2012 Q1	Changes
Net Cash Provided by Operating Activities	13.6	6.4	+7.2
Net Cash Provided by Investing Activities	-3.0	-2.4	-0.6
Free Cash Flows	10.6	4.0	+6.6

	End of FY March 2013 Q1	End of FY March 2012	Changes
Total Assets	171.4	190.1	-18.7
Total Liabilities	108.3	126.9	-18.6
Net Assets	63.1	63.2	-0.1
Interest-bearing Debts	61.3	74.2	-12.9
Net Interest-bearing Debts *	36.7	46.9	-10.2
Shareholders' Equity Ratio	36.1%	32.6%	+3.5pt
Debt/Equity Ratio (times)	0.99	1.20	-0.21
Net Debt/Equity Ratio (times)	0.59	0.76	-0.16

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

# Orders and Order Backlogs for the 1<sup>st</sup> Quarter of FY March 2013

(Billion Yen)

	FY 2013 Q1				Remarks
	Orders	Yr/Yr Changes	Order Backlogs	Yr/Yr Changes	
<b>Total</b>	<b>63.7</b>	<b>+11.7</b> <b>(+22.4%)</b>	<b>209.4</b>	<b>+20.9</b> <b>(+11.1%)</b>	Orders significantly increased as driven by Software and Hardware Sales.
<b>Breakdown</b>					
<b>System Services</b>	<b>16.8</b>	<b>- 3.3</b>	<b>25.1</b>	<b>+4.4</b>	Orders decreased due to a drop after a one-off large-scale order in the previous period. However, the pipeline for order backlogs has been maintained.
<b>Support Services</b>	<b>11.3</b>	<b>+0.7</b>	<b>38.2</b>	<b>+5.0</b>	Orders have remained stable, despite a time lag till their recognition as an increase in net sales. Also, order backlogs have increased steadily.
<b>Outsourcing</b>	<b>6.7</b>	<b>+1.1</b>	<b>103.4</b>	<b>- 4.9</b>	Order backlogs decreased, attributable to a lack of large-scale long-term projects in this quarter under review.
<b>Netmarks Services</b>	<b>6.3</b>	<b>+2.4</b>	<b>8.6</b>	<b>+0.2</b>	Order increased, ascribable to strong demand for network renewal.
<b>Other Services</b>	<b>2.3</b>	<b>+0.2</b>	<b>4.5</b>	<b>+2.4</b>	Order backlogs increased, owing to multiple-year projects accepted in Q2 of the previous fiscal year.
<b>Software</b>	<b>9.7</b>	<b>+7.1</b>	<b>17.3</b>	<b>+9.9</b>	Orders and order backlogs significantly increased, both, attributable to multiple-year monthly payment contracts.
<b>Hardware Sales</b>	<b>8.4</b>	<b>+2.9</b>	<b>6.8</b>	<b>+3.9</b>	Orders continued strong.
<b>Hardware Rental</b>	<b>2.2</b>	<b>+0.6</b>	<b>5.5</b>	<b>+0.1</b>	Orders increased due to rental contracts renewed for existing users.

## Performance Forecast for FY March 2013

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

(Billion Yen)

	Forecast for FY 2013 1 <sup>st</sup> Half		Forecast for FY 2012 2 <sup>nd</sup> Half		Forecast for FY 2013 Full Year	
	Amount	vs Net Sales	Amount	vs Net Sales	Amount	vs Net Sales
Net Sales	118.5	100.0%	146.5	100.0%	265.0	100.0%
Operating Income	2.6	2.2%	6.4	4.4%	9.0	3.4%
Ordinary Income	2.4	2.0%	5.9	4.0%	8.3	3.1%
Net Income	1.4	1.2%	3.4	2.3%	4.8	1.8%
	Actual for FY 2013 Q1		Forecast for FY 2013 Q2			
	Amount	vs Net Sales	Amount	vs Net Sales		
Net Sales	52.4	100.0%	66.1	100.0%		
Operating Income	0.9	1.7%	1.7	2.6%		
Ordinary Income	1.1	2.1%	1.3	2.0%		
Net Income	0.3	0.6%	1.1	1.6%		

\* The full-year dividend forecast has remained a total of ¥10 per share, consisting of ¥5 per share at the end of Q2 and ¥5 per share at the end of this fiscal year. (No revisions have been made to the announcement of May 10, 2012. )

# 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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