

Results for the 3rd Quarter of FY March 2021

February 2, 2021
Nihon Unisys, Ltd.

(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 FY2020 refers to the fiscal year ending March 2021.

Foresight in sight

FY2020 Q3 Consolidated Performance Results

Foresight in sight

A decrease in the small- and medium-size projects in the ICT Core area reduced net sales, despite a continued strength of the Focal Area. We continued proactive R&D investments with an eye toward creating new businesses.

(Unit: Billion Yen)

	Q3 (Apr-Dec)		Changes	
	FY2020	FY2019		
Net Sales	213.3	218.9	-5.6	-2.6%
Gross Profit	55.7	55.9	-0.2	-0.3%
SG&A Expenses	-39.4	-39.3	-0.1	-0.2%
Operating Income	16.2	16.5	-0.3	-1.6%
(Operating Margin)	(7.6%)	(7.5%)		(+0.1%)
Profit Attributable to Owners of Parent	10.9	11.9	-1.0	-8.4%
Orders	213.7	203.0	+10.7	+5.3%
Order Backlogs	231.0	210.7	+20.4	+9.7%
(Order backlogs in the current FY)	61.3	58.5	+2.8	+4.7%

<Key Points of Q3 Performance Results>

■ Net sales

Outsourcing services remained strong. System services decreased partly due to postponing renewals of the existing systems mainly in the ICT Core area.

■ Operating income

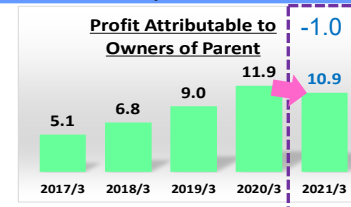
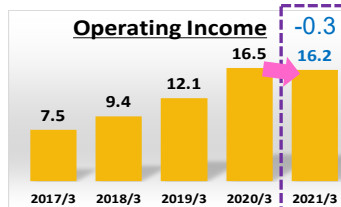
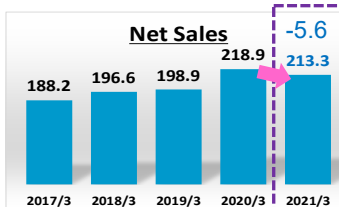
System services gross profit was reduced as a result of decreased net sales. However, the reduction was outweighed by outsourcing services. Thus, gross profit was only slightly impacted. SG&A expenses were driven by R&D costs for new business creation and strengthening our internal security platforms. As a result, operating income was pushed down.

■ Orders and order backlogs

Long-term large-scale outsourcing projects and DX device sales were accumulated to increase orders and order backlogs in Q3 as in Q2.

Order backlogs mainly of products sales increased to the extent that the backlogs are to be posted as net sales in the fiscal year.

[Reference] Changes in the Q3(Apr-Dec) performance (Unit: Billion Yen)



FY2020 Q3 Net Sales and Gross Profit by Segment

Foresight in sight

(Unit: Billion Yen)

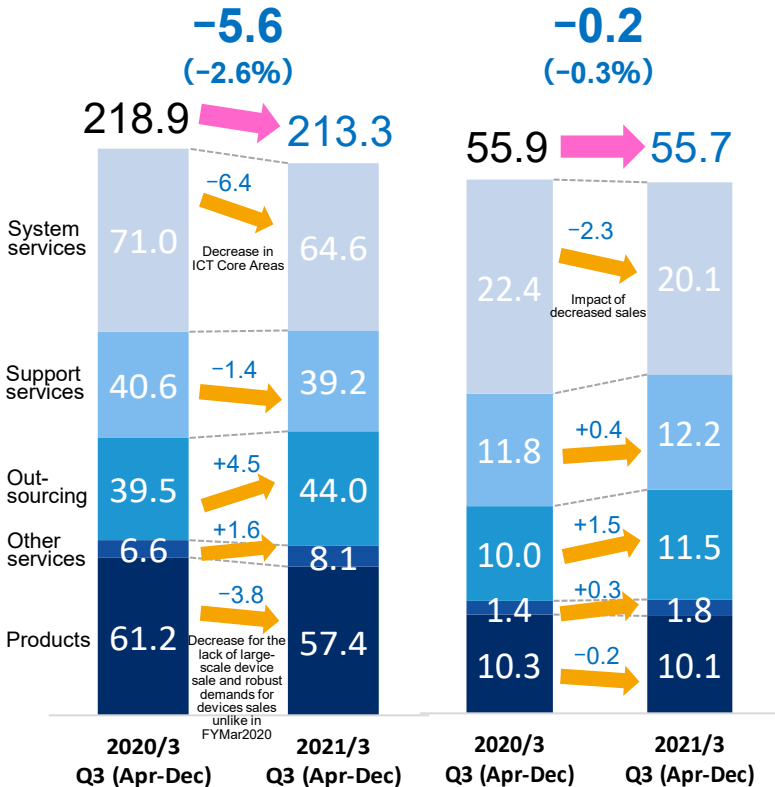
Net Sales

Gross Profit

【Reference】

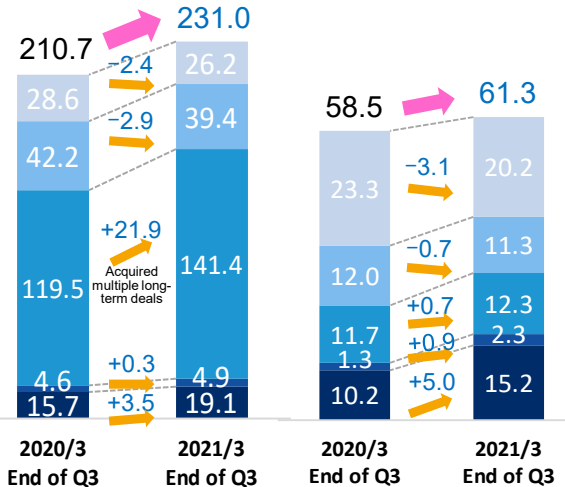
Order Backlogs (Total)

Order Backlogs (to be posted as net sales within the FY)

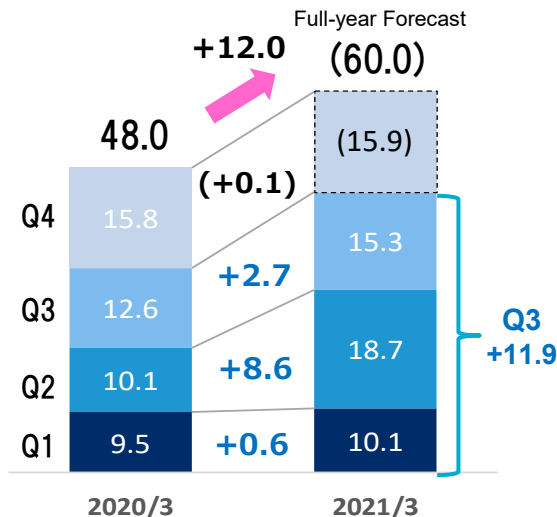


Order Backlogs (Total)

Order Backlogs (to be posted as net sales within the FY)

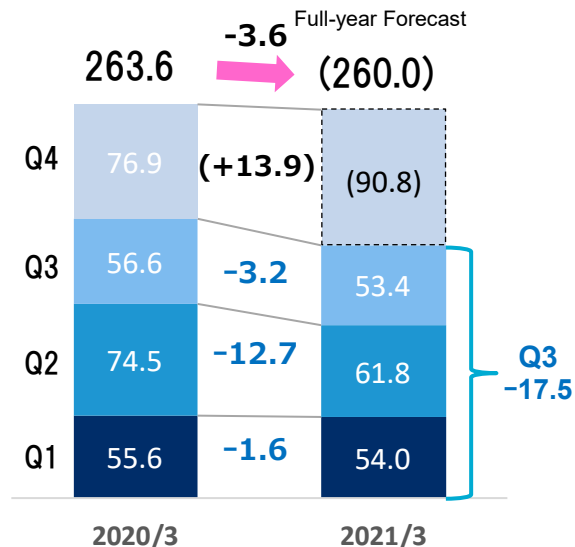


Net Sales of Focal Areas



- Retail DX businesses as well as device sales projects of educational DX business (GIGA School) continued to be strong.
- Use of dashcams (event data recorders) and energy-management services increased steadily.

Net Sales of ICT Core Areas



- Investments were continuously reduced and projects mainly about back-office systems were continuously postponed in some industries.
- Lack of the mainframe product sales posted in Q3 of FYMar2020.

Full-Year Performance Forecast for FY2020

Foresight in sight

✓ The full-year forecast announced on November 6 remains unchanged.

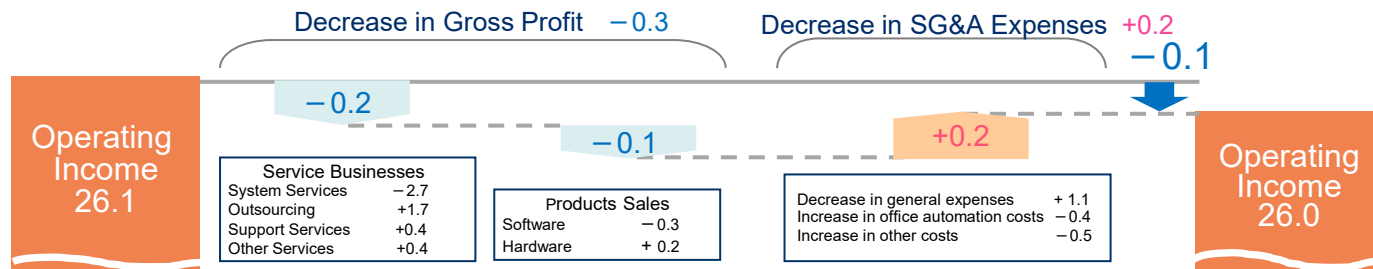
(Unit: Billion Yen)

	FY2020 Q3(Apr-Dec) Actual		FY2020 Q4 Forecast		FY2020 Full-Year Forecast		FY2020 Targets stipulated in the mid-term management plan
	Amount	Yr/Yr	Amount	Yr/Yr	Amount	Yr/Yr	Amount
Net Sales	213.3	-5.6	106.7	+14.0	320.0	+8.4	320.0
Operating Income	16.2	-0.3	9.8	+0.1	26.0	-0.1	
(Operating Margin)	(7.6%)	(+0.1pt)	(9.1%)	(-1.3pt)	(8.1%)	(-0.3pt)	8.0% or more
Profit Attributable to Owners of Parent	10.9	-1.0	6.1	-0.2	17.0	-1.2	

* See the supplementary material for a breakdown of the forecast above.

[Details of FY2020 Full-Year Operating Income Forecast]

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



FY2019 Full-Year

FY2020 Full-Year

Foresight in sight

UNISYS

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(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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