

Results for the 3rd Quarter of FY March 2018

February 1, 2018
Nihon Unisys, Ltd.

Summary of the Results for FY2017 3Q

Foresight in sight

A continued increase in sales and income/profit was enabled in Q3 benefiting from services' growth as in H1 and strong product sales.

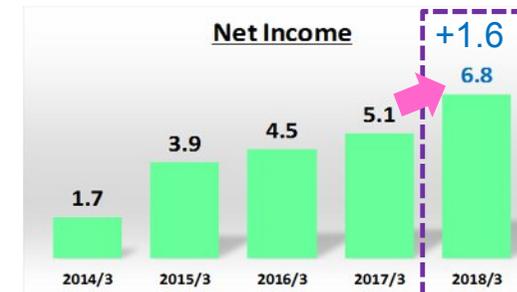
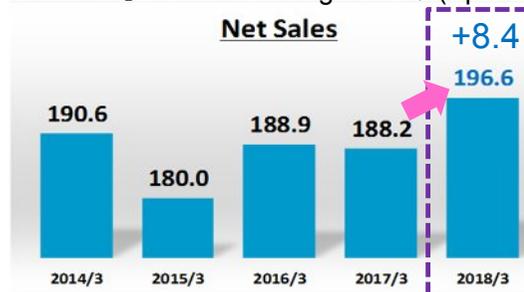
(Unit : Billion Yen)

	FY2017 Q3 (Apr-Dec)		Changes	
	FY2017	FY2016		
Net Sales	196.6	188.2	+8.4	+4.5%
Gross Profit	47.7	45.4	+2.2	+4.9%
SG&A Costs	-38.2	-38.0	-0.3	-0.7%
Operating Income	9.4	7.5	+2.0	+26.3%
(Operating Margin)	(4.8%)	(4.0%)		(+0.8pt)
Profit Attributable to Owners of Parent	6.8	5.1	+1.6	+31.9%
Orders	206.2	191.3	+14.9	+7.8%
Order Backlogs	220.3	214.7	+5.7	+2.6%

<Key Points of Q3 Results>

- Net sales**
 were driven by a growth in product sales, outsourcing and system services.
- Operating income**
 grew by 26% due to an increase in SG&A costs outweighed by the strong net sales and an improved gross margin.
- Profit attributable to owners of parent**
 was pushed up by the increase in operating income.
- Orders and order backlogs**
 Outsourcing and product sales took the lead in a growth in orders. Order backlogs increased by 3%, attributable to an increase in long-term outsourcing contracts.

【For Reference】 5-Years Changes of Q3(Apr-Dec) Results (Unit : Billion Yen)

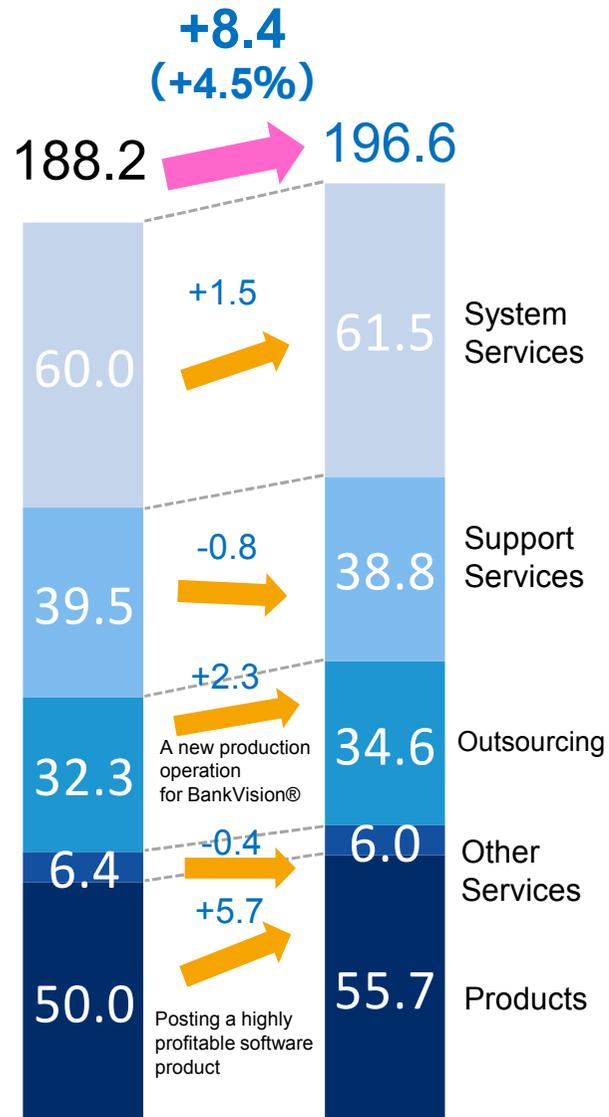


Net Sales and Gross Profit by Segment

Foresight in sight

(Unit : Billion Yen)

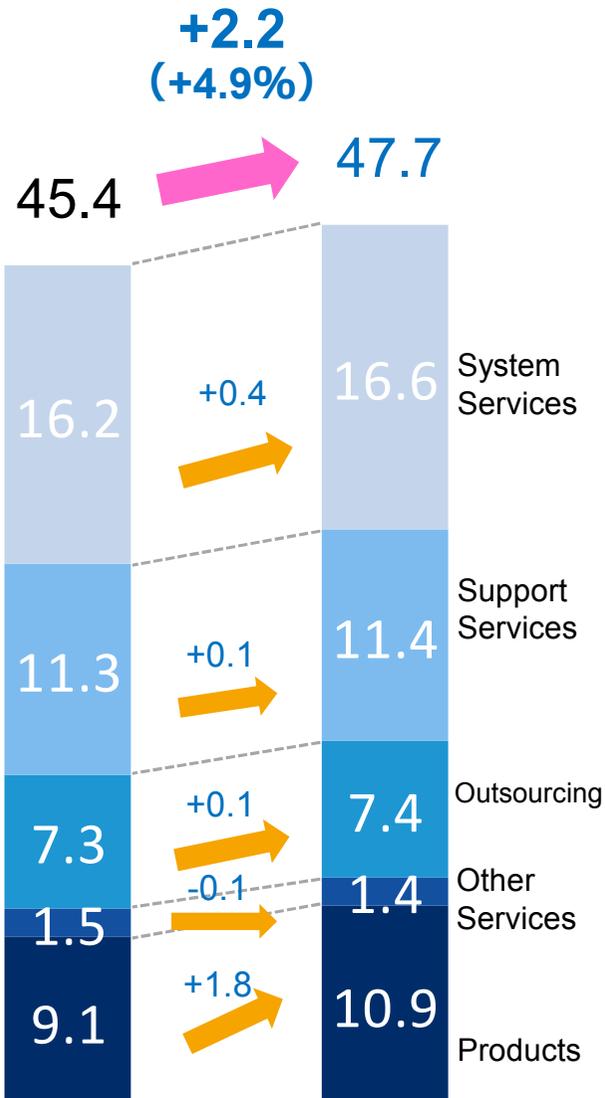
Net Sales



FY 2016 Q3

FY 2017 Q3

Gross Profit

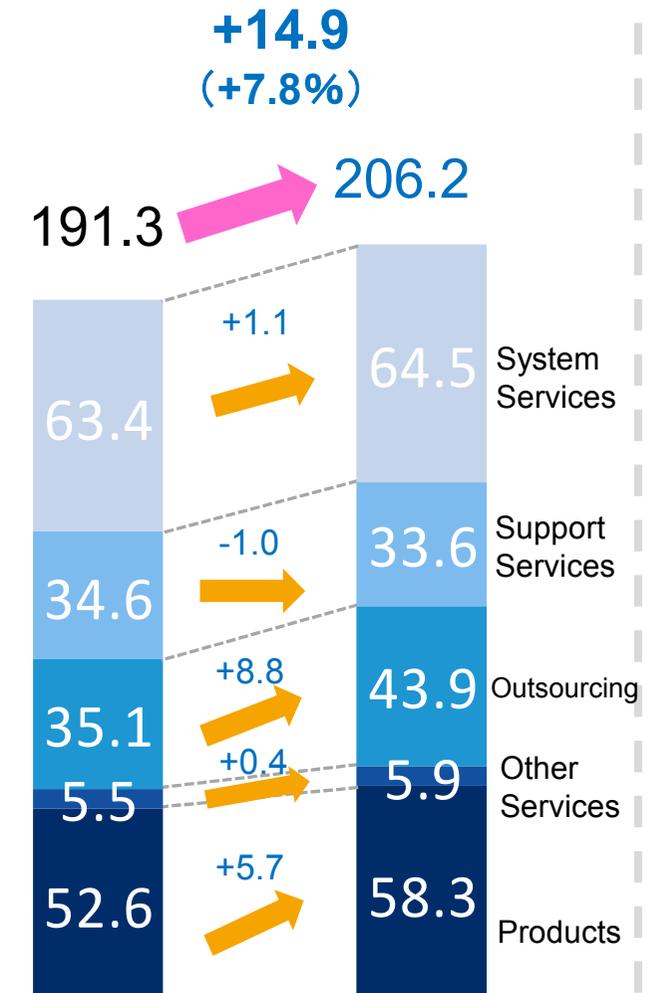


FY 2016 Q3

FY 2017 Q3

【Reference】

Orders



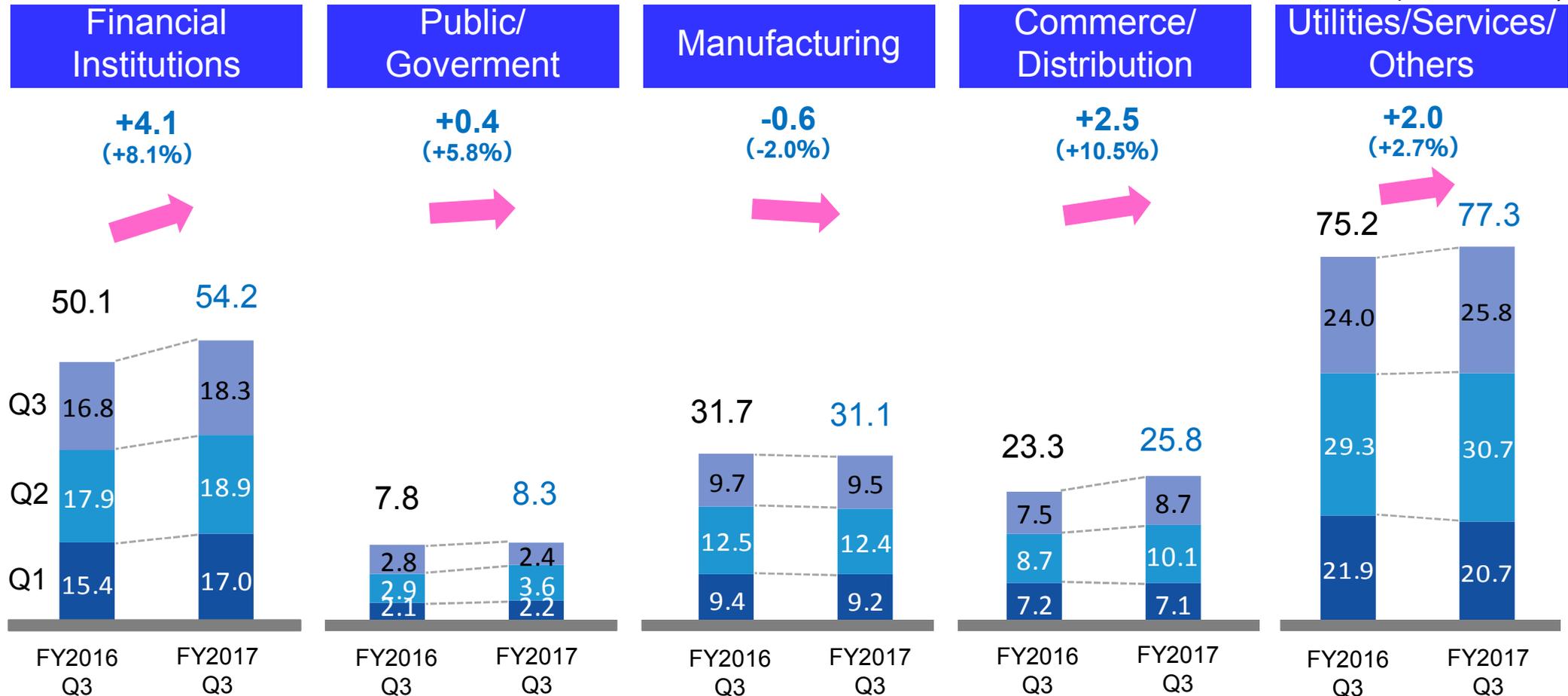
FY 2016 Q3

FY 2017 Q3

Net Sales by Market

Foresight in sight

(Unit : Billion Yen)



Market Overview

(Financial Institutions)
 Plenty of enquiries about branch office front solutions continued. A menu of new services predicated on FinTech has been enhanced.

(Public/Government)
 Regional revitalization businesses targeted on local governments have been focused on.

(Manufacturing)
 Reliable demands have been witnessed mainly in the auto industry. An IoT platform services lineup has been intensified qualitatively and quantitatively, targeting the manufacturing industry.

(Commerce/Distribution)
 Efforts to increase implementation-type solutions were made targeting retail/EC businesses. AI-aided robots capable of retailers' store guidance / inventory control has been in the phase of POC.

(Utilities/Services/Others)
 Businesses predicated on platform sharing have been expanded. Social infrastructure businesses represented by energy management systems have been in our continued focus.

Full-Year Performance Forecast for FY2017

Foresight in sight

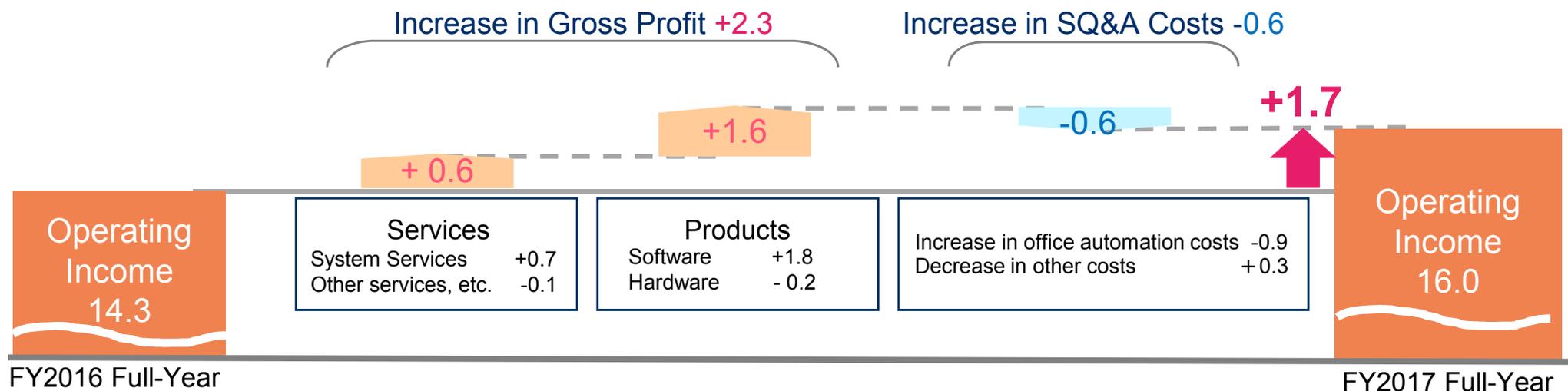
The full-year forecasts of net sales, operating income, and profit attributable to owners of parent have not been revised since they were announced on November 6, 2017.

(Unit : Billion Yen)

	FY2017 Q3 (Apr-Dec) Actual		FY2017 Q4 (Jan-Mar) Forecast		FY2017 Full-Year Forecast	
	Amount	Changes	Amount	Changes	Amount	Changes
Net Sales	196.6	+8.4	93.4	-0.6	290.0	+7.8
Operating Income	9.4	+2.0	6.6	-0.3	16.0	+1.7
(Operating Margin)	(4.8%)		(7.0%)		(5.5%)	
Profit Attributable to Owners of Parent	6.8	+1.6	4.2	-0.9	11.0	+0.7

【Details of FY2017 Full-Year Operating Income】

* See the supplementary material for breakdown of the forecast
(Unit : Billion Yen)



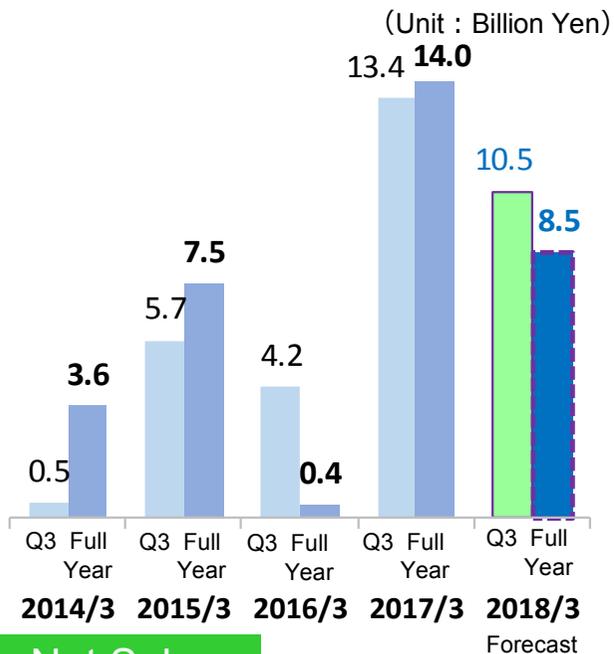
(Reference) Financial Indicators/ Progress of the Mid-term Management Plan

Foresight in sight

▼ FY2017 Q3 Actual

▼ FY2016 Q3 Actual

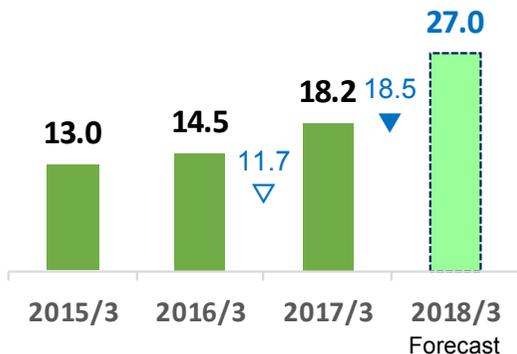
Free Cash Flow



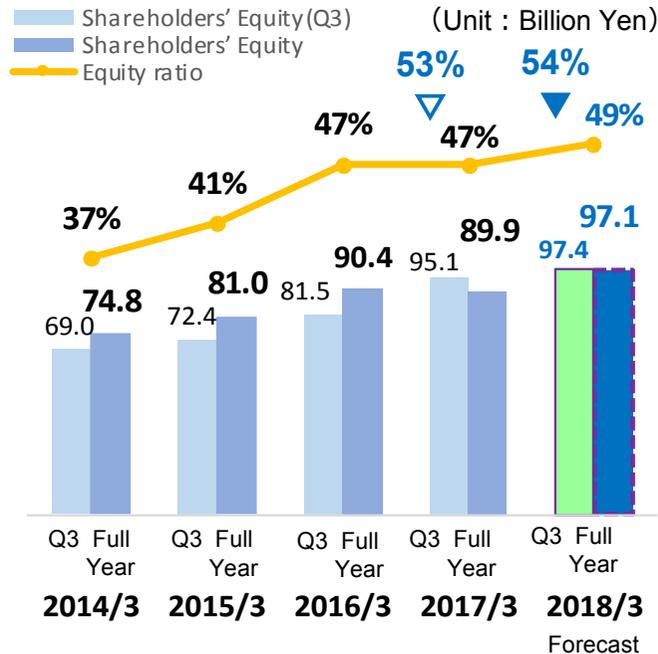
Net Sales

Digital Innovation

(Unit : Billion Yen)

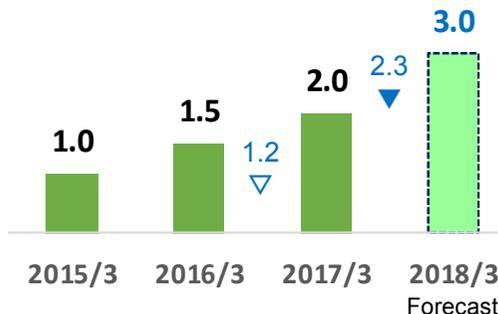


Shareholders' Equity

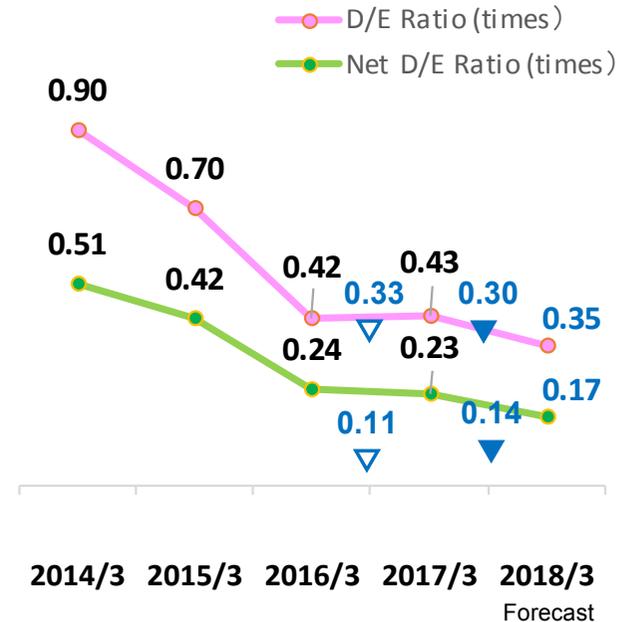


Life Innovation

(Unit : Billion Yen)

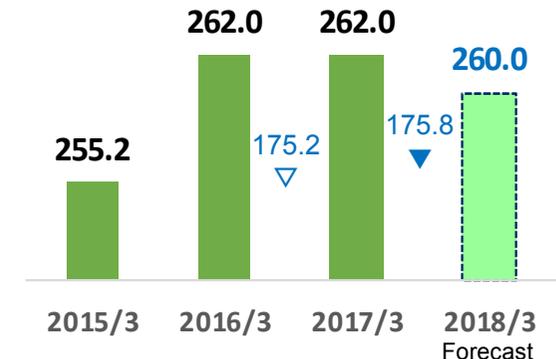


D/E Ratio



Business ICT Platform

(Unit : Billion Yen)



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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