Note) This is an English translation of summarized consolidated financial results prepared for readers' convenience. Should there be any inconsistency between the translation and the original Japanese text, the latter shall prevail.

Consolidated Financial Report for the Fiscal Year Ended March 31, 2019 [Japan GAAP]

May 9, 2019

Nihon Unisys, Ltd.

Stock Listing:	Tokyo Stock Exchange 1st Section
Stock Code:	8056
URL:	https://www.unisys.co.jp/
Representative:	Akiyoshi Hiraoka, Representative Director, President & CEO
Scheduled Date for Ordinary General Meeting of Shareholders:	June 26, 2019
Scheduled Starting Date for Dividend Payment:	June 27, 2019
Scheduled Submission Date for Securities Report:	June 27, 2019
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors, analysts and press)

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

1. Consolidated Financial Results for FY2019 (from April 1, 2018 to March 31, 2019)

(1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from previous year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2019	299,029	4.2	20,622	26.3	20,515	27.5	14,238	19.2
FY2018	286,977	1.7	16,332	14.1	16,092	16.2	11,949	16.4

(Note) Comprehensive Income FY2019: 15,776 Million Yen (-6.1%) FY2018: 16,794 Million Yen (28.6%)

	Earnings Per Share	Diluted Earnings Per Share	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
FY2019	141.90	141.40	13.1	10.0	6.9
FY2018	119.12	118.69	12.4	8.3	5.7

(Reference) Share of Profit of Entities Accounted for Using Equity Method FY2019: (574) Million Yen FY2018: (21) Million Yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
FY2019	211,421	116,615	54.2	1,142.41
FY2018	197,278	104,674	52.2	1,026.72

(Reference) Equity FY2019: 114,638 Million Yen FY2018: 103,001 Million Yen

(3) Consolidated Cash Flow Status

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2019	27,438	(10,586)	(8,226)	27,200
FY2018	26,956	(13,227)	(12,977)	18,575

2. Dividends

	Dividends Per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2018	—	20.00	—	20.00	40.00	4,012	33.6	4.2
FY2019	—	25.00	—	30.00	55.00	5,519	38.8	5.1
FY2020 (Forecast)	—	32.50	—	32.50	65.00		40.8	

3. Consolidated Earnings Forecast for FY2020 (from April 1, 2019 to March 31, 2020)

(Percentage below represents increase (decrease) from previous year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Earnings Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of yen	%	Yen
FY2020 1st Half	137,000	2.4	9,000	10.9	9,000	5.4	6,500	5.0	64.77
FY2020	307,000	2.7	23,000	11.5	22,800	11.1	16,000	12.4	159.44

* Notes

(1) Change in the scope of consolidation (change of condition of significant consolidated subsidiaries) during the period: No

(2) 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

(3) Number of shares outstanding (common stock) (shares)

1. Number of shares outstanding (including treasury shares)	FY2019	109,663,524	FY2018	109,663,524
2. Number of shares of treasury shares	FY2019	9,315,429	FY2018	9,341,775
3. Average number of shares outstanding (during the period)	FY2019	100,337,359	FY2018	100,314,744

(Reference) Summary of Non-Consolidated Performance Results

1. Non-Consolidated Financial Results for FY2019 (from April 1, 2018 to March 31, 2019)

(1) Non-Consolidated Results of Operations

(Percentage below presents increase (decrease) from previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2019	175,298	4.5	12,793	45.0	18,269	61.8	13,886	33.9
FY2018	167,808	(1.5)	8,826	14.6	11,290	23.8	10,372	33.5

	Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
FY2019	138.40	137.90
FY2018	103.40	103.02

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
FY2019	160,255	95,813	59.5	950.49
FY2018	153,933	86,253	55.8	856.07

(Reference) Equity FY2019: 95,381 Million Yen FY2018: 85,883 Million Yen

2. Non-Consolidated Earnings Forecast for FY2020 (from April 1, 2019 to March 31, 2020)

Percentage below represents increase(decrease)from 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
FY2020 1st Half	85,000	3.2	6,100	4.7	11,100	4.2	9,000	3.2	89.69
FY2020	180,000	2.7	13,500	5.5	19,200	5.1	15,000	8.0	149.48

* Implementation status of audit procedures

This Consolidated Financial Report is not subject to audit procedures.

* 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 the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of Yen

	FY2018 (As of March 31, 2018)	FY2019 (As of March 31, 2019)
ASSETS		
Current assets		
Cash and deposits	18,575	27,200
Notes and accounts receivable - trade	68,650	72,479
Merchandise and finished goods	5,210	8,248
Work in process	1,426	1,947
Raw materials and supplies	127	86
Prepaid expenses	11,360	12,011
Other	5,163	6,353
Allowance for doubtful accounts	(56)	(56)
Total current assets	**110,458**	**128,270**
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,589	12,760
Accumulated depreciation	(8,240)	(8,678)
Buildings and structures, net	4,348	4,082
Machinery, equipment and vehicles	31,623	30,560
Accumulated depreciation	(23,344)	(23,889)
Machinery, equipment and vehicles, net	8,278	6,670
Land	599	599
Other	9,805	10,180
Accumulated depreciation	(6,637)	(7,283)
Other, net	3,167	2,897
Total property, plant and equipment	**16,393**	**14,249**
Intangible assets		
Goodwill	753	1,288
Software	22,253	19,982
Other	60	102
Total intangible assets	**23,066**	**21,373**
Investments and other assets		
Investment securities	23,282	23,854
Deferred tax assets	4,182	1,656
Net defined benefit asset	3,556	7,087
Other	16,653	15,237
Allowance for doubtful accounts	(314)	(307)
Total investments and other assets	**47,360**	**47,528**
Total non-current assets	**86,819**	**83,151**
Total assets	**197,278**	**211,421**

Millions of Yen

	FY2018 (As of March 31, 2018)	FY2019 (As of March 31, 2019)
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	21,820	26,009
Short-term loans payable	1,350	1,050
Current portion of long-term loans payable	5,492	5,255
Income taxes payable	2,067	2,905
Accrued expenses	10,532	11,155
Advances received	14,457	15,761
Allowance for loss on contract development	227	652
Other provision	1,618	1,555
Other	10,559	10,254
Total current liabilities	**68,125**	**74,600**
Non-current liabilities		
Long-term loans payable	21,152	16,635
Provision	783	416
Net defined benefit liability	687	614
Asset retirement obligations	1,127	1,131
Other	727	1,408
Total non-current liabilities	**24,478**	**20,206**
Total liabilities	**92,604**	**94,806**
NET ASSETS		
Shareholders' equity		
Capital stock	5,483	5,483
Capital surplus	14,361	14,909
Retained earnings	88,185	97,893
Treasury shares	(13,578)	(13,540)
Total shareholders' equity	**94,451**	**104,745**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,547	6,561
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	5	(31)
Remeasurements of defined benefit plans	1,997	3,361
Total accumulated other comprehensive income	**8,550**	**9,892**
Share acquisition rights	369	432
Non-controlling interests	1,302	1,544
Total net assets	**104,674**	**116,615**
Total liabilities and net assets	**197,278**	**211,421**

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

(Consolidated Statements of Income)

Millions of Yen

	FY2018 (Fiscal year ended March 31, 2018)	FY2019 (Fiscal year ended March 31, 2019)
Net sales	**286,977**	**299,029**
Cost of sales	**218,174**	**225,859**
Gross profit	**68,803**	**73,169**
Selling, general and administrative expenses		
Selling expenses	9,349	8,119
General and administrative expenses	43,120	44,427
Total selling, general and administrative expenses	**52,470**	**52,547**
Operating income	**16,332**	**20,622**
Non-operating income		
Interest income	3	8
Dividend income	413	466
Rebate revenue	44	94
Other	228	218
Total non-operating income	**690**	**788**
Non-operating expenses		
Interest expenses	126	98
Share of loss of entities accounted for using equity method	21	574
Loss on investments in partnership	128	176
Settlement package	606	-
Other	47	44
Total non-operating expenses	**930**	**895**
Ordinary income	**16,092**	**20,515**
Extraordinary income		
Gain on sales of investment securities	5	133
Gain on sale of businesses	108	-
Other	7	0
Total extraordinary income	**120**	**133**
Extraordinary losses		
Loss on sales and retirement of non-current assets	72	13
Impairment loss	576	361
Loss on valuation of investment securities	29	774
Other	3	8
Total extraordinary losses	**682**	**1,159**
Profit before income taxes	**15,531**	**19,490**
Income taxes - current	**1,977**	**3,150**
Income taxes - deferred	**1,487**	**1,906**
Total income taxes	**3,465**	**5,057**
Profit	**12,065**	**14,433**
Profit attributable to non-controlling interests	**116**	**195**
Profit attributable to owners of parent	**11,949**	**14,238**

(Consolidated Statements of Comprehensive Income)

Millions of Yen

	FY2018 (Fiscal year ended March 31, 2018)	FY2019 (Fiscal year ended March 31, 2019)
Profit	**12,065**	**14,433**
Other comprehensive income		
Valuation difference on available-for-sale securities	1,921	14
Deferred gains or losses on hedges	(1)	0
Remeasurements of defined benefit plans	2,802	1,364
Share of other comprehensive income of entities accounted for using equity method	5	(37)
Total other comprehensive income	**4,728**	**1,343**
Comprehensive income	**16,794**	**15,776**
(Breakdown)		
Comprehensive income attributable to owners of parent	16,677	15,580
Comprehensive income attributable to non-controlling interests	116	195

(3) Consolidated Statement of Changes in Equity

FY2018 [From April 1, 2017 to March 31, 2018]

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,483	14,200	80,005	(13,592)	86,096
Changes of items during the period					
Dividends of surplus			(3,761)		(3,761)
Profit attributable to owners of parent			11,949		11,949
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(7)	15	8
Change in ownership interest of parent due to transactions with non-controlling interests		160			160
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	160	8,180	14	8,355
Balance at end of period	5,483	14,361	88,185	(13,578)	94,451

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,625	1	—	(805)	3,821	294	560	90,772
Changes of items during the period								
Dividends of surplus								(3,761)
Profit attributable to owners of parent								11,949
Purchase of treasury shares								(0)
Disposal of treasury shares								8
Change in ownership interest of parent due to transactions with non-controlling interests								160
Net changes of items other than shareholders' equity	1,921	(1)	5	2,802	4,728	75	742	5,546
Total changes of items during the period	1,921	(1)	5	2,802	4,728	75	742	13,901
Balance at end of period	6,547	0	5	1,997	8,550	369	1,302	104,674

(3) Consolidated Statement of Changes in Equity

FY2019 [From April 1, 2018 to March 31, 2019]

Millions of Yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,483	14,361	88,185	(13,578)	94,451
Changes of items during the period					
Dividends of surplus			(4,514)		(4,514)
Profit attributable to owners of parent			14,238		14,238
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares			(15)	38	23
Change in ownership interest of parent due to transactions with non-controlling interests		547			547
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	547	9,708	37	10,293
Balance at end of period	5,483	14,909	97,893	(13,540)	104,745

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	6,547	0	5	1,997	8,550	369	1,302	104,674
Changes of items during the period								
Dividends of surplus								(4,514)
Profit attributable to owners of parent								14,238
Purchase of treasury shares								(1)
Disposal of treasury shares								23
Change in ownership interest of parent due to transactions with non-controlling interests								547
Net changes of items other than shareholders' equity	14	0	(37)	1,364	1,342	62	242	1,647
Total changes of items during the period	14	0	(37)	1,364	1,342	62	242	11,941
Balance at end of period	6,561	0	(31)	3,361	9,892	432	1,544	116,615

(4) Consolidated Statements of Cash Flows

Millions of Yen

	FY2018 (Fiscal year ended March 31, 2018)	FY2019 (Fiscal year ended March 31, 2019)
Net cash provided by (used in) operating activities:		
Profit before income taxes	15,531	19,490
Depreciation and amortization	10,279	11,537
Impairment loss	576	361
Amortization of goodwill	83	116
Share of loss (profit) of entities accounted for using equity method	21	574
Loss (gain) on sales of investment securities	(2)	(127)
Loss (gain) on valuation of investment securities	29	774
Increase (decrease) in allowance for loss on contract development	(85)	425
Increase (decrease) in other provision	17	(437)
Increase (decrease) in net defined benefit liability	(1,125)	(72)
Decrease (increase) in net defined benefit asset	(2,610)	(3,531)
Increase (decrease) in remeasurements of defined benefit plans	4,043	1,966
Interest and dividends income	(417)	(475)
Interest expenses	126	98
Decrease (increase) in notes and accounts receivable - trade	1,625	(3,829)
Decrease (increase) in inventories	945	(3,516)
Decrease (increase) in advances paid	(329)	(1,082)
Increase (decrease) in notes and accounts payable - trade	(789)	4,189
Increase (decrease) in accrued expenses	547	622
Other	(127)	2,388
Subtotal	28,341	29,474
Interest and dividend received	418	476
Interest paid	(128)	(99)
Income taxes paid	(1,675)	(2,413)
Net cash provided by (used in) operating activities	26,956	27,438
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(3,665)	(2,925)
Proceeds from sales of property, plant and equipment	25	27
Purchase of intangible assets	(6,926)	(4,669)
Purchase of investment securities	(2,811)	(2,307)
Proceeds from sales of investment securities	36	271
Payments of loans receivable from subsidiaries and associates	-	(230)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(733)
Proceeds from sale of businesses	110	-
Other	3	(18)
Net cash provided by (used in) investing activities	(13,227)	(10,586)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,000	(300)
Proceeds from long-term loans payable	6,362	737
Repayments of long-term loans payable	(11,007)	(5,492)
Proceeds from sale and leasebacks	1	1,098
Repayments of other borrowings	(461)	(593)
Increase (decrease) in commercial papers	(6,000)	-
Cash dividends paid	(3,758)	(4,511)
Dividends paid to non-controlling interests	(41)	(64)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	930	900
Other	0	(1)
Net cash provided by (used in) financing activities	(12,977)	(8,226)
Net increase (decrease) in cash and cash equivalents	751	8,625
Cash and cash equivalents at beginning of period	17,823	18,575
Cash and cash equivalents at end of period	18,575	27,200