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.

# [Summary]Consolidated Financial Report for the First Quarter of Fiscal Year Ending March 31, 2020 [Japan GAAP]

August 01, 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 Submission Date for Quarterly Report: | August 08 , 2019 |
| Scheduled Starting Date for Dividend Payment: | - |
| Earnings Supplementary Explanatory Documents: | yes |
| Earnings Results Briefing: | yes (for institutional investors, analysts) |

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

## 1. Consolidated Financial Results for FY2020 Q1 (from April 1, 2019 to June 30, 2019)

### (1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from the same period of 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 | % |
| **FY2020 Q1** | 65,154 | 14.2 | 3,076 | 109.8 | 3,719 | 109.4 | 2,642 | 87.6 |
| **FY2019 Q1** | 57,030 | 1.6 | 1,466 | 2.2 | 1,776 | 2.2 | 1,408 | 5.1 |

(Note) Comprehensive Income FY2020 Q1: 1,786Million Yen ( -4.3 % ) FY2019 Q1: 1,867Million Yen ( -34.5 %)

| | Earnings Per Share | Diluted Earnings Per Share |
|---|---|---|
| | Yen | Yen |
| **FY2020 Q1** | 26.33 | 26.24 |
| **FY2019 Q1** | 14.04 | 13.99 |

### (2) Consolidated Financial Position

| | Total Assets | Net Assets | Shareholders' Equity Ratio |
|---|---|---|---|
| | Millions of Yen | Millions of Yen | % |
| **FY2020 Q1** | 199,688 | 115,305 | 56.8% |
| **FY2019** | 211,421 | 116,615 | 54.2% |

(Reference) Shareholders' Equity FY2020 Q1: 113,432 Million Yen FY2019: 114,638 Million Yen

## 2. Dividends

| | Dividends Per Share | | | | |
|---|---|---|---|---|---|
| | End of Q1 | End of Q2 | End of Q3 | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| **FY2019** | — | 25.00 | — | 30.00 | 55.00 |
| **FY2020** | — | | | | |
| **FY2020 (Forecast)** | | 32.50 | — | 32.50 | 65.00 |

(Note) Revisions to the latest forecast of dividends: No

## 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 |

(Note) Revisions to 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 at the end of the period (including treasury stock) | FY2020 Q1 | 109,663,524 | FY2019 | 109,663,524 |
| 2. Number of shares of treasury stock at the end of the period | FY2020 Q1 | 9,311,485 | FY2019 | 9,315,429 |
| 3. Average number of shares outstanding during the period | FY2020 Q1 | 100,350,623 | FY2019 Q1 | 100,327,674 |

*This consolidated financial report is not subject to quarterly review 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.

## 2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of Yen

| | FY2019 (As of March 31, 2019) | FY2020 Q1 (As of June 30, 2019) |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and deposits | 27,200 | 35,328 |
| Notes and accounts receivable - trade | 72,479 | 46,303 |
| Merchandise and finished goods | 8,248 | 11,206 |
| Work in process | 1,947 | 4,462 |
| Raw materials and supplies | 86 | 81 |
| Other | 18,364 | 20,433 |
| Allowance for doubtful accounts | (56) | (38) |
| **Total current assets** | **128,270** | **117,778** |
| **Non-current assets** | | |
| **Property, plant and equipment** | | |
| Buildings and structures, net | 4,082 | 4,047 |
| Machinery, equipment and vehicles, net | 6,670 | 6,209 |
| Other, net | 3,496 | 3,378 |
| **Total property, plant and equipment** | **14,249** | **13,634** |
| **Intangible assets** | | |
| Goodwill | 1,288 | 1,234 |
| Software | 19,982 | 19,408 |
| Other | 102 | 94 |
| **Total intangible assets** | **21,373** | **20,738** |
| **Investments and other assets** | | |
| Investment securities | 23,854 | 23,699 |
| Deferred tax assets | 1,656 | 1,236 |
| Net defined benefit asset | 7,087 | 7,563 |
| Other | 15,237 | 15,336 |
| Allowance for doubtful accounts | (307) | (298) |
| **Total investments and other assets** | **47,528** | **47,537** |
| **Total non-current assets** | **83,151** | **81,910** |
| **Total assets** | **211,421** | **199,688** |

Millions of Yen

| | FY2019 (As of March 31, 2019) | FY2020 Q1 (As of June 30, 2019) |
|---|---|---|
| **Liabilities** | | |
| **Current liabilities** | | |
| Notes and accounts payable - trade | 26,009 | 19,203 |
| Short-term loans payable | 1,050 | 350 |
| Current portion of long-term loans payable | 5,255 | 5,180 |
| Income taxes payable | 2,905 | 287 |
| Accrued expenses | 11,155 | 7,119 |
| Advances received | 15,761 | 22,766 |
| Allowance for loss on contract development | 652 | 387 |
| Other provision | 1,555 | 1,182 |
| Other | 10,254 | 9,632 |
| **Total current liabilities** | **74,600** | **66,109** |
| **Non-current liabilities** | | |
| Long-term loans payable | 16,635 | 15,765 |
| Provision | 416 | 231 |
| Net defined benefit liability | 614 | 624 |
| Asset retirement obligations | 1,131 | 1,136 |
| Other | 1,408 | 514 |
| **Total non-current liabilities** | **20,206** | **18,273** |
| **Total liabilities** | **94,806** | **84,383** |
| **Net assets** | | |
| **Shareholders' equity** | | |
| Capital stock | 5,483 | 5,483 |
| Capital surplus | 14,909 | 14,909 |
| Retained earnings | 97,893 | 97,522 |
| Treasury shares | (13,540) | (13,535) |
| **Total shareholders' equity** | **104,745** | **104,379** |
| **Accumulated other comprehensive income** | | |
| Valuation difference on available-for-sale securities | 6,561 | 6,049 |
| Deferred gains or losses on hedges | 0 | 0 |
| Foreign currency translation adjustment | (31) | (54) |
| Remeasurements of defined benefit plans | 3,361 | 3,057 |
| **Total accumulated other comprehensive income** | **9,892** | **9,052** |
| Stock acquisition rights | 432 | 428 |
| Non-controlling interests | 1,544 | 1,444 |
| **Total net assets** | **116,615** | **115,305** |
| **Total liabilities and net assets** | **211,421** | **199,688** |

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

(Consolidated Statements of Income)

Millions of Yen

| | FY2019 Q1 (Three months ended June 30, 2018) | FY2020 Q1 (Three months ended June 30, 2019) |
|---|---|---|
| **Net sales** | **57,030** | **65,154** |
| **Cost of sales** | **43,035** | **49,426** |
| **Gross profit** | **13,994** | **15,728** |
| **Selling, general and administrative expenses** | **12,528** | **12,652** |
| **Operating income** | **1,466** | **3,076** |
| **Non-operating income** | | |
| Interest income | 1 | 2 |
| Dividend income | 336 | 353 |
| Reversal of reserve for contingent losses | - | 300 |
| Other | 63 | 108 |
| **Total non-operating income** | **401** | **764** |
| **Non-operating expenses** | | |
| Interest expenses | 24 | 18 |
| Settlement package | 2 | 65 |
| Loss on investments in partnership | 9 | 25 |
| Other | 54 | 11 |
| **Total non-operating expenses** | **91** | **120** |
| **Ordinary income** | **1,776** | **3,719** |
| **Extraordinary income** | | |
| Gain on sales of investment securities | - | 11 |
| Other | - | 0 |
| **Total extraordinary income** | - | **11** |
| **Extraordinary losses** | | |
| Impairment loss | - | 51 |
| Loss on valuation of investment securities | 182 | 45 |
| Other | 2 | 4 |
| **Total extraordinary losses** | **184** | **101** |
| **Profit before income taxes** | **1,591** | **3,629** |
| **Income taxes - current** | **(39)** | **235** |
| **Income taxes - deferred** | **230** | **766** |
| **Total income taxes** | **191** | **1,001** |
| **Profit** | **1,399** | **2,627** |
| **Profit (loss) attributable to non-controlling interests** | **(8)** | **(14)** |
| **Profit attributable to owners of parent** | **1,408** | **2,642** |

(Consolidated Statements of Comprehensive Income)

Millions of Yen

| | FY2019 Q1 (Three months ended June 30, 2018) | FY2020 Q1 (Three months ended June 30, 2019) |
|---|---|---|
| **Profit** | **1,399** | **2,627** |
| **Other comprehensive income** | | |
| Valuation difference on available-for-sale securities | 422 | (512) |
| Deferred gains or losses on hedges | (0) | (1) |
| Remeasurements of defined benefit plans | 131 | (303) |
| Share of other comprehensive income of entities accounted for using equity method | (86) | (23) |
| **Total other comprehensive income** | **467** | **(841)** |
| **Comprehensive income** | **1,867** | **1,786** |
| **(Breakdown)** | | |
| Comprehensive income attributable to owners of parent | 1,875 | 1,801 |
| Comprehensive income attributable to non-controlling interests | (8) | (15) |