Note: This is an English translation of the Notice of the 76th Ordinary General Meeting of Shareholders of Nihon Unisys, Ltd. prepared for readers' convenience. Should there be any inconsistency between this translation and the original Japanese text, the latter shall prevail.

Securities code: 8056
June 9, 2020

Dear Shareholders:

Akiyoshi Hiraoka
Representative Director, President & CEO
Nihon Unisys, Ltd.
1-1, Toyosu 1-chome, Koto-ku, Tokyo

NOTICE OF THE 76th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby notify you of the 76th Ordinary General Meeting of Shareholders of Nihon Unisys, Ltd. (the "Company"). The meeting will be held as described below.

From the standpoint of preventing further spread of COVID-19, we would like to strongly request you to refrain from personally attending the General Meeting of Shareholders, regardless of your health condition, and instead exercise your voting rights prior to the Meeting in writing by using the enclosed voting card or via the Internet, etc. as mentioned below.

We will post the video of the Meeting including the report by the C.E.O. to the Company's website as listed below at a later date.

When you exercise your voting rights prior to the General Meeting of Shareholders, please refer to the enclosed "Reference Documents for Shareholders Meeting" on page 4 to 20 and exercise your voting rights **by 5:30 p.m., Tuesday, June 24, 2020 (Japan Standard Time)** in the manner described on page 3 .

NOTE:
- We kindly ask that all shareholders in attendance bring and wear a mask.
- Please be forewarned that since we drastically reduce the number of seats than that in previous years to maintain social distance between shareholders, not all of the shareholders may be allowed to enter the venue. Further, when entering the building, all shareholders visiting to attend the meeting will be tested for their temparature, and any shareholder who shows a high temperature (equal to or more than 37.0 Cerusius) or reasonably deemed by the Company to be in poor health condition will be refused for entry.
- For details on our policy on fighting against COVID-19, please see the following Company's website. Please check the website before visiting the venue.
  Company's website (in Japanese) : https://www.unisys.co.jp/invest-j/stock/meeting.html

・Meeting Details

1. Date and Time: Thursday, June 25, 2020 at 10:00 a.m. (doors open from 9:00 a.m.)

2. Venue: Conference Room of the Company's Head Office (29th Floor)
1-1, Toyosu 1-chome, Koto-ku, Tokyo

3. Purpose:

Items to be reported:

1. Business Report, Consolidated Financial Statements and Reports of Audit on the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board for the 76th fiscal year (from April 1, 2019 to March 31, 2020)
2. Non-Consolidated Financial Statements for the 76th fiscal year (from April 1, 2019 to March 31, 2020)

Items to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of Nine (8) Directors
Proposal 3: Election of One (1) Auditor
Proposal 4: Issuance of Stock Options to Directors as Stock-based Compensation

4. Notes Regarding the Handling of Votes:

(1) If there is no indication of either approval or disapproval for any proposal on the voting card, you will be deemed to have approved the proposal and your vote will be counted accordingly.
(2) If you cast multiple votes by using both the voting card and via the Internet, the Internet vote will be deemed valid.
(3) If you have exercised your voting rights more than once via the Internet, the last exercise will be deemed valid.
(4) If you are a shareholder who has accepted to receive this notice via the Internet and you wish to receive the printed form, the Company will deliver this notice, the Reference Documents for Shareholders Meeting, and the voting card to you by mail.

Notes: Exercise of Voting Rights

(1) Exercise of voting rights by voting card:
Please exercise your voting rights by stating whether you are for or against the agenda items on the voting card and send it back to us so that it reaches us by Wednesday, June 24, 2020 at 5:30 p.m. (Japan Standard Time).

(2) Exercise of voting rights via the Internet, etc.:
Please access the website that has been designated by the Company for exercising voting rights by either method described below and indicate your approval or disapproval in accordance with the instructions on the screen.
Deadline for exercising voting rights: Received by 5:30 p.m., Tuesday June 24, 2020

・Read QR code with your smartphone;
You can login to the website designated by the Company to vote without entering the code for exercising voting rights and password.

1) Read the QR code printed on the right bottom corner of the Voting Rights Exercise Form enclosed herewith.
(NOTE)
If you exercise your voting rights for the second time in order to change the contents of your first-time exercise, please read the QR code again and enter the 'Code for Voting Rights Exercise' and 'Password' described on the Voting Rights Exercise Form.
2) Then, indicate your approval or disapproval in accordance with the instructions on the screen.

・Input the Code for Voting Rights Exercise and Password;
1) Access the website for exercising voting rights (https://www.web54.net).
2) Input the 'Code for Voting Rights Exercise' printed on the Voting Rights Exercise Form.
3) Input the 'Password' printed on the Voting Rights Exercise Form.
4) Then, indicate your approval or disapproval in accordance with the instructions on the screen.

*** *** ***

If there are corrections to the Reference Documents for Shareholders Meeting, Business Report, Non-Consolidated Financial Statements or Consolidated Financial Statements, such corrections will be published on the Internet.

<The Company's Website>
https://www.unisys.co.jp/invest-e/stock/meeting.html

Reference Documents for Shareholders Meeting

(Items of Resolution and Reference Items)

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters related to year-end dividends

The Company makes efforts for the stable and continued distribution of dividends to shareholders in line with the policy of paying dividends in accordance with our performance. The specific amount of dividends shall be determined by taking into consideration the managerial environment as well as securing an internal reserve for business expansion.

Taking into account the future managerial environment, business expansion and other factors, the Company intends to pay 70 yen per share (the dividend payout ratio: 38.6%) for annual dividends.
Since the Company paid interim dividends of 32.5 yen per share in December 2019, the year-end dividends will be as proposed below:

(1) Type of dividends:
Cash

(2) Matters related to the allocation of dividends and total amount thereof:
Per share of ordinary shares: 37.5 yen
Total dividends: 3,763,836,413 yen

(3) Effective date of dividends from surplus:
June 26, 2020

Proposal 2: Election of Eight (8) Directors

The terms of office of the present nine (9) Directors of the Company will expire as of the conclusion of the Ordinary General Meeting of Shareholders. The Company proposes to reduce the number of Directors by one (1) and to elect eight (8) Directors.
The candidates for Directors of the Company are as follows (Their brief personal histories follow the table.).

Candidate Number	Name	Current positions and areas of responsibility in the Company		Board of Directors meting attendance	Term of Office as Director
1	Akiyoshi Hiraoka	Representative Director, President CEO (Chief Executive Officer) CHO (Chief Health Officer)	Re-appointed	11 times／ 11 meetings	11 years
2	Noboru Saito	Representative Director, Executive Corporate Officer CMO (Chief Marketing Officer) CCO (Chief Compliace Officer)	Re-appointed	11 times／ 11 meetings	4 years
3	Koji Katsuya	Senior Corporate Officer CDO (Chief Digital Officer) CAO (Chief Administrative Officer)	Re-appointed	11 times／ 11 meetings	4 years
4	Kazuo Nagai	Senior Corporate Officer	Newly-appointed	—	—
5	Toshiki Sugimoto	Director	Re-appointed	11 times／ 11 meetings	2 years
6	Go Kawada	Outside Director	Re-appointed Outside Director Independent Director	11 times／ 11 meetings	7 years
7	Ayako Sonoda	Outside Director	Re-appointed Outside Director Independent Director	11 times／ 11 meetings	5 years
8	Chie Sato	Outside Director	Re-appointed Outside Director Independent Director	11 times／ 11 meetings	3 years

Candidate Number 1　Akiyoshi Hiraoka 【Re-appointed】

Date of Birth: June 6, 1956 (age: 64)
Number of the Company's shares held:　21,500 shares
Term of Office as Director: 11 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■Career summary, positions and areas of responsibility in the Company

Apr. 1980	Joined Nihon Unisys, Ltd.
Apr. 2002	General Manager, Business Aggregation, Nihon Unisys, Ltd.
Jun. 2002	Corporate Officer, Nihon Unisys, Ltd.
Jun. 2005	Director, Senior Corporate Officer, Nihon Unisys, Ltd.
Apr. 2007	Director, Superior Senior Corporate Officer, Nihon Unisys, Ltd.
Jun. 2007	Superior Senior Corporate Officer, Nihon Unisys, Ltd.
Apr. 2011	Executive Corporate Officer, Nihon Unisys, Ltd.
Jun. 2011	Representative Director, Executive Corporate Officer, Nihon Unisys, Ltd.
Apr. 2016	Representative Director, President & CEO, Nihon Unisys, Ltd. (present)

(Role)

・CEO (Chief Executive Officer), CHO (Chief Health Officer)

・In charge: Entirety of the Company, Group Internal Audit

■ Significant concurrent positions held in other organizations:　None

■ Special interests with the Company:　None

■ Reasons for appointment as Director

Mr. Akiyoshi Hiraoka is the longest serving Corporate Officer at the Company (serving since 2002) and has a vision for change. He has a wealth of industry knowledge and experience, giving insight into future movements, as well as management strategies. Furthermore, he has a vast network in and abundant knowledge about other areas of the industry and political and business circles. Thus, we believe that Mr. Hiraoka is well qualified for taking the lead in creating the cross-industry eco-systems envisioned by the Company Group and we propose to elect him as Director again.

Candidate Number 2　Noboru Saito 【Re-appointed】

Date of Birth: August 8, 1961 (Age: 58)
Number of the Company's shares held:　9,100 shares
Term of Office as Director:　4 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career summary, positions and areas of responsibility in the Company

Apr. 1986	Joined Nihon Unisys, Ltd.
Apr. 2004	General Manager, Industry & Commerce 2, Nihon Unisys, Ltd.
Apr. 2009	General Manager, Industry& Commerce, Nihon Unisys, Ltd.
Apr. 2010	General Manager, Industry & Commerce 2, Nihon Unisys, Ltd.
Apr. 2012	General Manager, Business Services, Nihon Unisys, Ltd.
Apr. 2013	Corporate Officer, Nihon Unisys, Ltd.
Apr. 2016	Senior Corporate Officer, Nihon Unisys, Ltd.
Jun. 2016	Director, Senior Corporate Officer, Nihon Unisys, Ltd.
Apr. 2020	Representative Director, Executive Corporate Officer, Nihon Unisys, Ltd. (present)

(Role)
・CMO (Chief Marketing Officer), CCO (Chief Compliance Officer)
・In charge: Group Marketing, Technical Marketing & Design Planning,
Corporate Communications, Regional Headquarters and Regional Offices

■ Significant concurrent positions held in other organizations:　None

■ Special interests with the Company:　None

■ Reasons for appointment as Director

Mr. Noboru Saito has abundant industry knowledge and experience, offering insight into its future movements as well as business strategies, as a result of his long service as Corporate Officer and General Manager specializing in the manufacturing and distribution sectors before his current service of presiding over sales division and business development initiatives in general.
Thus, we believe that Mr. Saito will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 3　Koji Katsuya 【Re-appointed】

Date of Birth: October 24, 1963 (Age: 56)
Number of the Company's shares held:　3,784 shares
Term of Office as Director:　4 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career summary, positions and areas of responsibility in the Company

Jan. 1985	Joined Nihon Unisys, Ltd.
Jul. 2007	Senior Project Manager, S-BITS Project, Software & Services, Nihon Unisys, Ltd.
Apr. 2011	General Manager, Financial 3, Nihon Unisys, Ltd.
Apr. 2012	Deputy Division Manager, Financial Business Division, General Manager, Financial 3, Nihon Unisys, Ltd.
Apr. 2014	Corporate Officer, General Manager, Corporate Planning, Nihon Unisys, Ltd.
Apr. 2016	Senior Corporate Officer, Nihon Unisys, Ltd.
Jun. 2016	Director, Senior Corporate Officer, Nihon Unisys, Ltd. (present)

(Role)
・CDO (Chief Digital Officer)
・CAO (Chief Administrative Officer)
・In charge：Business Service Division, Corporate Planning, Business Management, Procurement Management, Human Resources, Organization Development, Quality Management & Assurance, Group companies

■ Significant concurrent positions held in other organizations:　None

■ Special interests with the Company:　None

■ Reasons for appointment as Director

Mr. Koji Katsuya has a wealth of knowledge of and experience in management decisions and business strategies of the Nihon Unisys group as a result of his Corporate Officer service of presiding over divisions such as the systems division, quality management & assurance division, and the research & development division as well as Corporate Planning after his service in the financial business and system development of the Company.
Thus, we believe that Mr. Katsuya will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 4　Kazuo Nagai 【Newly-appointed】

Date of Birth: February 12, 1960 (Age: 60)
Number of the Company's shares held:　4,400 shares
Term of Office as Director: － (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020: －

■ Career summary, positions and areas of responsibility in the Company

Apr. 1983	Joined Nihon Unisys, Ltd.
Apr. 2006	Deputy General Manager, Industry & Commerce, Nihon Unisys, Ltd.
Apr. 2009	General Manager, Airline Business, Nihon Unisys, Ltd.
Apr. 2013	General Manager, Transportation & Logistics, Nihon Unisys, Ltd.
Apr. 2014	Corporate Officer, Nihon Unisys, Ltd.
Apr. 2017	Senior Corporate Officer, Nihon Unisys, Ltd. (present)

(Role)
・In charge：Incubation Division, BizDevOps Division, Technology Research & Innovation

■ Significant concurrent positions held in other organizations:　None

■ Special interests with the Company:　None

■ Reasons for appointment as Director

Mr. Kazuo Nagai has a wealth of knowledge in a wide range of industries including transportation & logistics and financial as well as ICT. Furthermore, he is experienced in global businesses and investments. We believe that Mr. Nagai will be able to make management and business decisions from a broad perspective based on the knowledge and experience in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director.

Candidate Number 5　Toshiki Sugimoto【Re-appointed】

Date of Birth: July 25, 1955 (Age: 64)
Number of the Company's shares held:　0
Term of Office as Director: 2 year (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career summary

Dec. 1992	General Manager of 2nd Research & Development Department, Manufacturing Technology Integration Laboratory, Strategic Manufacturing & Information Control System Division,　Dai Nippon Printing Co., Ltd.
Oct. 2000	General Manager of 1st Technical Department, Production Division, Business Form & Securities Printing Operations (concurrently serving as) General Manager of Business Form & Securities Printing Laboratory, Dai Nippon Printing Co., Ltd.
Apr. 2002	General Manager of Production Division, DNP Data Techno Co., Ltd.
Jun. 2003	President, DNP Data Techno Co., Ltd.
Oct. 2009	General Manager of Research ＆ Development Center, Dai Nippon Printing Co., Ltd.
Jun. 2010	Corporate Officer; General Manager of Research ＆ Development Center, General Manager of Corporate R&D Division, Dai Nippon Printing Co., Ltd.
Jun. 2011	Corporate Officer in charge of Research ＆ Development Center, Intellectual Property Division, Corporate R&D Division, MEMS Center, Dai Nippon Printing Co., Ltd.
Jun. 2014	Senior Corporate Officer in charge of Research ＆ Development Center, Intellectual Property Division, Corporate R&D Division, MEMS Center, General Manager, 3rd Division Advanced Business Center, Dai Nippon Printing Co., Ltd.
Apr. 2018	Senior Corporate Officer in charge of ICT Business Development Division, Advanced Business Center, General Manager, 3rd Division Advanced Business Center, Dai Nippon Printing Co., Ltd. (present)
Jun. 2018	Director, Nihon Unisys, Ltd. (present)

■ Significant concurrent positions held in other organizations

Senior Corporate Officer
in charge of ICT Business Development Division, Advanced Business Center,
General Manager, 3rd Division Advanced Business Center, Dai Nippon Printing Co., Ltd.

■ Special interests with the Company

Dai Nippon Printing Co., Ltd. where Mr. Toshiki Sugimoto serves as Senior Corporate Officer is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract. The companies have trading relationships mainly in system development, business outsourcing and product purchasing. The trading amount is less than 2% of the Company's net sales of the latest fiscal year on a consolidated basis or less than 0.1% of Dai Nippon Printing Co., Ltd.'s net sales on a consolidated basis.

■ Reasons for appointment as Director

Mr. Toshiki Sugimoto has excellent judgement as a Senior Corporate Officer and abundant experience as a person responsible for the research and development division at Dai Nippon Printing Co., Ltd. We believe that Mr. Toshiki Sugimoto will provide advice and support and effectively supervise the Company's management from a technical and managerial viewpoint in order to promote the business model transformation that the Company advocates.
We propose to elect him as Director.
As per Note 2, Mr. Sugimoto concurrently holds the post of Senior Corporate Officer at Dai Nippon Printing Co., Ltd., a major shareholder of the Company. Thus, the Company has not designated him as an Independent Director. He is not designated as an Outside Director candidate in this proposal. This determination was made in light of a higher level of independence being recently expected for Outside Officers.

Candidate Number 6　Go Kawada

【Re-appointed, Outside Director, Independent Director】

Date of Birth: December 3, 1942 (Age: 77)
Number of the Company's shares held:　0
Term of Office as Director:　7 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career summary

From Apr. 1967	Joined the National Tax Agency Head of the Kaibara Taxation Office, Osaka Regional Taxation Bureau Consul of the Consulate-General of Japan in San Francisco Director, Office of International Operation of the National Tax Agency Commissioner's Secretariat Director, Administration Office, Collection Department of the National Tax Agency Regional Commissioner of the Sendai Regional Taxation Bureau
Sep. 1996	Started practice as a certified tax accountant
Apr. 1997	Professor, Department of Politics and Economics, Kokushikan University
Jun. 2002	Chairman, Yamada & Partners Certified Public Tax Accountants' Co.
Apr. 2003	Professor, Department of Economics, Kokugakuin University
Apr. 2004	Professor, Graduate School of Global Business, Meiji University
Jun. 2004	Outside Auditor, BANDAI Co., Ltd.
Jun. 2006	Outside Auditor, Murata Manufacturing Co., Ltd.
Jun. 2012	Outside Auditor, DAIREI CO., LTD. (since June 2019 Outside Director, Audit and Supervisory Committee Member) (present)
Jun. 2013	Outside Director, Nihon Unisys, Ltd. (present)
May 2015	Outside Director, Gulliver International Co., Ltd. (present: IDOM)
Jun. 2015	Advisor, Yamada & Partners Certified Public Tax Accountants' Co. (present)

■ Significant concurrent positions held in other organizations:

Outside Director (Audit and Supervisory Committee Member), DAIREI CO., Ltd.

■ Special interests with the Company:　None

■ Reasons for appointment as Outside Director：

Mr. Go Kawada offers abundant experience as an Outside Director as well as sophisticated professional knowledge and expertise in the fields of taxation and accounting. We believe that he will be able to utilize his experience and knowledge as well as expertise in giving advice on the management of the Company and supervise management from an objective and neutral perspective as an Outside Director. We propose to elect him as Outside Director again.

Candidate Number 7　Ayako Sonoda

【Re-appointed, Outside Director, Independent Director】

Date of Birth: August 28, 1963 (Age: 56)
Number of the Company's shares held:　0
Term of Office as Director:　5 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career summary

Aug. 1988	Established Cre-en Incorporated and assumed position of Representative Director (present)
Oct. 2003	Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation) (present)
Jun. 2004	Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation) (present)
Jun. 2015	Outside Director, Nihon Unisys, Ltd. (present)
Feb. 2017	Representative Director, Mirai RITA Foundation (Public Interest Incorporated Foundation) (present)

■ Significant concurrent positions held in other organizations:

Representative Director, Cre-en Incorporated
Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation)
Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation)
Representative Director, Mirai RITA Foundation (public interest incorporated foundation)

■ Special interests with the Company:　Please refer to the Note3 below.

■ Reasons for appointment as Outside Director

The Company expects Ms. Ayako Sonoda to utilize her abundant experience supporting many companies in the fields of CSR, SDGs and integrated management as well as her dedication to various activities promoting the employment and utilization of female workers. Thus, she is in a position to give advice to the Company's management from multiple perspectives as an Outside Director. The Company proposes to elect her as Outside Director again.

Candidate Number 8　Chie Sato

【Re-appointed, Outside Director, Independent Director】

Date of Birth: January 30, 1970 (Age: 50)
Number of the Company's shares held:　0
Term of Office as Director: 3 years (at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:
11 times／11 meetings

■ Career Summary

Apr. 1992	Joined Japan Broadcasting Corporation (NHK)
May 2001	Graduated from Columbia Business School
Aug. 2001	Joined the Boston Consulting Group
Jun. 2003	Joined the Walt Disney Company (Japan) Ltd.
Jan. 2012	Became independent as author and consultant
Apr. 2014	Member of the Professional Graduate Business School Certified Evaluation and Accreditation Committee, The Japan University Accreditation Association (present)
Apr. 2016	Tokyo Broadcasting System Television (TBS) Program Practice Council Member (present)
Jun. 2017	Outside Director, Nihon Unisys, Ltd. (present)

■ Significant concurrent positions held in other organizations

Member of the Committee of Certified Evaluation and Accreditation for Management and Professional Graduate Schools Member
The Japan University Accreditation Association, JUAA (public interest incorporated foundation)
TBS Television Program Council Member

■ Special interests with the Company: None

■ Reasons for appointment as Outside Director

Ms. Sato has abundant management experience and expertise as evidenced in her numerous books about business schools in the United States. Furthermore, she played an active role as management strategy consultant in the Boston Consulting Group. The Company expects her to give effective advice and support to the Company to promote business model reforms from an objective and professional perspective as an Outside Director. The Company proposes to elect her as Outside Director again.

(Note1) The Company submitted a notification to the Tokyo Stock Exchange, Inc. designating Mr. Go Kawada, Ms. Ayako Sonoda and Ms. Chieko Sato, three Outside Director candidates as Independent Directors, as per criteria on the independence of outside directors indicated by the Tokyo Stock Exchange, Inc. and the Company.

(Note2) Dai Nippon Printing Co., Ltd. where Mr. Toshiki Sugimoto serves as Senior Corporate Officer is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract. The Company has trading relationships mainly in system development, business outsourcing and product purchasing. The trading amount is less than 2% of the Company's net sales of the latest fiscal year on a consolidated basis or less than 0.1% of Dai Nippon Printing Co., Ltd.'s net sales on a consolidated basis.

(Note3) The Company has a support service contract related to ESG promotion with Japan

Sustainability Investment Forum (specified nonprofit corporation) where Ms. Ayako Sonoda serves as secretary-general. The Company paid to the specified nonprofit corporation a service fee of 2.50 million, which is not a substantial amount.

(Note4) Pursuant to Article 427, Paragraph 1 of the Companies Act of Japan (the "Act"), the Company has entered into an agreement with Mr. Toshiki Sugimoto, Mr. Go Kawada, Ms. Ayako Sonoda, and Ms. Chie Sato to limit their liability as provided for in Article 423, Paragraph 1 of the Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated by laws and regulations. If their reelection is approved, the agreement will continue for each of them.

(Note5) The age of individual director-candidates given herein is as of the date of delivering of this notice.

<Reference>
The Company`s "Standards on the Independence of Outside Directors/Auditors" are as follows.

■ Criteria on the Independence of Outside Directors/Auditors
The Company deems that outside directors and outside auditors as defined by the Companies Act have independence if they satisfy the independence criteria stipulated by the Tokyo Stock Exchange and do not fall under any one of the categories below:

(1) Major shareholders holding voting rights equivalent to 10% or more of the total voting rights of the Company, or in the case of a corporation or organization, an executive of that corporation or organization
(2) A major client of the Company or its subsidiaries, or executive of a corporation or organization that deals with the Company or its subsidiaries as a major business partner (*1)
(3) An executive of a financial institution to which the Company owes significant borrowings (*2)
(4) A person who receives significant amounts of compensation or other economic benefit (*3) (other than their remuneration as a director) as a consultant, accountant, or lawyer for the Company or its subsidiaries, or where a corporation or organization, a person belonging thereto
(5) An executive of a corporation or organization that receive significant donations (*4) from the Company or its subsidiaries
(6) A person who served a corporation or organization falling under any of the categories (1) to (5) above as an executive within the past 3 years
(7) A spouse or relative within two degrees of kinship of a person falling under any of the categories below
・A person falling under any of the categories (1) to (5) above
・A person who is a director or executive of a subsidiary of the Company

* 1 Classification into the category of 'major client of the Company or its subsidiaries' is judged according to the net sales that the Company or its subsidiaries had with the client in the fiscal year immediately before: whether or not they exceed 2% of the consolidated net sales of the Company.
Classification into the category of a 'corporation or organization that deals, as their major clients, with the Company or its subsidiaries' is judged according to the net sales that the corporation or organization had with the Company or its subsidiaries in the fiscal year immediately before: whether or not they exceed 2% of the consolidated net sales of the corporation or organization that deals with the Company or its subsidiaries, or ¥10 million, whichever is higher.

*2 Classification into the category of 'significant borrowings' is judged according to the amount of those borrowings: whether or not they exceed 2% of the gross assets of the Company for the fiscal year immediately before.

*3 Classification into the category of 'significant amounts of compensation or other economic benefit' is judged according to the benefit that the person has received from the Company (other than their remuneration as a director) in the fiscal year immediately before: whether or not the person has received remuneration or other economic benefit of ¥10 million or more; or where the person belongs to a corporation or organization, whether or not that corporation or organization has received from the Company or its subsidiaries remuneration or other economic benefit that exceeds 2% of the consolidated net sales of the corporation or organization for the fiscal year immediately before or ¥10 million, whichever is higher.

*4 Classification into the category of 'significant donations' is judged according to the amount of donations that have been received from the Company or its subsidiaries: whether or not they exceed ¥10 million a year or 2% of the annual total costs of the corporation or organization of the fiscal year immediately before, whichever is higher.

Proposal 3　Election of One (1) Auditor

Since the terms of office of Auditor, Shinji Kuriyama will expire as of the conclusion of the Ordinary General Meeting of Shareholders, the Company proposes to elect one (1) Director.
The proposal has been agreed to by the Audit & Supervisory Board.
The candidate for Auditor of the Company is as follows.

Candidate　Yuji Teranishi【Newly-appointed】

Date of Birth: November 18, 1963 (Age: 56)
Number of the Company's shares held:　0
Term of Office as Auditor:　－(at the conclusion of the shareholders' meeting)
Board of Directors meeting attendance during the fiscal year ended March 31, 2020:－
Audit & Supervisory Board meeting attendance during the fiscal year ended March 31, 2020:－

■ Career summary, positions and areas of responsibility in the Company

Apr. 1986	Joined Nihon Unisys, Ltd.
Apr. 2008	Manager, J-SOX Promotion sec., J-SOX Project, Nihon Unisys, Ltd.
Apr. 2011	Manager, J-SOX sec., Internal Audit, Nihon Unisys, Ltd.
Apr. 2012	Manager, Group Internal Control sec., Corporate Planning, Nihon Unisys, Ltd.
Apr. 2015	Manager, Group Internal Control sec., Business Management, Nihon Unisys, Ltd.
Apr. 2016	General Manager, Accounting, Nihon Unisys, Ltd.
Apr. 2018	General Manager, Business Accounting, Nihon Unisys, Ltd.

■ Significant concurrent positions held in other organizations:　None

■ Reasons for appointment as Auditor
Mr. Yuji Teranishi has a wealth of considerable knowledge on finance and accounting, and extensive experience in internal control and governance through his services to the Company. Mr. Teranishi served as General Manager, Accounting and General Manager, Business Accounting after contributing to raising the standard of internal control as a person in charge of J-SOX compliance on the basis of his many years of dedication in the financial and accounting operations for the Company.
We believe that he will utilize his abundant knowledge and experience in auditing the entire management of the Company. We propose to elect him as Auditor.

(Note1) Pursuant to Article 427, Paragraph 1 of the Companies Act of Japan (the "Act"), the Company will enter into an agreement with Mr. Yuji Teranishi to limit his liability as provided for in Article 423, Paragraph 1 of the Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated by laws and regulations.

(Note2) The age of Mr. Yuji Teranishi given herein is as of the date of delivering this notice.

<Reference> Audit & Supervisory Board after electing the candidates above (plan)

No.	Name	Position in the Company after this General Meeting of Shareholders (plan)		Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings	Term of office for Auditor as of the end of the General Meeting of Shareholders
1	Etsuo Uchiyama	Full-Time Auditor	Outside Auditor, Independent Officer	11 times／11 meetings	14 times／14 meetings	6 years
2	Yuji Teranishi	Full-Time Auditor	Newly-appointed	—	—	—
3	Hirofumi Hashimoto	Auditor		11 times／11 meetings	14 times／14 meetings	2 years
4	Harumi Kojo	Outside Auditor	Outside Auditor, Independent Officer	10 times／11 meetings	13 times／14 meetings	3 years
5	Norimitsu Yanai	Outside Auditor	Outside Auditor, Independent Officer	11 times／11 meetings	14 times／14 meetings	3 years

<Reference> Structure of the Board of Directors and the Audit & Supervisory Board
If Proposal 2 and Proposal 3 are approved as submitted, the Board of Directors and the Audit & Supervisory Board of the Company will be comprised of the following.

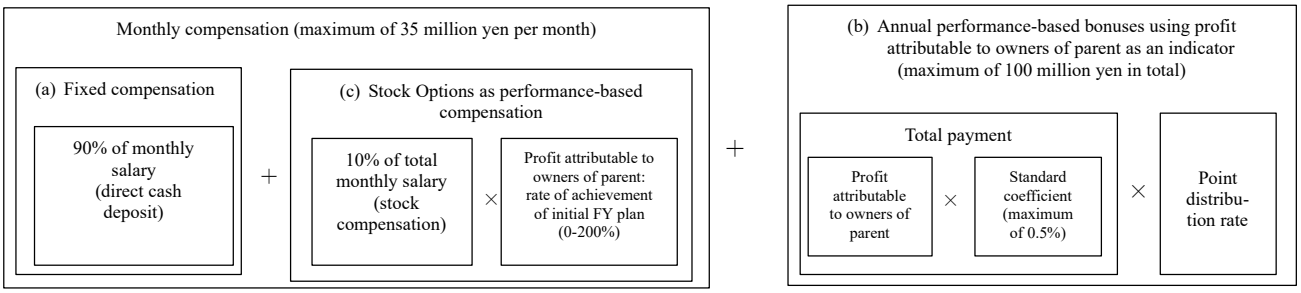
	Number of Constituents	Outside Officers (female)	(Independent Officers included)	Ratios of Independent Officers
Board of Directors	8	3(2)	3	37.5%
Audit & Supervisory Board	5	3(1)	3	60.0%
Total	13	6(3)	6	46.1%

The Board of Directors will comprise of eight Directors including three Outside Directors (two of whom will be female) who are all Independent Directors, as indicated above.
The Audit & Supervisory Board comprising of five members will have a majority of three Outside Auditors (one of whom will be female). These Outside Auditors are all Independent Officers. Thus, the independence of the Audit & Supervisory Board will be further guaranteed.
As above, both the Board of Directors and the Audit & Supervisory Board will be in a position to supervise management in a highly effective manner.

Proposal 4: Issuance of Stock Options to Directors as Stock-based Compensation

The Company requests approval to issue Stock Options as Stock-based Compensation to Directors (excluding non-executive Directors) of the Company with the aim of clearly linking their compensation with consolidated business performance and having them share the benefits and risks in the share price with the shareholders and increasing their motivation to pursue continuous growth in the Company's performance and corporate value.
These Stock Options will be granted to the Directors of the Company as part of their compensation (which is uniformly 10% regardless of duty position) instead of cash. If the target current profit attributable to owners of the parent (17,000 million yen) for the fiscal year ending March 31, 2021 is achieved, as planned at the beginning of the fiscal year, and any other conditions are satisfied, the Company will calculate the actual achievement rate as 100%. The number of exercisable Stock Options will fluctuate in the range of 0% to 200% in accordance with the actual achievement rate.
While an eligible grantee holds the status of a Director, Auditor or Corporate Officer of the Company or a subsidiary thereof, he or she may not exercise their Stock Options during such tenure. (Please see 2 (7) on page 19 for the details of exercise conditions.)
Therefore, the Company believes it is appropriate to grant these Stock Options as medium- to long-term incentive compensation for improvements in the consolidated results.

<Reference>
If this proposal 3 is passed as originally proposed, compensation for Directors will be as follows.



(Details of proposal)

1. We would like to propose that the amount of compensation by the Stock Options to be granted as Stock-based Compensation for one year after the date of the Ordinary General Meeting of Shareholders shall be within a limit of 60 million yen a year.

   This amount of compensation concerning the Stock Options is within the range of 35 million yen per month that was authorized as the upper limit for the Company's Directors' compensation at the 49th Ordinary General Meeting of Shareholders held on June 25, 1993.

   Please note that, upon approval of Proposal 2, the number of Directors of the Company will be eight (8) (including four (4) Non-executive Directors) at the closing of this Ordinary General Meeting of Shareholders. Non-executive Directors including Outside Directors are and will be paid a fixed monthly compensation only and they are not granted the Stock Options.

2. Details of the Stock Options to be granted as Stock-based Compensation are as follows:

   (1) Total number of the Stock Options
   The number of the Stock Options to be issued within one year from the date of the Ordinary General Meeting of Shareholders shall not exceed 183 units, and shall be limited to 60 million yen a year as set out in Paragraph 1 above.

(2) Type and number of shares to be granted upon the exercise of the Stock Options
The type of shares to be granted upon exercise of one Stock Option will be ordinary shares of the Company. The number of shares to be issued upon exercise of each Stock Option (the "Number of Shares Granted") shall be 100 ordinary shares of the Company.

In the event that adjustment of the Number of Shares Granted is necessary including the case where the Company carries out a stock split or stock consolidation, the Company shall adjust the Number of Shares Granted to a reasonable extent. Any fraction less than one share resulting from this adjustment will be rounded down.

(3) Amount to be paid in for the Stock Options
The amount to be paid in for the Stock Options will be based on the fair value calculated according to an equitable formula such as the Black-Scholes model, taking into account various conditions including the share price of the Company on the allotment day and the exercise price. Instead of a monetary payment, the amount to be paid in for the Stock Options will be offset against the compensation receivable from the Company.

(4) Amount of assets to be contributed upon exercise of the Stock Options
The amount of assets to be contributed upon exercise of the Stock Options will be one (1) yen for each one (1) share to be acquired upon exercise of the Stock Options, multiplied by the Number of Shares Granted.

(5) Exercise period for the Stock Options
Thirty (30) years from July 1, 2021

(6) Restriction on acquisition of the Stock Options by transfer
Any transfer of the Stock Options shall be subject to approval by a resolution of the Board of Directors of the Company.

(7) Terms and conditions for exercising the Stock Options

1) The holders of the Stock Options are required to continuously serve in the position of a Director or Corporate Officer of the Company or subsidiaries of the Company throughout the performance appraisal period ending March 31, 2021 (excluding cases such as loss of position through death or similar).

2) A stock option holder is not entitled to exercise the Stock Options while he or she remains in the position of either Director, Auditor, or Corporate Officer of the Company or the subsidiaries of the Company.

3) The holders of the Stock Options may exercise the Stock Options from July 1, 2021 until the earlier of either the day on which 10 years have elapsed since the day following the day on which they lose their positions as Director, Auditor or Corporate Officer of the Company or subsidiaries of the Company, or the last day of the exercise period of the Stock Options.

(8) Other matters concerning the Stock Options
Other matters concerning the Stock Options will be determined by the Board of Directors of the Company where the details of the offering terms of the Stock Options will be resolved.

<Reference>
The Company Group introduced a “Performance-based Compensation System” in the fiscal year ended March 31, 2013 for the Directors and Corporate Officers of the Company and UNIADEX, Ltd., an important consolidated subsidiary of the Company, which have an important role regarding the consolidated results.
Thus, the Company plans to grant Stock Options to the Corporate Officers of the Company and the Directors and Corporate Officers of UNIADEX, Ltd. besides the Directors of the Company, on the condition that the Proposal 4 is approved and following the approval of the Board of Directors of the Company. The Stock Options are the same as the Proposal 4 Stock Options to be approved and granted as Stock Options for Performance-based Compensation System.
In the event that this proposal is approved as originally proposed, the number of the Stock Options to be granted to the Directors and Corporate Officers of the Company and UNIADEX, Ltd., the (maximum) total number of ordinary shares of the Company to be issued upon exercise of the Stock Options, and the number of eligible grantees will be as follows:

Eligible Grantees	Number of Grantees	Number of Stock Options to be granted and (maximum) total number of ordinary shares of the Company to be issued upon exercise of Stock Options
Directors (excluding Non-executive Directors) of the Company	4	183 units (18,300 shares)
Corporate Officers of the Company	8	225 units (22,500 shares)
Directors and Corporate Officers* of UNIADEX, Ltd.	8	201 units (20,100 shares)
Total	20	609 units (60,900 shares)

* Excluding Directors and Corporate Officers who concurrently serve as Corporate Officers or employees of the Company

End of proposals

Attachment to Notice

Business Report (for the fiscal year from April 1, 2018 through March 31, 2019)

1 Current Situation of the Nihon Unisys Group

(1) Progress and Results of the Businesses

For the fiscal year under review, the Japanese economy continuously showed signs of slow recovery on the basis of improvements in employment as well as increases in salaries and company earnings.
However, an unpredictable future has continued due to impacts of the Novel Coronavirus pandemic in addition to international affairs including conditions of overseas economies.

The information services market in Japan has continuously witnessed strong investments in the information systems. However, we will continue to operate business in difficult circumstances susceptible to unpredictable IT investment trends attributable to a long-lasting period of the coronavirus's spread that constrains corporate business activities.

In this environment, the Nihon Unisys group established the mid-term management plan, 'Foresight in sight® 2020' (for the period from the fiscal year 2018 to the fiscal year 2020). The plan describes the Group as a corporate group solving social issues through socially beneficial services capable of creating a more affluent society together with customers and business partners. It also states that the Company aims to be at the center of the creation of business ecosystems that connect industries and business types across conventional boundaries and to provide platforms capable of digital transformation (Note 1). The Company has made efforts on key issues as therein indicated. We have been making cross-functional activities to deal with social issues across the boundaries of the four focal areas stipulated in the midterm management plan.

Our efforts with an eye towards creating a smart society have been reflected in a steady increase in the business through MY HOME MARKET ® (Note 2), a virtual display homes village that we have been operating since March 2018. The Company received the GOOD DESIGN AWARD 2019 for giving home purchasers a sense of content through an innovative experience enabled by the solution. We have seen the service attract more consumers such as double-income families of the twenties and the thirties since we listed the solution on Rakuten in October 2019.

Canal Payment Service, Ltd. one of our subsidiaries is aware of a cashless economy being advanced. Canal Payment Service, Ltd. has continued diligent efforts to promote a QR code/bar code payment solution, partly by riding on a wave of many types of campaigns related to a consumption tax hike. Thus, the amount of payments handled in Japan through the service has continued to increase even the circumstances afflicted from stagnant demands from inbound tourism.

We aim to create a resilient society (Note 3) to natural disasters and a spread of epidemics/pandemics. We have been providing mechanisms to enable and help telework and visualize information through digital technologies. For example, we have provided many types of solutions and a secure environment suitable to actual situations and issues of individual customers through 'Connected Work®', service to help their workstyle reforms. The service helps us aim to further promote telework. We have digitalized and visualized information through our 'Saigai Net'. The solution chronologically visualizes information needed in an event of disaster through easy data operations as if the data is recorded on a whiteboard. 'Saigai Net' reduces significantly time and effort for organizing data. The solution has served many types of businesses, as reflected in the steadily increasing sales.

In the field of energy management, we have continued efforts about tracking information for the FIT non-fossil fuel energy certificate (Note 4) since we launched in the fiscal year 2018. Also, we have continued the certification business for non-FIT non-fossil power supply since we launched in the fiscal year 2019. Thus, we have been endeavoring to disseminate and expand the non-fossil fuel energy value trading market through our continuing efforts.

Our efforts to care environments surrounding energy are exemplified by our efforts to digitalize and streamline inspection operations of power equipment through robots and AI technologies. Furthermore, we have implemented a proof-of-concept approach for drone-powered automated inspection/monitoring service for power station equipment and power transmission towers' inclination status in cooperation with power companies. Thus, we have been contributing to maintain and develop surrounding environments for energy.

We have seen digital transformation businesses remain strong in our other focal area comprised of a wide variety of businesses. One example is a renewal of front-end financial systems in order to strengthen customer interaction for financial institutions.

Our ICT Core businesses have remained strong mainly on the basis of projects to renew existing systems. Also, we made a success of launching an outsourcing service for a financial institution and stably operated mid- and small- sized outsourcing projects. As a result, we have witnessed that this business category contributed to an increase in net sales. We have attempted to strengthen productivity of system development and operation in this business category mainly through continued efforts to reuse knowledge and expertise as well as select projects after careful risk examination. As a result, profitability has been enhanced.

With respect to investments, we have continuously invested in funds with the aim of obtaining business seeds and knowing business trends in our focal areas. Also, we have continued CVC (Note 5) fund operations through our subsidiary, Canal Ventures, Ltd. We will invest in new technologies and businesses capable of contributing to digital transformation. We will make efforts to accelerate open innovation and create business ecosystems with a view to contributing to social issue solutions.

We aim to become a diversified and innovative company. Thus, we have continued efforts mainly in light of reforming corporate culture to enable a creative and innovative organization, implementing organizational reforms in order to incorporate multifaceted perspectives, and enabling personnel development programs in order to reveal creativity and innovativeness of individuals.

We have seen more employees be engaged in self-directed activities by using time obtained as a result of corporate efforts to reduce over-time work in our corporate culture where diversity has become appreciated. In addition, we have seen them make attempts with an eye towards creating new businesses across conventional boundaries of types/categories of businesses and organizations. This is evidenced in an improved engagement score, an indicator to measure progresses of corporate culture reform.

The Company was recognized again for many types of our efforts and achievements in the fiscal year 2019, evidenced partly under the '2020 Certified Health & Productivity Management Outstanding Organizations Recognition Program' (Note 6) and at the 'Advanced Corporation Awards for the Promotion of Women' (Note 7) .

In summary, the Nihon Unisys group as a whole has been studious in achieving its goals set forth in the midterm management plan, 'Foresight in sight 2020'.

For this fiscal year, net sales were ¥311,554 million (a 4.2% increase compared with the previous fiscal year) as a result of the continued strength of system services and outsourcing sales.

As a result of an increase in gross profit mainly boosted by system services' gross profit, we posted: ¥26,139 million operating income (a 26.8 % increase); ¥ 26,615 million ordinary income (a 29.7 % increase); and ¥18,182 million profit attributable to owners of parent (a 27.7 % increase).

The breakdown of net sales shows that services sales were ¥ 222,512 million, a 5.7 % or ¥ 12,036 million increase from the previous fiscal year; software sales were ¥ 33,943 million, a 0,2 % or ¥ 66 million increase; and hardware sales were ¥ 55,098 million, a 0.8 % or ¥ 421 million increase.

As for the net sales contribution ratios, services sales were 71.4 % (against 70.4 % in the

previous period); software sales were10.9 % (against 11.3 %); and hardware sales were 17.7 % (against 18.3 %).

(Notes) 1. Digital Transformation: Companies transform themselves through data and digital technologies in an attempt to enable agile responses to customers' needs in society. Such transformation in light of businesses, organizations, processes, and corporate culture helps companies strengthen and establish competitive edges to cope with drastic changes in a business environment.

2. MY HOME MARKET: Service operated by the Company through the use of digital devices such as smartphone. It enables users to check display houses through VR simulated experiences and helps users design a home in conformance with their ideal homes.
3. Resilient society: Strong and sustainable society that has recuperative and elastic strength to manage through natural disasters such as earthquakes and climate changes as well as infectious diseases
4. Non-fossil fuel energy certificates: The Ministry of Economy, Trade and Industry established a non-fossil value trading market in May 2018. This is the market where non-fossil fuel energy certificates are traded. The certificates represent the environmental value of power which is generated by power generation facilities of non-fossil energy sources such as natural energies without emitting CO2 (carbon dioxide).
5. CVC: acronym for Corporate Venture Capital
6. Certified Health & Productivity Management Organization Recognition Program: Program designed by the Ministry of Economy, Trade and Industry (METI) through which companies are identified and recognized for excellent health and productivity management, on the basis of local health initiatives and projects promoted by the Nippon Kenko Kaigi, regardless of company size
7. Advanced Corporation Awards for the Promotion of Women: This award was established in 2014 with the aim of helping to enable a working environment where women can play an active role in contributing to the creation of a 'society where all women shine'. The award recognizes companies that have made significant achievements in light of policies, initiatives and performances of promoting women to executive and managerial positions as well as disclosing the information thereof.
8. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

(2) Changes in the value of group assets and operating results

	Fiscal Year 73	Fiscal Year 74	Fiscal Year 75	Fiscal Year 76 (current consolidated fiscal year)
Category	from April 1, 2016 to March 31, 2017	from April 1, 2017 to March 31, 2018	from April 1, 2018 to March 31, 2019	from April 1, 2019 to March 31, 2020
Net sales (¥mil)	282,249	286,977	299,029	311,554
(Breakdown)				
Services (¥mil)	198,416	199,776	210,475	222,512
(composition ratio)(%)	(70.3)	(69.6)	(70.4)	(71.4)
Software (¥mil)	29,733	33,103	33,877	33,943
(composition ratio) (%)	(10.5)	(11.5)	(11.3)	(10.9)
Hardware (¥mil)	54,099	54,097	54,677	55,098
(composition ratio) (%)	(19.2)	(18.9)	(18.3)	(17.7)
Operating income (¥mil)	14,314	16,332	20,622	26,139
Operating margin (%)	5.1	5.7	6.9	8.4
Current profit attributable to owners of the parent (¥mil)	10,261	11,949	14,238	18,182
Current net profit per share (¥)	96.49	119.12	141.90	181.19
Total assets (¥mil)	192,694	197,278	211,421	214,975
Net assets (¥mil)	90,772	104,674	116,615	122,598
Equity (¥mil)	89,918	103,001	114,638	120,473
Return on equity (ROE) (%)	11.4	12.4	13.1	15.5
Orders (¥mil)	281,394	296,956	304,874	315,626

(Notes)
1. Any fractional amount less than one million yen is disregarded.
2. Current net profit per share is calculated by using the average number of shares outstanding during each fiscal year after deducting treasury shares therefrom, and are expressed by rounding off to two decimal places.
3. The Company has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting," (Statement No. 28 issued by the Accounting Standards Board of Japan on February 16, 2018) from the beginning of the fiscal year 75. Accordingly, the key management indicators for the fiscal year 74 are the indicators after the retrospective application of the relevant accounting standards, etc.

(3) Outline of Capital Investment

Major capital investments during the current consolidated fiscal year were made in computers for business activities and software for outsourcing.

(4) Outline of Financing

The Company Group procures working capital mainly through own funds, loans, and issuance of bonds. Furthermore, in order to ensure flexible and stable access to funds, the Group has established commitment lines totaling 10,500 million yen with major banks. There is no balance used under commitment lines as of March 31, 2020.

(5) Issues to Be Dealt with

The Nihon Unisys Group has been in an increasingly competitive business environment due to: the growing sophisticated and diversified IT service needs of customers; and, further intensified competition as a result of participation by businesses in different areas, against the backdrop of society's rapid digitization.

Furthermore, companies have been recently expected to contribute to creating a sustainable society by: aiming to resolve social issues on a global scale; satisfying SDGs through efforts to enable Society 5.0; and putting into practice a business management that takes into consideration ESG (environment, society and governance). We recognize that our corporate value will eventually increase through our efforts to respond to expectations.

The Company's Group established 'Foresight in sight® 2020' the mid-term management plan, and has been tackling the implementation of its key initiatives below as indicated therein. The plan positions the Group as 'A corporate group: solving social issues through socially beneficial services capable of creating a more affluent society together with customers and business partners'; to become a core capable of creating business ecosystems that connect different types/categories of businesses across conventional boundaries; and to provide platforms capable of digital transformation.

① Selection of and concentration on areas of focus

The Company aims to accelerate an increase in and monetization of new service businesses that were created in accordance with the previous mid-term management plan. It will establish areas of focus in the markets where medium- and long-term development is expected on the basis of solutions for social issues. It will concentrate its management resources on the focal areas where customers and business partners can join it in using assets of the Group.

② Strengthening of relationships with customers in order to increase their added value

The Company understands that it is faced with fiercer competition in velocity and price regarding ICT development and operation in its key traditional business area where cloud service businesses have been increasing. Thus, we will depend more on highly productive service-type and implementation-type businesses in order to further help customers' businesses.

Furthermore, we realize that any company will find it difficult to enable a competitive advantage by themselves in such a business environment. We aim to become a strategic business partner for customers through efforts to strengthen our relationships with them, by enabling the digital transformation of their businesses, and creating new businesses based on business ecosystems in cooperation with them.

③ Strengthening of capabilities to enable platforms capable of businesses support

There are customers that aim to gain a competitive advantage through digital transformation. We need a mechanism that enables us to create services rapidly based on

combined businesses and operate them if we provide value to the customers. The Company will enable stronger processes for creating socially beneficial services that are capable of eventually solving social issues. It will provide the processes as platforms where the Group's assets are connected with business partners and customers as well as third-party services. The platforms will become part of the business ecosystems we envision.

④ Corporate Culture Reform

The Company will: improve corporate capabilities/organizational capabilities enabling agile responses to cope with changes of the times; make reformative efforts to develop a corporate culture where employees are encouraged to strengthen skills in creating value by themselves and designing business ecosystems; enable Diversity and Inclusion; and, implement reform of business processes as well as internal systems.

⑤ Investment Strategies

The Company aims to accelerate its creation of new businesses through open innovation. For this aim, the Company will continue and promote its efforts in: strategic investments that are needed for growth such as those in the areas of focus and advanced technologies; and investments in developing services such as platform creation.

There are possibilities that our Group business activities will be impacted from schedule delays for ongoing system developments and customers taking a second look at their information system investments by constraint on work pattern, prolonged self- restraints and stagnation in economic activities, attributable to the spread of COVID-19.

The Company Group is prepared to make efforts to prevent the coronavirus's further spread in society. The Group gives top priority to ensuring safety for our employees, subcontractors, customers, and business partners. We will shift into high gear our efforts to contribute to creating a resilient society such as those to promote our workstyle reform by recognizing remote work options and help customers enable telework operations and continue business through digital transformation.

We believe that our Group's sustainable growth will only be enabled through business strategies as well as a robust management base where they are supported. Thus, the Company will further enhance its corporate governance system, and will continuously perform appropriate business operations. The appropriate business operations will be predicated on: systems capable of ensuring appropriate operations (internal control systems) resolved by the board of directors; and efforts to infiltrate and thoroughly embed compliance awareness.

In addition, business risks are expected to be diversified in the future through our efforts to further strengthen coordination among the Group companies and enable business growth. The Company's Group will address them by further strengthening our current business risk management.

(6) Parent Company and Major Subsidiaries, etc.

(i) Relationship with Parent Company

Not applicable

(ii) Major Subsidiaries

Name of Subsidiary	Capital (¥ mil)	Percentage owned by the Company(%)	Key Businesses
UNIADEX, Ltd.	750	100	(1) Offering services and selling devices related to network system creation (2) Providing services of operating/managing computer systems and maintenance services

(7) Principal Businesses (as of March 31, 2020)

The Group provides services such as cloud computing and outsourcing; sells and leases computer systems and network systems; creates and sells software; and provides various types of system-related services

(8) Principal Offices (as of March 31, 2020)

Company Name	Office Name	Location
Nihon Unisys, Ltd.	Headquarters	Koto-ku, Tokyo
	Kansai RHQ	Osaka city
	Chubu RHQ	Nagoya city
	Kyushu RHQ	Fukuoka city
	Hokkaido RO	Sapporo city
	Tohoku RO	Sendai city
	Niigata RO	Niigata city
	Hokuriku RO	Kanazawa city
	Shizuoka RO	Shizuoka city
	Chugoku RO	Hiroshima city
UNIADEX, Ltd.	Headquarters	Koto-ku, Tokyo
	Kansai RO	Osaka city
	Chubu RO	Nagoya city
	Kyushu RO	Fukuoka city

** RHQ: Regional Headquarters
RO: Regional Office

(9) Group Employees (as of March 31, 2020)

(i) Employees of the Group

Number of Employees (persons)	Change from March 31, 2019 (persons)
7,830	+90

Category of occupation	Number of Employees (persons)
Sales representatives	1,253
System engineers	3,448
System service engineers, etc.	1,652
Staff	1,477
Total	7,830 (against 7,740 as of March 31, 2019)

(Note)

1. The Group conducts a broad range of business segments within the organization related to computer, software and other related products. Thus, the employee numbers are described by the unit of occupational category.
2. The employee numbers exclude secondees from the Group to outside the Group, and include secondees to the Group from outside.

(ii) Employees of the Company

Number of Employees (persons)	Change from March 31, 2019 (persons)	Average Age	Average Length of Service
4,355	+5	46.0	21.0

(10) Principal Sources of Borrowings (as of March 31, 2020)

Source of Borrowings	Amount of Loan (¥ mil)
Sumitomo Mitsui Banking Corporation	6,010

The Norinchukin Bank	5,190
MUFG Bank, Ltd.	2,867

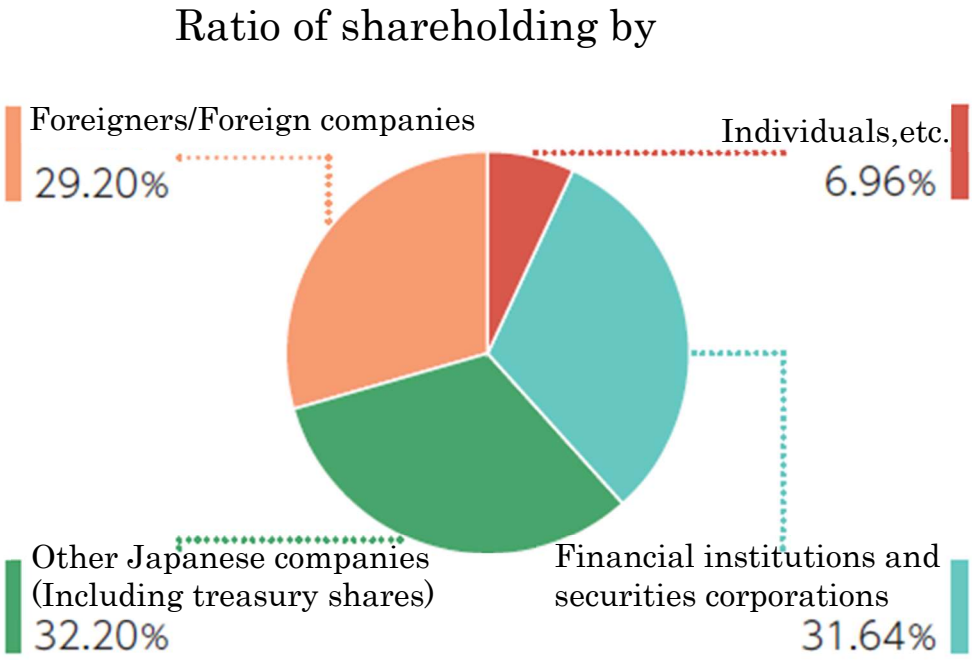
2. Matters about the Company Stock (as of March 31, 2020)

Name	Number of Shares Held (Thousands of Shares)	Holding Ratio
Dai Nippon Printing Co., Ltd.	20,727	20.65%
Japan Trustee Services Bank, Ltd. (Trust Account)	8,776	8.74%
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,114	7.08%
The Norinchukin Bank	4,653	4.63%
Mitsui & Co., Ltd.	2,448	2.43%
GOVERNMENT OF NORWAY	1,968	1.96%
THE BANK OF NEW YORK MELLON 140044	1,809	1.80%
ANA HOLDINGS INC.	1,794	1.78%
Nihon Unisys Employee Stock Ownership Plan	1,599	1.59%
Japan Trustee Services Bank, Ltd. (Trust Account 7)	1,567	1.56%

(1) Total Number of Authorized Shares: 300,000,000 shares
(2) Total Number of Shares Outstanding: 109,663,524 shares
(3) Number of Shareholders: 11,526 shareholders
(4) Major Shareholders:

(Note)
1. Numbers of shares less than one thousand has been omitted
2. The Company retains 9,294,553 treasury shares without voting rights. Thus, they are excluded from the major shareholder list above.
3. The ratios are calculated by deducting treasury shares and expressed by rounding down to two decimal places.

(5) Other Material Matters regarding Shares
None



3. Details about the Company's Stock Options, etc.

(1) Overview of the stock options, etc. granted to and held by Officers of the Company as compensation for execution of duties as of March 31, 2020

Name	First Issuance Stock Options (Stock-based Compensation)	Second Issuance Stock Options (Stock-based Compensation)	Fourth Issuance Stock Options (Stock-based Compensation)
Number of holders (persons) Directors of the Company (excluding the non-executive Directors)	3 (Note 1)	4 (Note 2)	5 (Note 3)
Outside Directors of the Company	–	–	–
Auditors of the Company	–	–	–
Number of Stock Options	20	146	155
Type of shares to be granted upon the exercise of the Stock Options	Ordinary shares	Ordinary shares	Ordinary shares
Number of shares to be granted upon the exercise of the Stock Options	2,000 shares	14,600 shares	15,500 shares
Amounts of assets to be contributed upon exercise of the Stock Options	¥1 per share	¥1 per share	¥1 per share
Exercise period for the Stock Options	July 1, 2013 to June 30, 2043	July 1, 2014 to June 30, 2044	July 1,2016 to June 30, 2046

(Note 1) One of these Director who was granted the Stock Option when he served as Corporate Officer of the Company.
(Note 2) Two of these Directors were granted the Stock Option when they served as Corporate Officer of the Company.
(Note 3) Two of these Directors were granted the Stock Option when they served as Corporate Officer of the Company.

Name	Fifth Issuance Stock Options (Stock-based Compensation)	Sixth Issuance Stock Options (Stock-based Compensation)	Seventh Issuance Stock Options (Stock-based Compensation)
Number of holders (persons) Directors of the Company (excluding the non-executive Directors)	5	5	5
Outside Directors of the Company	–	–	–
Auditors of the Company	–	–	–
Number of Stock Options	226	142	108
Type of shares to be granted upon the exercise of the Stock Options	Ordinary shares	Ordinary shares	Ordinary shares
Number of shares to be granted upon the exercise of the Stock Options	22,600 shares	14,200 shares	10,800 shares
Amounts of assets to be contributed upon exercise of the Stock Options	¥1 per share	¥1 per share	¥1 per share
Exercise period for the Stock Options	July 1, 2017 to June 30, 2047(Note 4)	July 1, 2018 to June 30, 2048(Note 4)	July 1,2019 to June 30, 2049(Note 4)

(Note 4) Holders of Stock Options are not able to exercise their Stock Options while they hold the status of Director, Auditor or Corporate Officer of the Company or a subsidiary thereof.

Name	Eighth Issuance Stock Options (Stock-based Compensation)
Number of holders (persons) Directors of the Company (excluding the non-executive Directors)	5
Outside Directors of the Company	–
Auditors of the Company	–
Number of Stock Options	124
Type of shares to be granted upon the exercise of the Stock Options	Ordinary shares
Number of shares to be granted upon the exercise of the Stock Options	12,400 shares
Amounts of assets to be contributed upon exercise of the Stock Options	¥1 per share
Exercise period for the Stock Options	July 1, 2020 to June 30, 2050(Note 4)

(Note 4) Holders of Stock Options are not able to exercise their Stock Options while they hold the status of Director, Auditor or Corporate Officer of the Company or a subsidiary thereof.

(2) Overview of the stock options granted to the employees of the Company as well as the Officers and employees of the Company's subsidiaries as compensation for execution of duties during the fiscal year ended March 31, 2020

Name	Eighth Issuance Stock Options (Stock-based Compensation)
Date of resolution of issuance	June 26, 2019
Number of persons granted Stock Options Employees of the Company Officers and employees of the subsidiary	 9 (Note 1) 10(Note 2)
Number of Stock Options	270
Type of shares to be granted upon the exercise of the Stock Options	Ordinary shares
Number of shares to be granted upon the exercise of the Stock Options	27,000 shares
Amounts of assets to be contributed upon exercise of the Stock Options	¥1 per share
Exercise period for the Stock Options	July 1, 2020 to June 30, 2050 (Note 3)

(Note) 1 The Stock Options were granted to the Corporate Officer of the Company.
2 The Stock Options were granted to the Directors and Corporate Officer of the Company's subsidiaries.
3 Holders of Stock Options are not able to exercise their Stock Options while they hold the status of Director, Auditor or Corporate Officer of the Company or a subsidiary thereof .

4. Details about the Company's Officers

(1) Company Officers（as of March 31, 2020）

Title	Name	Principal Positions and Significant Concurrent Position(s) Held in Other Organizations
Representative Director, President	Akiyoshi Hiraoka	CEO (Chief Executive Officer) CHO (Chief Health Officer) In charge: Entirety of the Company, Group Internal Audit
Representative Director, Executive Corporate Officer	Susumu Mukai	CCO (Chief Compliance Officer) In charge: Technology Research & Innovation, Quality Management & Assurance,
Representative Director, Executive Corporate Officer	Toshio Mukai	CFO (Chief Financial Officer) In charge: Legal Division, Finance, Accounting, Business Accounting
Director, Senior Corporate Officer	Noboru Saito	CMO (Chief Marketing Officer) In charge: Group Marketing, Corporate Communications, Regional Headquarters and Regional Offices
Director, Senior Corporate Officer	Koji Katsuya	CDO（Chief Digital Officer） CAO (Chief Administrative Officer) In charge: Business Service Division, Corporate Planning, Business Management, Procurement Management, Human Resources, Organization Development, Group companies
Director	Toshiki Sugimoto	Senior Corporate Officer in charge of ICT Business Development Division, Advanced Business Center, General Manager, 3rd Division Advanced Business Center, Dai Nippon Printing Co., Ltd.
Director	Go Kawada	Outside Director, Audit and Supervisory Committee Member, DAIREI CO., LTD.
Director	Ayako Sonoda	Representative Director, Cre-en Incorporated Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation) Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation) Representative Director, Mirai RITA Foundation (public interest incorporated foundation)
Director	Chie Sato	Member of the Committee of Certified Evaluation and Accreditation for Management and Professional Graduate Schools Member The Japan University Accreditation Association, JUAA (public interest incorporated foundation) TBS Television Program Council Member

Full-Time Auditor	Shinji Kuriyama	
Full-Time Auditor	Etsuo Uchiyama	
Auditor	Hirofumi Hashimoto	Senior Corporate Officer in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Sanai-cho Sales Dept., Dai Nippon Printing Co., Ltd.
Auditor	Harumi Kojo	Partner for Sakurazaka Law Offices
Auditor	Norimitsu Yanai	Auditor (part time), Japan Pension Service.

(Note)
1. Go Kawada, Ayako Sonoda and Chie Sato are Outside Directors.
2. Etsuo Uchiyama, Harumi Kojo, and Norimitsu Yanai are Outside Auditors.
3. The Company has submitted a notification with Tokyo Stock Exchange designating Directors Go Kawada, Ayako Sonoda and Chie Sato as Independent Directors.
4. The Company has submitted a notification with Tokyo Stock Exchange designating Auditors Etsuo Uchiyama, Harumi Kojo and Norimitsu Yanai as Independent Officers.
5. Dai Nippon Printing, Co., Ltd. is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract.
6. Etsuo Uchiyama has considerable expertise in finance and accounting due to his long service in financial institutions.
7. Hirofumi Hashimoto has considerable expertise in finance and accounting as evidenced in his serving as a Finance Manager for an overseas subsidiary of Dai Nippon Printing, Co., Ltd.
8. Norimitsu Yanai has considerable degree of financial and accounting expertise as indicated by his certificate of public certified accountant.
9. Other than the above, there is no special interest between the organizations at which Outside Directors and Auditors are concurrently posted and the Company.

* The Company has introduced a system of Corporate Officers (for shikkoyakuin and gyomu-shikkoyakuin). The Corporate Officers except Directors as of March 31, 2020 are listed below.

Title	Name	Position and Responsibility
Senior Corporate Officer	Hirokazu Konishi	Responsibility: Business Innovation Division, Business Innovation Operations
Senior Corporate Officer	Kazuo Nagai	Responsibility: Incubation Division, BizDevOps Division / Technical Marketing & Design Planning, Business Process Outsourcing Services, Platform Services
Superior Corporate Officer	Norihiko Murata	Responsibility: DXN Business Incubation
Corporate Officer	Hiroki Hyodo	General Manager, Kansai Regional Headquarters Responsibility: Regional Headquarters and Regional Offices
Corporate Officer	Yasuhide Hatta	Project Manager, Strategic Alliance Responsibility: Strategic Alliance
Corporate Officer	Hirofumi Hashimoto	Responsibility: Manufacturing Business Services, Commerce Business Services 1, Commerce Business Services 2
Corporate Officer	Mitsuru Tamura	General Manager, Legal Division Responsibility: Legal Division
Corporate Officer	Tatsuya Sugai	Responsibility: Social & Public Business Services 1, Social & Public Business Services 2
Corporate Officer	Teruhisa Tanaka	Ggeneral Manager, Global Business Division Responsibility: Global Business Division
Corporate Officer	Kazuma Umehara	Responsibility: Finance, Accounting, Business Accounting
Corporate Officer	Tsuneo Hoshi	General Manager, Quality Management & Assurance Responsibility: Quality Management & Assurance
Corporate Officer	Tetsuya Fujito	General Manager, Corporate Planning Responsibility: Corporate Planning
Corporate Officer	Gakuji Watanabe	Senior Corporate Officer, UNIADEX, Ltd.
Corporate Officer	Kumiko Shirai	General Manager, Human Resources Responsibility: Human Resources, Organization Development
Corporate Officer	Ken Tanaka	General Manager, Strategic Business Unit - Digital Acceleration Responsibility: Strategic Business Unit - Digital Acceleration, Industry Market 1, Industry Market 2, Industry Market 3
Corporate Officer	Naoshi Nagashima	General Manager, Strategic Business Unit - Smart Town Responsibility: Strategic Business Unit - Smart Town, Service Innovation, Public Utility & Social Services, Transportation & Logistics
Corporate Officer	Yuji Takeuchi	General Manager, Strategic Business Unit - Neobank Responsibility: Strategic Business Unit-Neobank, LOB-Financial Industries, LOB - Community Banking Industry, LOB-Regional Banking Industry
Corporate Officer	Naoya Okuyama	CIO (Chief Information Officer) Responsibility: Solution Services, Support Services, Information Systems Services
Corporate Officer	Takashi Sasaki	Responsibility: Financial Business Services 1, Agri Business Project

Title	Name	Position and Responsibility
Corporate Officer	Hideki Moriguchi	General Manager, Business Development Initiative Responsibility: Business Development Initiative
Corporate Officer	Isao Miyata	Responsibility: Financial Business Services 2, Financial Solution Services
Corporate Officer	Takashi Miyashita	CISO (Chief Information Security Officer), CPO (Chief Privacy Officer), CRMO (Chief Risk Management Officer) General Manager, Business Management Responsibility: Business Management, Procurement Management

(2) Overview of Liability Limitation Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with each non-executive Director and Auditor to limit their liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act.

The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated in the laws and regulations. The limitation of liability is applicable only when they conduct their duties in good faith and without gross negligence.

(3) Compensation, etc. for Directors and Auditors

Classification	Number of Recipients	Compensation, etc.
Directors	9	¥335 million
Auditors	5	¥73 million
Total	14	¥409 million

(Note) 1. Any fraction amount less than one million yen is disregarded.

2. The compensation limit for Directors approved at the 49th Ordinary General Meeting of Shareholders held on June 25, 1993 is ¥35 million per month.
3. The compensation limit for Auditors approved at the 62nd Ordinary General Meeting of Shareholders held on June 22, 2006 is ¥8 million per month.
4. The maximum bonus amount to be paid to Directors that was approved at the 72nd Ordinary General Meeting of Shareholders held on June 28, 2016 is set at ¥100 million, and for the time being, a payment basis of 0.5% of the net profit attributable to shareholders of the parent company.
5. The total compensation, etc. for the three (3) Outside Directors and three (3) Outside Auditors for the business year under review is ¥63 million.
6. Compensation, etc. for Directors includes ¥71 million of bonus to directors and ¥25 million of stock options as stock-based compensation.

(4) Matters regarding Outside Officers

(i) The situation of significant concurrent positions and relationships with the Company are stated in (1) ‘Company Officers.

(ii) Major Activities of Outside Officers

- Director Go Kawada

Mr. Kawada attended all 11 Board of Directors meetings held during the business year under review, and appropriately asked questions and expressed opinions, utilizing his extensive experience as Outside Director highly specialized knowledge and expertise in the fields of

taxation and accounting. Mr. Kawada is a member of the Nomination and Remuneration Committee.

- Director Ayako Sonoda

Ms. Sonoda attended all 11 Board of Directors meetings held during the business year under review, and appropriately asked questions and expressed opinions based on her results in supporting many companies in the fields of CSR and environmental management, as well as experience in promoting women in work activities.

- Director Chie Sato

Ms. Sato attended all 11 Board of Directors meetings held during the business year under review, and appropriately asked questions and expressed opinions based on her abundant business experience and expertise gained through serving the Boston Consulting Group as a management strategy consultant and being an author of many books on U.S. business schools.

- Auditor Etsuo Uchiyama

Mr. Uchiyama attended all 11 Board of Directors meetings and all 14 Audit & Supervisory Board meetings held during the business year under review, and appropriately asked questions and expressed opinions, based on his many years of business experience at financial institutions, considerable expertise in finance and accounting and broad insight as a manager.

- Auditor Harumi Kojo

Ms. Kojo attended 10 of the 11 Board of Directors meetings and 13 of 14 Audit & Supervisory Board meetings held during the business year under review, and appropriately asked questions and expressed opinions based on her extensive legal knowledge and experience as an attorney and judge.

- Auditor Norimitsu Yanai

Mr. Yanai attended all 11 Board of Directors meetings and all 14 Audit & Supervisory Board meetings held during the business year under review, and appropriately asked questions and expressed opinions based on his specialized knowledge and experience in corporate accounting which he developed as a certified public accountant in the global arena.

<Reference> Messages from Outside Directors

- **Director　Go Kawada**

“As an independent outside director, I serve as the chairperson of the Nomination and Remuneration Committee.”



I have been an independent outside director of Nihon Unisys for six years. I think the Company’s governance system has been steadily strengthened and improved during that period.

One example of that was my own appointment as chairperson of Nomination and Remuneration Committee in June 2019. Prior to that, I had served as a member of that committee, but while the Company generally earned high marks in the evaluation of the effectiveness of the Board of Directors and in a governance survey conducted by an independent financial institution in FY2018, one issue that was raised was that it would be preferable to appoint an outside director as chairperson of the Nomination and Remuneration Committee. Improvements like that are discussed by the Board of Directors and quickly implemented. I think that’s very good.

In nominating the next generation of management, I want to fulfill my role as committee chair by carefully assessing candidates based on my experience as an outside officer of various companies, while ensuring the transparency of the process. As part of the management succession plan, an exchange of opinions between the Company’s corporate officers and outside directors began in FY2019, and we plan to have in-depth discussions on management and other matters face-to-face.

In addition, I will keep continue to keep a close watch on the Group’s risk management. In our industry, unprofitable projects are a risk that has a major impact on operations. In the past, there were cases where I was conscious of the possibility of damage occurring due to excessive risk-taking, so I will continue to monitor operations with that in mind.

Some compliance-related risks may be hard to discern from within a company because of industry practices or other reasons. From my experience in other industries, I believe that close oversight from outside is necessary, so I will monitor those risks carefully. To exercise effective governance as an outside director, sharing information on risk with those in charge of business execution is critical. At the Company, important information is promptly conveyed to outside directors, which is another aspect I appreciate.

Lastly, the Group has racked up a number of impressive achievements, such as contribution to communities by employees and receipt of various awards, even though they are not widely publicized either internally or externally. It is important to remind employees about the Company’s good points by telling them about these achievements from an outsider’s point of view. I want to continue to perform my role while keeping in mind that outside directors should also be there for employees.

● Director　Ayako Sonoda

“We are in an era where long-term scenario planning will be necessary to strengthen corporate governance.”



I am in my fifth year as an outside director, and I am sensing big changes. Discussions by the Board of Directors are livelier, sensitivity to risk is higher, and innovation and diversity are actively being promoted.

I believe that stronger leadership by the Board of Directors in establishing a corporate culture that promotes innovation while respecting stakeholders is important for the Nihon Unisys Group’s sustainable growth and creation of medium-to-long-term corporate value.

As for sustainability, discussions at Board of Directors meetings on the topics of ESG and the SDGs have also increased. The Group has been in the forefront of Japanese companies in advancing the SDGs through its business activities, including offering energy-related services from early on. Looking ahead, measures to respond to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, including formulation of a very-long-term decarbonization vision targeting 2050, are also urgently needed. Nihon Unisys sees these measures as potential business opportunities, and is already conducting scenario planning on a trial basis to connect them to long-term digital innovation while dealing with various uncertainties (risks).

Also key to value creation and sustainable growth are development of human resources, including management leaders, and promotion of diversity within the Company. The Nihon Unisys Group is focusing on these issues as part of its corporate culture reform.

The Company offers various employee development programs, and I myself have served as an instructor of a management leader training program. I gave lectures while keeping in mind that development of people who are good at predicting future trends and who can generate big ideas for solving global problems will be the key to creating corporate value from now on. In promotion of diversity, which is positioned as a materiality issue, the Company is taking active steps for the empowerment of women in the workplace, and the results are steadily emerging.

I am committed to fulfilling my role as an outside director by making proactive proposals and engaging in discussions on these issues at Board of Directors meetings and in other settings to ensure that the Group can continue to grow as a corporate group that resolves social issues.

● Director　Chie Sato

“I will bring a different perspective as we work together to achieve our vision.”



I am now in my third year as an outside director of Nihon Unisys. I often hear from informed people overseas that “the biggest problem of Japanese companies is that they do not change.” Yet I strongly feel that this company is seriously trying to change.

First, discussions at Board of Directors meetings have become very energetic. All directors and Audit & Supervisory Board members

participate in discussions, and we now have in-depth debate about not only investments but also matters such as the Company's vision, sustainability initiatives, succession planning, and risk management. Second, the approach of employees toward their work has changed from passive to proactive. They propose ideas that not only meet customer needs, but go beyond that. This is leading to the creation of a number of new businesses. Third, there are more opportunities for women to participate in management. A woman has been appointed to each of the positions of corporate officer, CEO of an overseas subsidiary, as well as outside director and outside Audit & Supervisory Board member. Fourth, an independent outside director has been appointed as chairperson of the Nomination and Remuneration Committee. This will further raise the level of the Company's governance.

FY2019 is the second year of mid-term management plan "Foresight in sight 2020." The mission we should achieve and our priority areas are clearly presented in the plan. The greatest challenges, I think, will be increasing the speed of change and raising profitability.

In this context, an important role of outside directors is to provide different perspectives that might be overlooked in the Executive Council. At Board of Directors meetings, I want to draw on my management experience at a major global corporation as well as my management consulting experience to actively express my opinions from the viewpoint of global standards, take a broader perspective and reflect the perspective of various stakeholders.

The Nihon Unisys Group has excellent technologies that it can be proud of, as well as highly capable employees. I will do everything in my power as an outside director to increase the corporate value of a company that has so much potential.

5. Details about Accounting Auditor

(1) Name of Accounting Auditor
Deloitte Touche Tohmatsu LLC

(2) Compensation, etc. Paid to Accounting Auditor

(i) Total compensation paid by the Company to its Accounting Auditor relating to the business year under review	¥76 million
(ii) Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to the Accounting Auditor	¥109 million

(Note)

1. The Company has not drawn any distinction between the compensation for the audit services pursuant to the Companies Act and that pursuant to the Financial Instruments and Exchange Act of Japan in the audit agreement with the Accounting Auditor. It is not practically possible to categorize the amounts. Thus, the amount listed in (i) above indicates the aggregated of those amounts.
2. The Company has paid the compensation to the Accounting Auditor for the consultation services, etc. pertaining to financial information disclosure, being services falling outside the services of Article 2, Paragraph 1 of the Certified Accountants Act.
3. The Audit & Supervisory Board of the Company deliberated on the compensation for the Accounting Auditor, Deloitte Touche Tohmatsu LLC, for their audit services

pertaining to the 76th fiscal year, pursuant to Article 399, Paragraph 1 and Paragraph 2 of the Companies Act. As a result, the Audit & Supervisory Board recognized the reasonability of: an estimate vs. actual amount comparison of the audit compensation of the previous period; the plan of audit time and personnel assignment and a compensation estimate for the audit plan of this period; as well as the subsequent amount and ratio of change in the audit compensation amount as compared with the previous fiscal year on the basis of considerations of the above.

4. Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to member firms of the network, which the Accounting Auditor belongs to, is ¥43 million for mainly their consulting services regarding to our implementation of new businesses.

(3) Policy for Decisions on Dismissal or Refusal of Reappointment of Accounting Auditor

(i) If the Audit & Supervisory Board has judged that dismissal or refusal of reappointment of Accounting Auditor is appropriate due to the duty execution status of the Accounting Auditor, the Audit & Supervisory Board then requests the Board of Directors to submit an proposal calling for the 'dismissal or refusal of reappointment of the Accounting Auditor' and the 'appointment of an Accounting Auditor' to the General Meeting of Shareholders after deciding on the contents of the proposal. The Board of Directors then submits the proposal to the General Meeting of Shareholders.

(ii) If the Accounting Auditor is deemed to fall under the items of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board may dismiss the Accounting Auditor pursuant to the consent from all members of the Audit & Supervisory Board.

6. Necessary Systems to Ensure Appropriate Operations and Status of Operation of the Systems

The 'Necessary Systems to Ensure Appropriate Operations and Status of Operations of the System' (in Japanese) can be found via the following link on the website of the Company.
https://www.unisys.co.jp/invest-j/stock/meeting.html

An outline of the status of operation of the systems to ensure appropriateness of business for the fiscal year under review is as follows.

1. Systems to Ensure the Performance of Duties of Directors and Employees Complies with Laws and Regulations, and the Articles of Incorporation
＜Basic Framework for Heightening Compliance Awareness＞ ・ The Nihon Unisys Group has established a Compliance Committee headed by the Chief Compliance Officer (CCO) as the chairperson and has made efforts to help the officers and employees of the Group increase knowledge and heighten awareness of compliance by proactively deploying compliance programs for the entire group through this Committee. Furthermore, the Group set up, internally and externally, direct reporting and consulting routes ('hotlines') to the Compliance Committee Secretariat and auditors which can be used anonymously or under registration, and it has taken strict measures to prevent hotline users from suffering any form of disadvantage. The Group has made immediate and appropriate responses in the event of receiving whistleblowing reports and detecting compliance violations through imposing strict sanctions against offenders and taking preventive measures against recurrence based on the identification of the true cause. These activities are reported to the Executive Council and the Board of Directors. ・ In the fiscal year 2019, the Group sought especially to strengthen the compliance system of the foreign subsidiaries and promote the compliance regarding the intellectual property rights. ＜Appropriate Financial Report＞ ・ The Group established its 'Basic Policy for Appropriate Financial Reporting of the Nihon Unisys Group' in order to ensure the accuracy and credibility of its financial reporting, and has made appropriate financial reports pursuant to the policy. ＜Action against Anti-social Forces＞ ・ The Group has a strong willingness to refuse transactions with anti-social forces and for that purpose developed business partner screening systems and cooperation with external institutions. ＜Election of Outside Directors＞ ・ The Company elects three (3) outside directors that constitute one third of all directors in order to strengthen the supervisory function of the Board of Directors. The Company has provided training for all directors and auditors in addition to opportunities for outside directors and outside auditors to visit and inspect its business facilities in order to enable them to appropriately fulfill their roles and functions. (The training subjects for the fiscal year 2019 were trends of economy and finance in Japan, the essence of DX and platform strategies, ESG investments and IT-related companies, and risk management.) ＜Audit by Auditors＞ ・ The Company has audits performed by its corporate auditors from the viewpoints of its key audit items that were decided based on the corporate auditor's audit results in fiscal 2018 and changes in the internal and external environments in

fiscal 2019.

2. Systems to Store and Control Information related to Duties Performed by Directors

- The Company established its internal rules for information management such as the rules for storing and managing documents and the manuals for handling confidential information in order to manage information storage periods and locations and so forth.
- Information on the execution of duties by directors is appropriately stored and managed. The Company has developed and implemented systems to enable information to be provided at any time in response to requests from directors and auditors.

3. Regulations and Systems related to Management of Risk of Loss

- Through establishing a Risk Management Committee headed by the Chief Risk Management Officer (CRMO) as the chairperson, pursuant to internal rules, the Company has managed group-wide risks in an centralized manner, has reviewed risk management items as appropriate, taking measures to deal with risks that may have significant impacts on business management.
- The Company has identified as key measures for the mid-and long-term risk management strategies: strengthening group-wide risk management capabilities and improving risk management capabilities of group officers and employees.
- The Project Review Committee and the R&D Investment Committee, in which the management-level personnel participate, review the risks of critical projects.
- The Information Security Committee, chaired by the Chief Information Security Officer (CISO), has been established, which formulates cyber security strategies and implements the appropriate management of information assets.
- The Company has developed systems and plans that enable it to ensure business continuity smoothly and seamlessly in an emergency through a 'Business Continuity Project (BCP)' working group headed by a CRMO.
- The entire Company Group has been dealing with the COVID-19 through a system established by the Company.
- The CRMO reports to the Executive Council and the Board of Directors on activities performed by the Risk Management Committee, the Information Security Committee, and the Business Continuity Project (BCP).

4. Systems to Ensure Efficient Execution of Duties by Directors

- The Company has adopted the Corporate Officer System (including shikkoyakuin and gyomu-shikkoyakuin) in order to separate management supervision from management execution and to execute business promptly.
- The Company has established the Executive Council (consisting of Senior Corporate Officers and other higher-level personnel) as a decision-making body for deciding important matters in business execution.
- The Company established various specialized advisory committees in order to help the Company deliberate individual management issues from a practical point of view.
- The Company operates a decision system (pursuant to rules about items subject to managerial decision and decision levels) to make decisions on matters beyond the authority of a head of a department.
- The Company has formulated 'Foresight in sight® 2020' the mid-term management plan for the group for the three years from fiscal 2018, and regularly reviews the progress at

the Board of Directors.

5. Necessary Systems to Ensure Appropriate Operations in the Company and the Group

＜Framework for Group Company Management＞

- The Company has made attempts to improve the efficiency of its business management and unify its management philosophies among the Company and its group companies through a department assigned to help the Company supervise each group company pursuant to the regulations for managing affiliated companies.
- A manager for the supervising department of each group company has created and maintained appropriate consolidated management systems with the help of seconded executives and in cooperation with related back-office departments, and has developed and operated internal control systems and managed risks.

＜Group Compliance Systems＞

- The Company has established a hotline that can be used by officers and employees of the group including seconded personnel and dispatched workers, and has implemented compliance programs for the entire group. The Company established a dedicated hotline and began operation at its subsidiary in Vietnam in the fiscal year 2019. Furthermore, the group has made efforts to increase compliance awareness among the entire group partly by enabling CCOs of the group companies to share compliance cases and measures to prevent at round-table talks.

＜Internal Audit for the Company and the Group Companies＞

- Based on internal audit plans, the Company conducts audits of its major subsidiaries, points out areas for improvements, and reports on audits at the Executive Council and the Board of Directors.

6. Matters related to Employees Assigned to Assist Auditors, the Independence of Such Employees from Directors, and Ensuring the Effectiveness of Auditors' Directions to Such Employees

- The Company has established the Auditor's Office as a body to help auditors perform duties. It has assigned an appropriate number of employees including a manager dedicated to the Office.

7. Systems pertaining to Reports to Auditors and Systems to Ensure Effective Audit Performances by Auditors

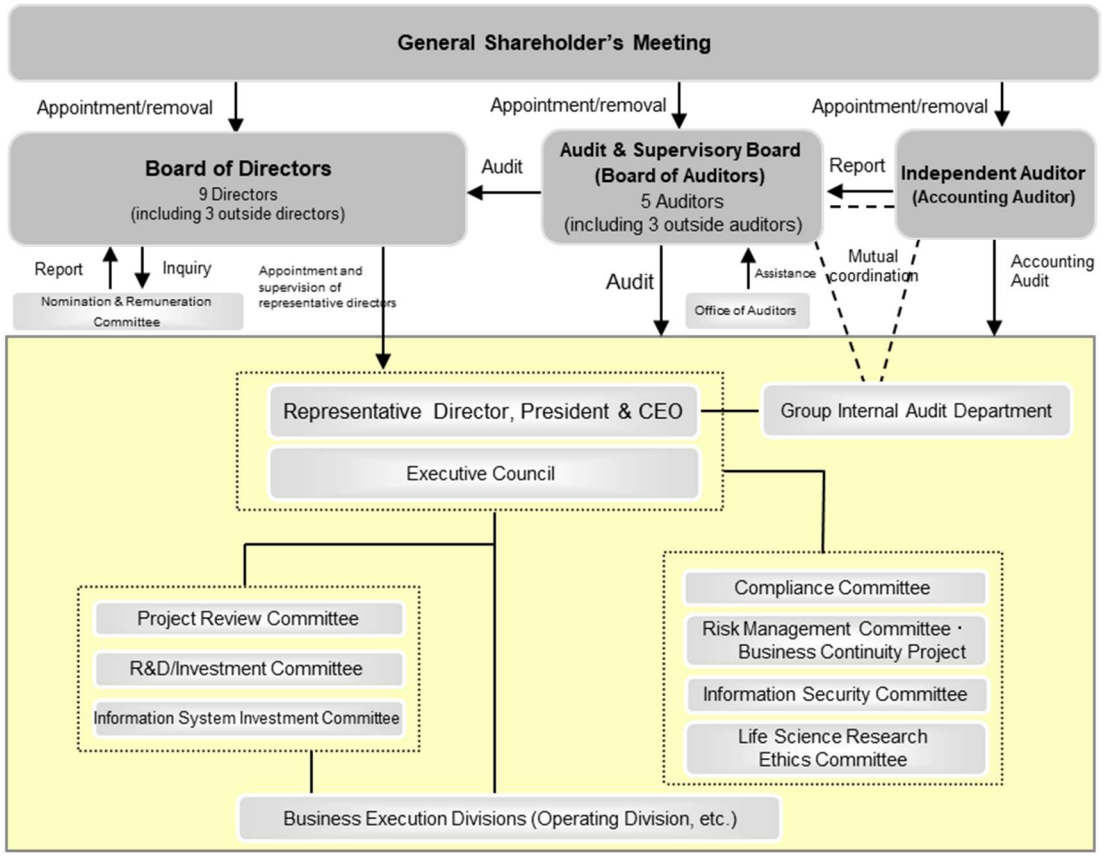
＜Systems pertaining to Reports to Auditors (Audit & Supervisory Board)＞

- The Audit & Supervisory Board collects an "Execution Confirmation" document from each director. In the event that a fact that may significantly damage the Company is detected, the Board confirms with each director as to whether the fact was reported to the auditors (Audit & Supervisory Board) immediately.
- The Audit & Supervisory Board has established an auditor hotline as a direct reporting and consulting route to auditors. The Board has also prohibited practices that may disadvantage hotline users.

＜Other Systems to Ensure Effective Auditing by Auditors＞

- Auditors participate in important meetings mainly of the Board of Directors and the Executive Council. The Company has material documents such as documents for requesting managerial decisions sent over to the auditors.
- Auditors have conducted interviews with the President & CEO as well as other directors and key employees as needed.
- The Audit & Supervisory Board meets quarterly with the Accounting Auditor and the Internal Audit Division to exchange views about risk management situations and key audit items as well as confirm results of reviews by certified public accountants and the Auditing Oversight Board.
- Full-time auditors share information and exchange views as needed with the Group Internal Audit Division.
- Auditors audit the group companies on site visits as needed, and share information at quarterly liaison meetings with auditors of key group companies in order to check the status of management and control in group companies.

【 **Organizational Chart for Corporate Governance and Internal Control** 】(as of April 1,2020)



Audit Report

Accounting Auditor's Report on the Consolidated Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 19, 2020

To the Board of Directors of
Nihon Unisys, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Kazunari Todoroki [seal]

Designated Engagement Partner,
Certified Public Accountant: Hajime Yoshizaki [seal]

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Nihon Unisys, Ltd. and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2020, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2019 to March 31, 2020, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2020, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise
professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during

our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

Accounting Auditor's Report on the Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 19, 2020

To the Board of Directors of
Nihon Unisys, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Kazunari Todoroki [seal]

Designated Engagement Partner,
Certified Public Accountant: Hajime Yoshizaki [seal]

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Nihon Unisys, Ltd. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2020, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 76th fiscal year from April 1, 2019 to March 31, 2020, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2020, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgement. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with

a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

Audit & Supervisory Board's Audit Report

AUDIT REPORT

Having examined the Directors' performance of their duties during the 76th fiscal year from April 1, 2019 to March 31, 2020, we, the Audit & Supervisory Board, prepare and make this report as follows, based upon discussion on the basis of the auditors' reports prepared by each member of the Audit & Supervisory Board.

1. Methods and Content of Audit by Auditors and Audit & Supervisory Board

(1) The Audit & Supervisory Board set out auditing policies, allocation of work duties, etc., received a report on the auditing work performed and the results thereof from each Auditor, and received a report on their status of work executed from the Directors and the Accounting Auditor and requested their explanations as necessary.

(2) While conforming to the auditing standards as set out by the Audit & Supervisory Board, and in accordance with the auditing policies, the allocation of duties, etc., each Auditor endeavored to facilitate mutual understanding with the Directors, the internal auditing department, and other employees in order to collect information and to maintain the auditing environment. They performed the audit pursuant to the methods below.
   (i) They attended meetings of the Board of Directors and other important meetings, received from the Directors and the employees reports on their status of work duties and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites. With respect to significant subsidiaries, we endeavored to facilitate mutual understanding and exchange of information with their directors, auditors, etc., and collected reports on their business as necessary.
   (ii) They were regularly reported to by the Directors and other employees on, requested explanations about as necessary and expressed opinions on: (i) the contents of the Board of Directors' resolutions regarding the maintenance of the system to ensure that the Directors' performance of their duties described in the Business Report comply with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a corporate group comprised of a stock company (*kabushiki kaisha*) and its subsidiaries; and (ii) the systems (internal control systems) based on such resolutions, and the construction and operation of those systems.
   (iii) Regarding internal control of financial reporting, the Directors and Deloitte Touche Tohmatsu LLC provided us with reports assessing the internal control procedures and audit status, as well as explanations where necessary.
   (iv) In addition, we examined and verified whether the independence of the Accounting Auditor was maintained and whether an appropriate audit was being undertaken, received reports on, and requested explanations on as necessary, the execution by the Accounting Auditor of its duties from the Accounting Auditor. We also received notifications from the Accounting Auditor that "Necessary systems to ensure appropriate execution of operations" (matters listed in each item of Article 131 of the Corporate Accounting Regulations of Japan) were maintained in line with "Quality control standards for auditing" (issued by the Japan Corporate Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above approach, the Audit & Supervisory Board examined the business reports and the annexed detailed statements and financial statements (balance sheet, profit and loss statement, statement of changes in net assets, and individual list of explanatory

notes) and the annexed detailed statements of the Company as well as the consolidated financial statements (consolidated balance sheet, consolidated profit and loss statement, consolidated statement of changes in net assets, and consolidated list of explanatory notes) for the fiscal year under review.

2. Results of Audit
   (1) Results of audit of the business report, etc.
      (i) In our opinion, the business report and the annexed detailed statements are in conformity with the applicable laws and regulations of Japan and the Articles of Incorporation of the Company and fairly present the state of the Company's status;
      (ii) We have found no misconduct or material fact constituting a violation of any applicable laws and regulations of Japan or the Articles of Incorporation in connection with the Directors' performance of their duties; and
      (iii) In our opinion, the contents of the resolutions of the Board of Directors with regard to the internal control systems is appropriate. Furthermore, we find no matters that require noting with regard to the Directors' performance of their duties, the details contained in the Business Report with regard to the internal control systems or the internal control systems in connection with the financial statements.
      It is expected that the Company group aims to solve social issues and will face furthermore diversified and complicated risks. The Company group now performs business activities in the circumstances where the group suffers from strong impacts of the spread of COVID-19 in light of the business and workstyle operations. Audit & Supervisory Board is fully aware of the situation and will continue to monitor and verify the state of development and operation of internal control system in the Company and the Group companies.
   (2) Results of audit of the financial statements and the annexed detailed statements
   In our opinion, the auditing methods used and the conclusions reached by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.
   (3) Results of audit of the consolidated financial statements
   In our opinion, the auditing methods used and the conclusions reached by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

End of audit report

May 21, 2020
Audit & Supervisory Board
Nihon Unisys, Ltd.

Auditor, Full-Time	Shinji Kuriyama [seal]
Auditor, Full-Time, Outside Auditor	Etsuo Uchiyama [seal]
Auditor	Hirofumi Hashimoto [seal]
Auditor, Outside Auditor	Harumi Kojo [seal]
Auditor, Outside Auditor	Norimitsu Yanai [seal]