

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



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

February 4, 2020

## **Nihon Unisys, Ltd.**

Stock Listing: Tokyo Stock Exchange 1st Section  
 Stock Code: 8056  
 URL: <https://www.unisys.co.jp/>  
 Representative: Akiyoshi Hiraoka, Representative Director, President & CEO  
 Scheduled Submission Date for Quarterly Report: February 12, 2020  
 Scheduled Starting Date for Dividend Payment: -  
 Earnings Supplementary Explanatory Documents: yes  
 Earnings Results Briefing: yes (for institutional investors, analysts)

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

## **1. Consolidated Financial Results for FY2020 Q3 (from April 1, 2019 to December 31, 2019)**

### **(1) Consolidated Results of Operations**

(Percentage below represents increase (decrease) from the same period of previous year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
<b>FY2020 Q3</b>	218,901	10.1	16,504	36.4	17,357	37.8	11,882	31.7
<b>FY2019 Q3</b>	198,886	1.2	12,100	28.3	12,592	27.7	9,024	33.0

(Note) Comprehensive Income FY2020 Q3: 11,221 Million Yen ( 28.5 %) FY2019 Q3: 8,733 Million Yen ( -21.2 %)

	Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
<b>FY2020 Q3</b>	118.41	117.99
<b>FY2019 Q3</b>	89.94	89.63

### **(2) Consolidated Financial Position**

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
<b>FY2020 Q3</b>	203,960	121,548	58.7%
<b>FY2019</b>	211,421	116,615	54.2%

(Reference) Shareholders' Equity FY2020 Q3: 119,672 Million Yen FY2019: 114,638 Million Yen

## **2. Dividends**

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
<b>FY2019</b>	—	25.00	—	30.00	55.00
<b>FY2020</b>	—	32.50	—		
<b>FY2020 (Forecast)</b>				37.50	70.00

(Note) Revisions to the latest forecast of dividends: Yes

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

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

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Earnings Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
<b>FY2020</b>	314,000	5.0	25,000	21.2	25,900	26.2	17,500	22.9	174.39

(Note) Revisions to the latest forecast of consolidated earnings: Yes

\* Notes

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

(2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatement of corrections

1. Changes in accounting policies in association with revision in accounting standards: No

2. Other changes in accounting policies: No

3. Changes in accounting estimates: No

4. Restatement of corrections: No

(4) Number of shares outstanding (common stock)

(shares)

1. Number of shares outstanding at the end of the period  
(including treasury stock)

FY2020 Q3	109,663,524	FY2019	109,663,524
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2. Number of shares of treasury stock at the end of the period

FY2020 Q3	9,310,479	FY2019	9,315,429
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3. Average number of shares outstanding during the period

FY2020 Q3	100,351,687	FY2019 Q3	100,335,144
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\*This consolidated financial report is not subject to quarterly review procedures.

\*Comment regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

Millions of Yen

	FY2019 (As of March 31, 2019)	FY2020 Q3 (As of December 31, 2019)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	27,200	26,190
Notes and accounts receivable - trade	72,479	52,271
Merchandise and finished goods	8,248	12,457
Work in process	1,947	5,131
Raw materials and supplies	86	71
Other	18,364	22,525
Allowance for doubtful accounts	(56)	(48)
<b>Total current assets</b>	<b>128,270</b>	<b>118,598</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	4,082	3,864
Machinery, equipment and vehicles, net	6,670	5,889
Other, net	3,496	3,123
<b>Total property, plant and equipment</b>	<b>14,249</b>	<b>12,878</b>
<b>Intangible assets</b>		
Goodwill	1,288	1,618
Software	19,982	18,519
Other	102	93
<b>Total intangible assets</b>	<b>21,373</b>	<b>20,231</b>
<b>Investments and other assets</b>		
Investment securities	23,854	27,056
Deferred tax assets	1,656	531
Net defined benefit asset	7,087	8,505
Other	15,237	16,455
Allowance for doubtful accounts	(307)	(297)
<b>Total investments and other assets</b>	<b>47,528</b>	<b>52,252</b>
<b>Total non-current assets</b>	<b>83,151</b>	<b>85,361</b>
<b>Total assets</b>	<b>211,421</b>	<b>203,960</b>

Millions of Yen

	FY2019 (As of March 31, 2019)	FY2020 Q3 (As of December 31, 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	26,009	17,527
Current portion of long-term loans payable	5,255	5,180
Income taxes payable	2,905	450
Accrued expenses	11,155	6,538
Advances received	15,761	20,905
Provision for loss on contract development	652	529
Other provisions	1,555	892
Other	11,304	12,537
<b>Total current liabilities</b>	<b>74,600</b>	<b>64,560</b>
<b>Non-current liabilities</b>		
Long-term loans payable	16,635	13,913
Provisions	416	208
Net defined benefit liability	614	642
Asset retirement obligations	1,131	1,146
Other	1,408	1,942
<b>Total non-current liabilities</b>	<b>20,206</b>	<b>17,852</b>
<b>Total liabilities</b>	<b>94,806</b>	<b>82,412</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	5,483	5,483
Capital surplus	14,909	14,909
Retained earnings	97,893	103,500
Treasury shares	(13,540)	(13,534)
<b>Total shareholders' equity</b>	<b>104,745</b>	<b>110,358</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	6,561	6,940
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	(31)	(76)
Remeasurements of defined benefit plans	3,361	2,450
<b>Total accumulated other comprehensive income</b>	<b>9,892</b>	<b>9,314</b>
Stock acquisition rights	432	474
Non-controlling interests	1,544	1,401
<b>Total net assets</b>	<b>116,615</b>	<b>121,548</b>
<b>Total liabilities and net assets</b>	<b>211,421</b>	<b>203,960</b>

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

(Consolidated Statements of Income)

Millions of Yen

	FY2019 Q3 (Nine months ended December 31, 2018)	FY2020 Q3 (Nine months ended December 31, 2019)
<b>Net sales</b>	<b>198,886</b>	<b>218,901</b>
<b>Cost of sales</b>	<b>148,571</b>	<b>163,047</b>
<b>Gross profit</b>	<b>50,314</b>	<b>55,854</b>
<b>Selling, general and administrative expenses</b>	<b>38,214</b>	<b>39,349</b>
<b>Operating income</b>	<b>12,100</b>	<b>16,504</b>
<b>Non-operating income</b>		
Interest income	6	6
Dividend income	465	486
Reversal of reserve for contingent losses	87	485
Other	186	242
<b>Total non-operating income</b>	<b>745</b>	<b>1,220</b>
<b>Non-operating expenses</b>		
Interest expenses	73	64
Settlement package	-	178
Loss on investments in partnership	113	98
Other	66	25
<b>Total non-operating expenses</b>	<b>253</b>	<b>367</b>
<b>Ordinary income</b>	<b>12,592</b>	<b>17,357</b>
<b>Extraordinary income</b>		
Gain on sales of investment securities	95	118
Other	-	0
<b>Total extraordinary income</b>	<b>95</b>	<b>118</b>
<b>Extraordinary losses</b>		
Impairment loss	89	284
Loss on valuation of investment securities	251	315
Other	16	43
<b>Total extraordinary losses</b>	<b>357</b>	<b>643</b>
<b>Profit before income taxes</b>	<b>12,329</b>	<b>16,832</b>
<b>Income taxes - current</b>	<b>272</b>	<b>2,184</b>
<b>Income taxes - deferred</b>	<b>2,941</b>	<b>2,844</b>
<b>Total income taxes</b>	<b>3,213</b>	<b>5,029</b>
<b>Profit</b>	<b>9,116</b>	<b>11,803</b>
<b>Profit (loss) attributable to non-controlling interests</b>	<b>91</b>	<b>(79)</b>
<b>Profit attributable to owners of parent</b>	<b>9,024</b>	<b>11,882</b>

## (Consolidated Statements of Comprehensive Income)

Millions of Yen

	FY2019 Q3	FY2020 Q3
	(Nine months ended December 31, 2018)	(Nine months ended December 31, 2019)
<b>Profit</b>	<b>9,116</b>	<b>11,803</b>
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(721)	377
Deferred gains or losses on hedges	(0)	(1)
Foreign currency translation adjustment	-	(15)
Remeasurements of defined benefit plans	393	(911)
Share of other comprehensive income of entities accounted for using equity method	(54)	(31)
<b>Total other comprehensive income</b>	<b>(382)</b>	<b>(581)</b>
<b>Comprehensive income</b>	<b>8,733</b>	<b>11,221</b>
<b>(Breakdown)</b>		
Comprehensive income attributable to owners of parent	8,641	11,303
Comprehensive income attributable to non-controlling interests	91	(81)