



Second-Quarter 2014 Financial Results

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Disclaimer

- Statements made by Unisys during today's presentation that are not historical facts, including those regarding future performance, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and assumptions and involve risks and uncertainties that could cause actual results to differ from expectations. These risks and uncertainties are discussed in the company's reports filed with the SEC and in today's earnings release.
- This presentation also includes non-GAAP financial measures including Constant Currency, non-GAAP Earnings per Diluted Share, Free Cash Flow, EBITDA, Adjusted EBITDA, Net Cash, and Operating Profit before Pension Expense. Definitions of these non-GAAP financial measures and reconciliations to GAAP measures are included in this presentation.
- These presentation materials can be accessed on the Unisys Investor Web site at www.unisys.com/investor. Information in this presentation is as of July 22, 2014 and Unisys undertakes no duty to update this information.

Ed Coleman

Chairman & CEO

2Q14 Overview

- Lower Technology and Systems Integration revenue impacted results
 - Revenue declined 6% Y/Y; up 6% vs 1Q14
 - Pre-tax profit of \$11M vs. \$50M in 2Q13
 - Loss per diluted share of \$0.24 vs. earnings per diluted share of \$0.46 in 2Q13
 - Non-GAAP earnings per diluted share of \$0.11 vs \$0.91 in 2Q13*
 - Cash from operations of \$3M vs \$16M in 2Q13
 - Services order growth driven by significant Commonwealth of Pennsylvania award
- Sequential improvements vs. 1Q14

See Schedule *A: GAAP to non-GAAP Reconciliation

Technology – Focus on Growth

Anticipate strong Technology performance in 2H14

- ClearPath
 - Sizeable pipeline of opportunities
 - New generation of systems – x86 Intel processor based
 - New models run on same fabric-based platform as *Forward!*
- Stealth
 - Market recognition – Awards
 - Growing market interest – building pipeline; more first-time buys and POCs
 - Expect continued traction
- *Forward!*
 - New version introduced in 2Q14 with more power and expanded functionality
 - Growing recognition – 3rd Party benchmarking; Gartner MQ for Integrated Systems; CRN
 - Expanding pipeline



Services – Evolving Portfolio for Changing Market

- Shift in demand reflects impact of disruptive technologies
- Growing interest in faster cycle cloud-based solutions and as-a-service delivery models
- Seeing success in transitioning IT Outsourcing business
 - Commonwealth of Pennsylvania contract
 - Expanding client base for Edge ITSM solution – Bytes Technology Group and 21Vianet
- Taking actions to reposition Systems Integration business
 - Consolidated non-U.S. Federal services businesses
 - Rationalizing services and solution portfolio
 - Increasing low-cost labor headcount percentage
 - Address underperforming contracts



Financial Goals – 2014 and Beyond

- Anticipate a strong second half of 2014
- 2014 revenue
 - Services down low single digits – 2014 vs. 2013
 - Technology growth – \$470M-\$500M in 2014; incremental revenue from Stealth and *Forward!*
- Our 2014 - 2016 financial goals remain:
 - Grow Technology business
 - Increase percentage of revenue generated by our reseller channel
 - Consistently achieve an 8-10% Services operating profit margin
 - Continue to simplify operations and reduce cost of services delivery

Janet Haugen

Chief Financial Officer

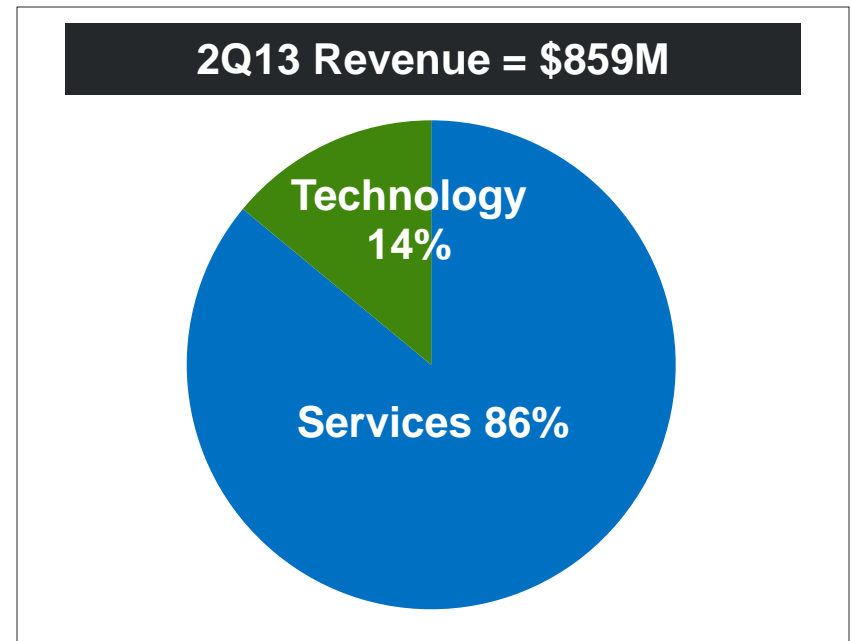
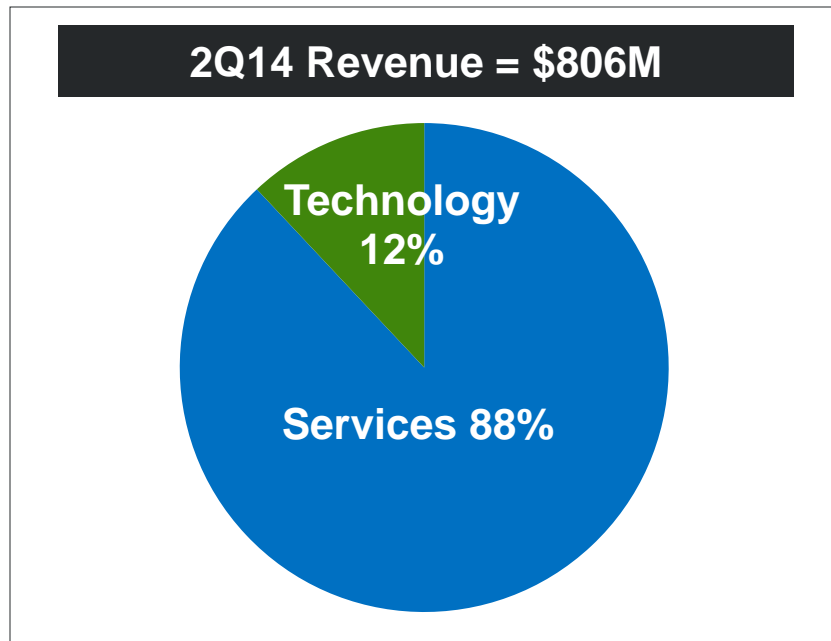
2Q14 Financial Results

\$M (excluding EPS)	2Q14	2Q13	Y/Y Ch
Revenue	\$806	\$859	(6%)
Gross Profit	\$165	\$201	(18%)
Gross Profit Margin	20.5%	23.4%	(2.9 pts)
Operating Expenses (SG&A plus R&D)	\$149	\$163	(8%)
Operating Profit	\$16	\$38	(58%)
Operating Profit Margin	2.0%	4.4%	(2.4 pts)
Other Income (Expense)	(\$3)	\$14	
Pretax Income	\$11	\$50	(78%)
Tax Expense	\$20	\$23	
Net Income (Loss)	(\$12)	\$20	
Earnings (Loss) per Diluted Share	(\$0.24)	\$0.46	
Non-GAAP Earnings per Diluted Share*	\$0.11	\$0.91	(88%)

See Schedule *A: GAAP to non-GAAP Reconciliation

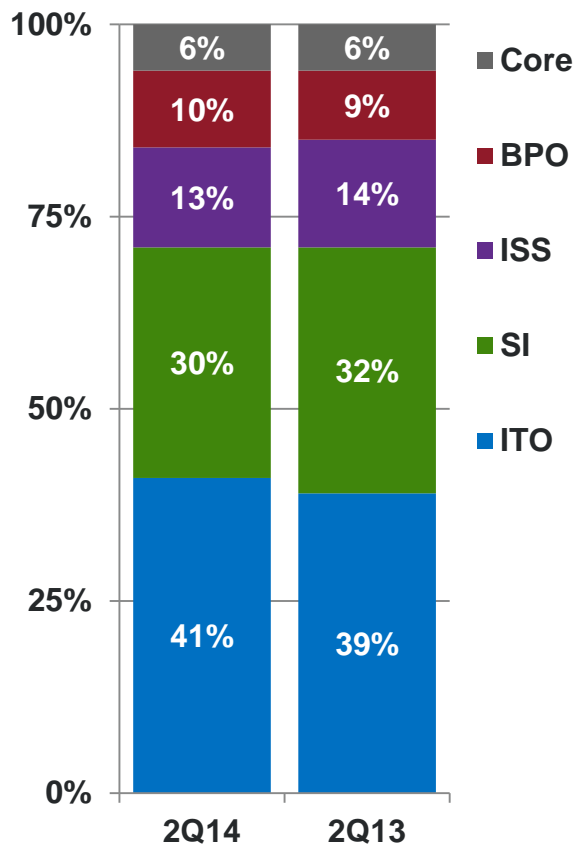
2Q14 Segment Revenue

- Services revenue down 4% Y/Y
- Technology revenue down 21% Y/Y



Services Revenue by Portfolio

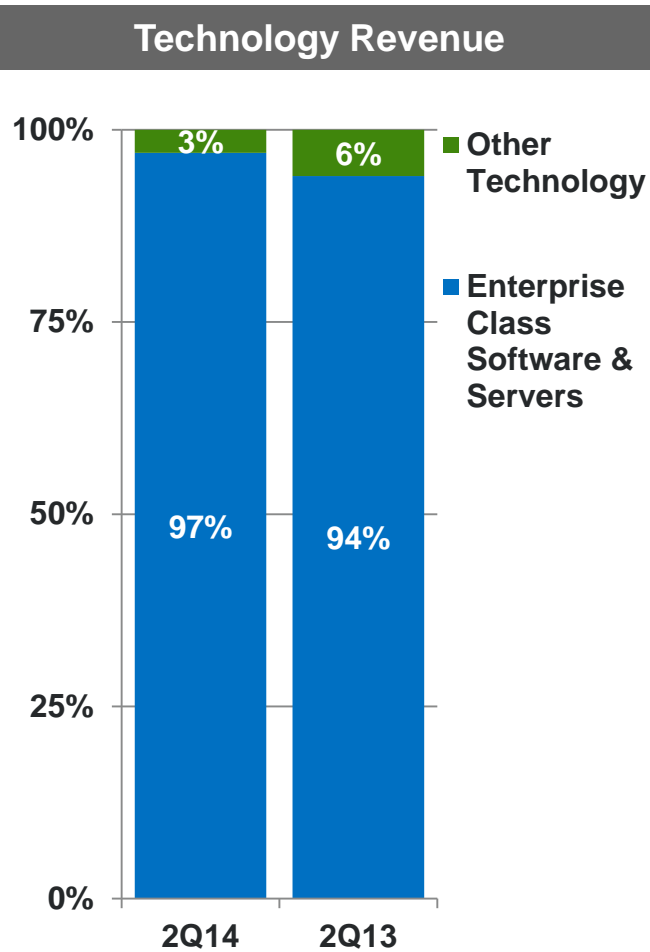
Services Revenue



Services portfolio revenue as a % of Unisys services revenue

\$M	2Q14	Y/Y Ch
Services Revenue	\$713	(4%)
Gross Margin	16.8%	(140 bps)
Operating Margin	4.0%	Flat
Revenue by Portfolio		
Information Technology Outsourcing	\$295	1%
Systems Integration	\$216	(8%)
Infrastructure Services	\$89	(16%)
Business Process Outsourcing	\$67	7%
Core Maintenance	\$46	2%

Technology Revenue by Portfolio



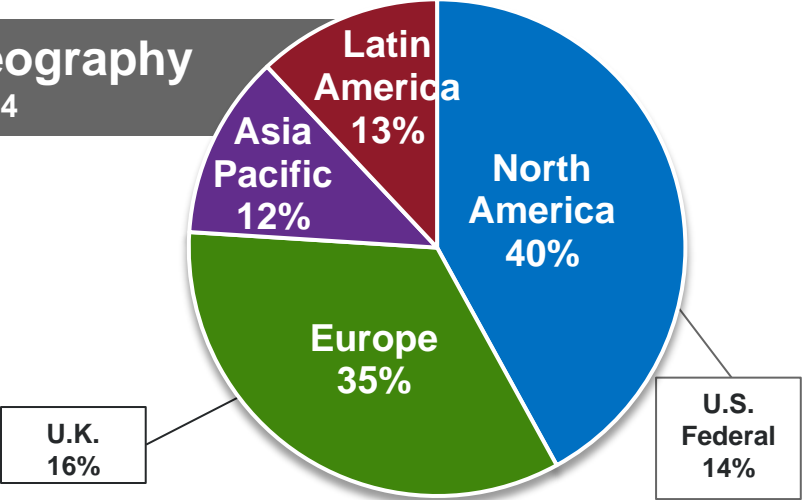
Technology portfolio revenue as a % of Unisys technology revenue

\$M	2Q14	Y/Y Ch
Technology Revenue	\$94	(21%)
Gross Margin	50.2%	(920 bps)
Operating Margin	1.9%	(2,200 bps)
Revenue by Portfolio		Y/Y Ch
Enterprise Class Software & Servers	\$91	(19%)
Other Technology	\$3	(60%)

Unisys Revenue Profile

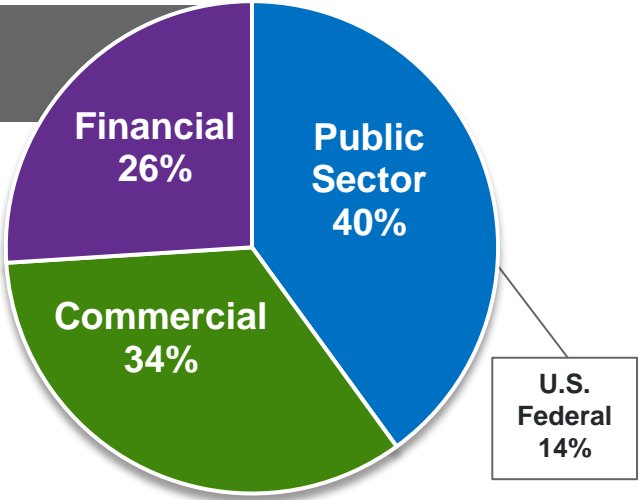
Geography

2Q14



Industry

2Q14



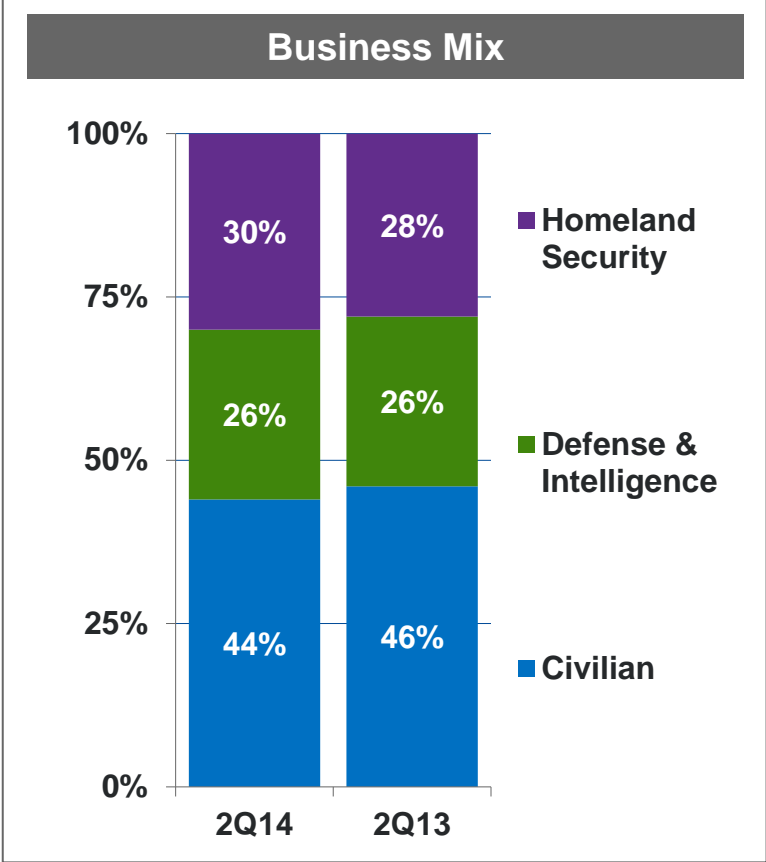
2Q14 Y/Y

North America	(10%)
Europe	8%
Asia Pacific	(24%)
Latin America	(6%)

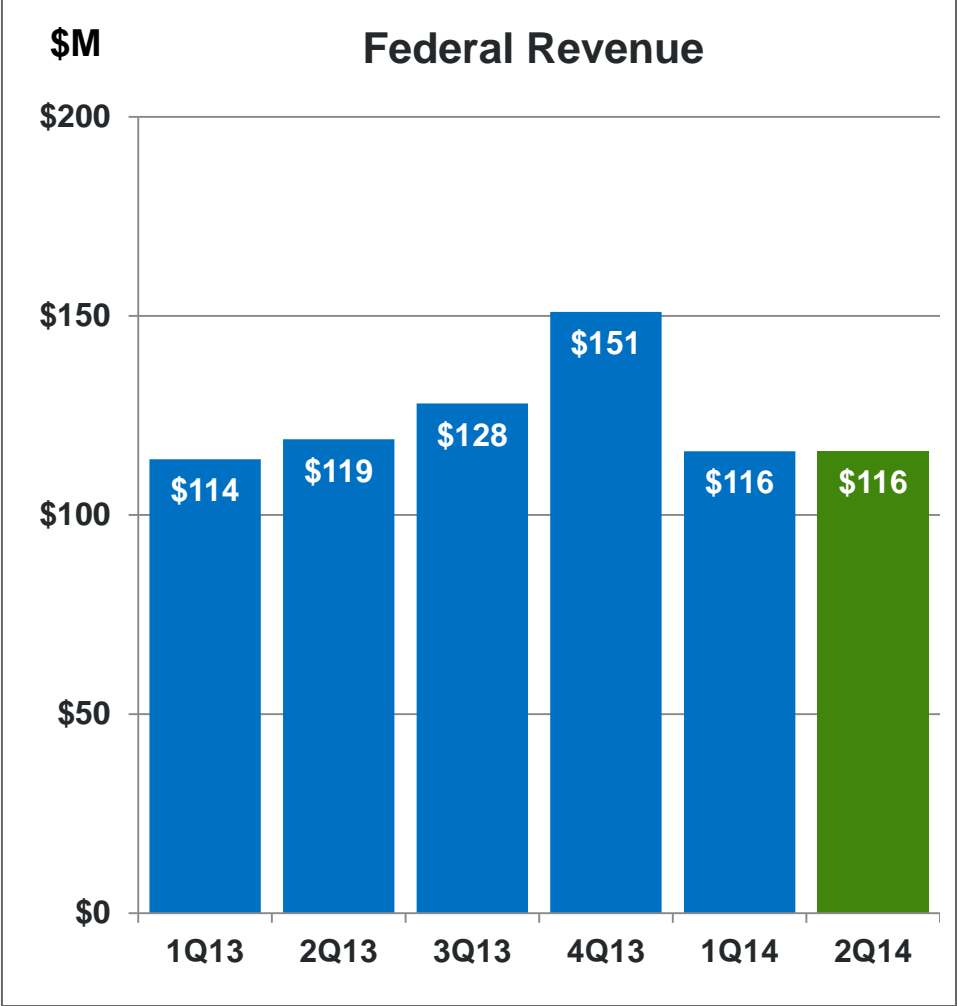
2Q14 Y/Y

Public Sector	(6%)
Commercial	(11%)
Financial	2%

U.S. Federal Government Business



Revenue Y/Y	
2Q14	(3%)



2Q14 Services Order Highlights

- Services orders up substantially Y/Y and sequentially
- Services orders by portfolio:
 - Orders grew in ITO
 - Orders declined in BPO, Systems Integration, Core Maintenance, and Infrastructure Services
- Services orders by geography
 - Orders grew in North America driven by an order with the Commonwealth of Pennsylvania
 - Orders declined in all regions outside North America
- Closed 2Q14 with \$4.7B in services backlog vs. \$4.8B at 2Q13 and \$4.5B at 1Q14
 - \$630M of services backlog expected to turn into 3Q14 revenue

Cash Flow Comparison

\$M	2Q14	2Q13
Cash Flow From Operations	\$3	\$16
Capital Expenditures	\$45	\$38
Free Cash Flow*	(\$42)	(\$22)
Pension Funding	\$48	\$35
Free Cash Flow Before Pension Funding*	\$6	\$13
Depreciation & Amortization	\$41	\$40
EBITDA**	\$51	\$90
Adjusted EBITDA**	\$69	\$113
Cash Balance	\$574	\$576
Debt Balance at June 30	\$210	\$210
Net Cash at June 30	\$364	\$366

See Schedule *B: and **C: GAAP to non-GAAP Reconciliation



Questions & Answers

Non-GAAP Financial Measures

In an effort to provide investors with additional information regarding the company's results as determined by generally accepted accounting principles (GAAP), the company also discusses, in its earnings press release and/or earnings presentation materials, the following non-GAAP information which management believes provides useful information to investors.

Constant Currency – The company refers to growth rates at constant currency or adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates to facilitate comparisons of the company's business performance from one period to another. Constant currency for revenue is calculated by retranslating current and prior period results at a consistent rate. This approach is based on the pricing currency for each country which is typically the functional currency. Generally, when the dollar either strengthens or weakens against other currencies, the growth at constant currency rates will be higher or lower, respectively, than growth reported at actual exchange rates.

Non-GAAP Earnings (Loss) Per Diluted Share – Unisys recorded pension expense, net of tax, of \$17.9 million and \$21.9 million, respectively, during the second quarters of 2014 and 2013. In an effort to provide investors with a perspective on the company's earnings without these charges, they are excluded from the non-GAAP diluted earnings per share calculations.

Free Cash Flow – To better understand the trends in our business, we believe that it is helpful to present free cash flow, which we define as cash flow from operations less capital expenditures. Management believes this measure gives investors an additional perspective on cash flow from operating activities in excess of amounts required for reinvestment. Because of the significance of the company's pension funding obligations in 2014 and 2013, free cash flow before pension funding is also provided.

Non-GAAP Financial Measures

EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is an approximate measure of a company's operating cash flow based on data from the company's income statement. EBITDA is calculated as earnings before the deduction of interest expenses, taxes, depreciation, and amortization. Management believes this measure may be relevant to investors due to the level of fixed assets and related depreciation charges. This measure is also of interest to the company's creditors, since it provides a perspective on earnings available for interest payments.

Adjusted EBITDA – Unisys recorded pretax pension expense of \$17.9 million and \$22.8 million, respectively, during the second quarters of 2014 and 2013. In order to provide investors with additional understanding of the company's operating results, these charges are excluded from the Adjusted EBITDA calculation.

Operating Profit before Pension Expense – Unisys recorded pretax pension expense of \$17.9 million and \$22.8 million, respectively, during the second quarters of 2014 and 2013. In order to provide investors with additional understanding of the company's operating results, these charges are excluded from the Operating Profit before Pension Expense calculation.

Net Cash – In an effort to help investors better understand the debt held by the company, this measure takes into account not only the total debt obligations of the company, but the significance of debt compared to its cash balances. Net Cash is calculated by subtracting Long-Term Debt from the company's cash balance.

Schedule A: GAAP to Non-GAAP Reconciliation

Non-GAAP Earnings (Loss) per Diluted Share

\$M except share and per share data	2Q14	2Q13
GAAP net income (loss) attributable to Unisys Corporation common shareholders	(\$12.1)	\$20.4
Pension expense, net of tax	17.9	21.9
Non-GAAP net income attributable to Unisys Corporation common shareholders	\$5.8	\$42.3
Add preferred stock dividends	--	\$4.1
Non-GAAP net income attributable to Unisys Corporation for diluted earnings per share	\$5.8	\$46.4
Weighted average shares (thousands)	50,843	43,780
Plus incremental shares from assumed conversion of employee stock plans and preferred stock	260	7,328
Adjusted weighted average shares	51,103	51,108
Diluted Earnings (Loss) per Share		
<i>GAAP basis</i>		
GAAP net income (loss) attributable to Unisys Corporation common shareholders	(\$12.1)	20.4
Divided by weighted average shares	50,843	44,195
GAAP earnings (loss) per diluted share	(\$0.24)	\$0.46
<i>Non-GAAP basis</i>		
Non-GAAP net income attributable to Unisys Corporation for diluted earnings per share	\$5.8	\$46.4
Divided by adjusted weighted average shares	51,103	51,108
Non-GAAP earnings per diluted share	\$0.11	\$0.91

Schedule B: GAAP to Non-GAAP Reconciliation

Free Cash Flow

\$M	2Q14	2Q13
Cash Provided by Operations	\$3.3	\$16.1
Capital Expenditures	(44.8)	(38.2)
Free Cash Flow	(\$41.5)	(\$22.1)
Pension Funding	47.6	34.7
Free Cash Flow Before Pension Funding	\$6.1	\$12.6

Schedule C: GAAP to Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization

\$M	2Q14	2Q13
Net Income (Loss) Attributable to Unisys	(\$12.1)	\$24.5
Interest Expense	2.3	2.6
Income Tax Provision	19.9	22.7
Depreciation & Amortization	41.1	40.0
EBITDA	\$51.2	\$89.8
Pension Expense	17.9	22.8
Adjusted EBITDA	\$69.1	\$112.6

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