

FY2007 Analyst Meeting

Summary of FY2007 Earnings Report

May 10, 2007

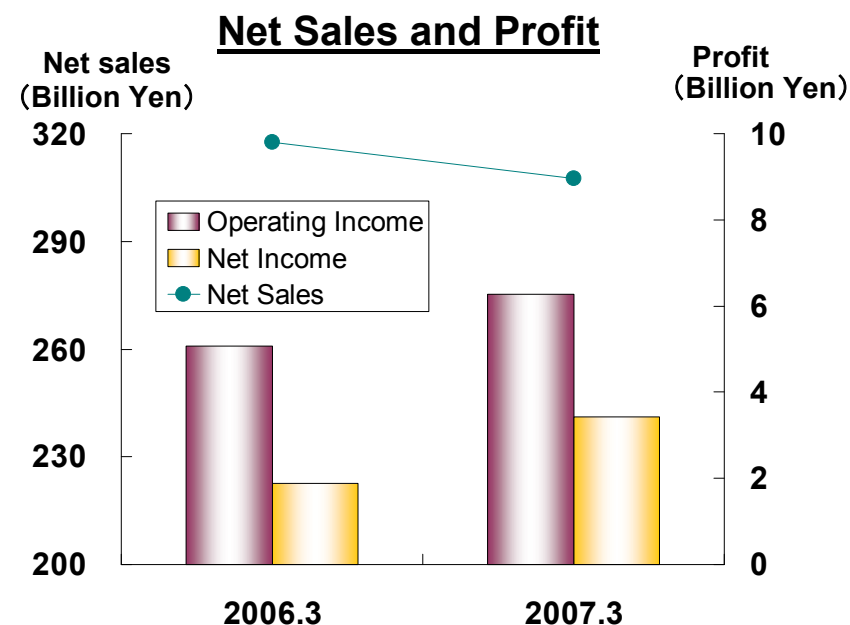
**Keiji Shiratori
Representative Director
& Senior Corporate Officer
Nihon Unisys, Ltd.**

Highlights of Consolidated Results

(Millions of Yen)

	2006.3	2007.3	Variance	Variance
Net Sales	317,486	307,455	-10,031	-3.2%
Operating Income	5,065	6,278	+1,212	+23.9%
Recurring Profit	4,870	6,646	+1,775	+36.5%
Net Income	1,889	3,433	+1,544	+81.7%

- Net Sales decreased by 10 billion yen from the previous period, due to effects caused by carrying over part of large-scale projects to the next period and selecting projects before order acceptance from the viewpoint of prioritizing profitability, etc.
- A decrease of Gross Profit was made up for by a decrease of SG&A Expenses. Operating Income increased by 1.2 billion yen from the previous period.



Revenue Information

● Sales Breakdown by Segment

(Millions of Yen)

	2006.3	2007.3	Variance	Variance
Services	195,470	193,178	-2,291	-1.2%
System services	95,178	91,946	-3,231	-3.4%
Support services	57,502	58,786	+1,284	+2.2%
Outsourcing	26,529	24,826	-1,702	-6.4%
Other services	16,260	17,617	+1,357	+8.3%
Software	49,439	47,973	-1,466	-3.0%
Hardware	72,576	66,303	-6,273	-8.6%
Sales	58,892	53,813	-5,078	-8.6%
Rental	13,684	12,489	-1,194	-8.7%
Total	317,486	307,455	-10,031	-3.2%

Profit and Loss Information

(Millions of Yen)

	2006.3	2007.3	Variance	Variance
Gross Profit	68,934	63,196	-5,738	-8.3%
SG&A Expenses	63,868	56,917	-6,950	-10.9%
Operating Income	5,065	6,278	+1,212	+23.9%
Recurring Profit	4,870	6,646	+1,775	+36.5%
Extraordinary Losses	-551	-335	+216	—
Net Income	1,889	3,433	+1,544	+81.7%

● Gross Profit Comparison (Millions of Yen)

	2006.3	2007.3	Variance
Services	47,359	41,530	-5,828
Software	15,226	15,471	+245
Hardware	18,799	18,927	+128
License Fees	-12,451	-12,733	-282
Total	68,934	63,196	-5,738

● 2007.3 Operating Income Details (Billions of Yen)

06.3 Operating Income	5.1
Decrease of Services Gross Profit	-5.8
Change of posting categories for sales support expenses	-2.4
Increase of unprofitable projects	-2.1
Decrease of Support services gross profit	-3.8
Other profit increases	+2.5
Increase of H/W and S/W Gross Profit	+0.4
License Fees Increase (due to exchange rate effects)	-0.3
Decrease of SG&A Expenses	+7.0
Decrease of personnel expenses	+1.7
Decrease of R&D expenses	+1.0
Decrease of sales support expenses and other expenses	+4.3
07.3 Operating Income	6.3

Balance Sheet and Cash Flow Information

● Cash Flows

(Millions of Yen)

	2006.3	2007.3	Variance
CF from Operating Activities	18,977	8,813	-10,163
CF from Investing Activities	-19,303	-32,270	-12,967
FCF	-326	-23,457	-23,131

■ Free Cash Flows

- Increase of advanced investment in outsourcing business
- Payment of license fees
- Increase of payments for purchase of investment securities

● Balance Sheet

(Millions of Yen)

	2006.3	2007.3	Variance
Total Assets	243,931	237,861	-6,069
Total Liabilities	162,410	150,843	-11,567
Net Assets*	81,520	87,018	+5,497

■ Total assets and Liabilities

Total assets and total liabilities decreased due to the completion of license fee payment.

■ Interest-bearing Debts

Short-term borrowings and long-term loans payable were utilized to procure fund to meet the above CF and capital needs.

*2006.3 Net Assets: Shareholders' Equity + Minority Interests

(Millions of Yen)

Interest-bearing Debts	65,196	78,728	+13,531
(Net interest-bearing Debts)	(34,359)	(55,492)	(+21,133)

March 2008 Forecast on Consolidated Earnings

- Earnings Forecast (As of May 8, 2007)

(Millions of Yen)

	2007.3	2008.3 F'cst	Variance	Variance
Net Sales	307,455	318,000	+10,545	+3.4%
Gross Profit	63,196	77,200	+14,004	+22.2%
SG&A Expenses	56,917	58,200	+1,283	+2.3%
Operating Income	6,278	19,000	+12,722	+202.6%
Recurring Profit	6,646	18,500	+11,854	+178.4%
Net Profit	3,433	10,000	+6,567	+191.3%

- Net Sales are expected to increase by 3.4% due to projects postponed from the previous term, although orders were only accepted after preferentially considering profitability.
- Operating Income is expected to increase drastically due to a decreased license fees payment of 12.7 billion yen.

Note: The above forecast is not considering the effect of the results of TOB for Netmarks Inc. A revised forecast will be announced after finishing the TOB.

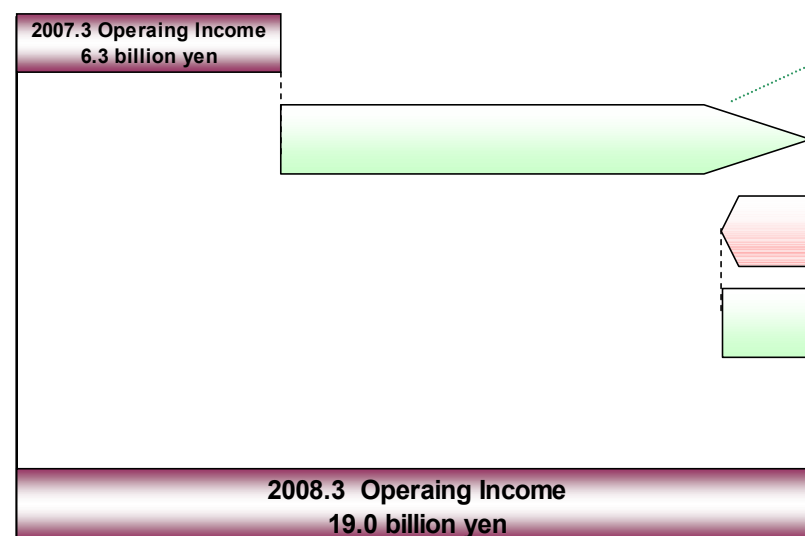
March 2008 Profit Forecast

● Breakdown of Sales and Gross Profit

(Millions of Yen)

	2007.3		2008.3 F'cst		Variance	
	Net Sales	Gross Profit	Net Sales	Gross Profit	Net Sales	Gross Profit
Services	193,178	41,530	200,300	45,000	+7,122	+3,470
Software	47,973	15,471	50,000	15,300	+2,027	-171
Hardware	66,303	18,927	67,700	16,900	+1,397	-2,027
License Fees		-12,733		-		+12,733
Total	307,455	63,196	318,000	77,200	+10,545	+14,004

● March 2008 Operating Income Forecast Breakdown



Decrease of License Fee Payment +12.7 billion yen

Decrease of H/W and S/W Gross Profits -2.2 billion yen

- Mainframe -2.5 billion yen
- Open +0.3 billion yen

Increase of Services Related Gross Profit +3.5 billion yen

- Decrease of unprofitable projects +1.4 billion yen
- Increase of support gross profit +3.3 billion yen
- Decrease of outsourcing gross profit -3.8 billion yen
- Increase of other gross profits +2.6 billion yen

Increase of SG&A Expenses -1.3 billion yen

- Increase of R&D expenses -0.4 billion yen
- Increase of internal IT investment -0.9 billion yen

U&U

Users & Unisys

www.unisys.co.jp

UNISYS

Note: Forecasts in this document relies on judgments and assumptions based on information available at present, and are subject to changes in risks, uncertainties, economy and other factors that could cause actual results to be materially different from expectations. Information in this document is intended to provide further understanding of Nihon Unisys, and is not intended to solicit investment.