



Consolidated Financial Report for the Third Quarter of Fiscal Year Ending March 31, 2013 [Japan GAAP]

February 1, 2013

Nihon Unisys, Ltd.

Stock Listing:	Tokyo Stock Exchange 1st Section
Stock Code:	8056
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Scheduled Submission Date for Quarterly Report:	February 13, 2013
Scheduled Starting Date for Dividend Payment:	-
Earnings Supplementary Explanatory Documents:	yes
Earnings Results Briefing:	yes (for institutional investors and analysts)

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

1. Consolidated Financial Results in FY2013 Q3 (from April 1, 2012 to December 31, 2012)

(1) Consolidated Results of Operations

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2013 Q3	181,023	5.3	4,885	—	4,947	—	(2,032)	—
FY2012 Q3	171,902	(0.5)	(139)	—	(338)	—	(12,364)	—

(Note) Comprehensive income FY2013 Q3: 1,000 Million Yen (—%) FY2012 Q3: (12,878) Million Yen (—%)

	Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
FY2013 Q3	(21.63)	—
FY2012 Q3	(131.56)	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
FY2013 Q3	178,804	63,780	34.9
FY2012	190,083	63,223	32.6

(Reference) Shareholders' Equity FY2013 Q3: 62,413 Million Yen FY2012: 61,923 Million Yen

2. Dividends

	Dividends Per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2012	—	5.00	—	0.00	5.00
FY2013	—	5.00	—	—	—
FY2013 (Forecast)	—	—	—	5.00	10.00

(Note) Revisions to the latest forecast of dividends: None

3. Consolidated Earnings Forecast for FY2013 (from April 1, 2012 to March 31, 2013)

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

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2013	265,000	3.9	9,000	23.1	8,500	19.8	1,000	—	10.64

(Note) Revisions to the latest forecast of consolidated earnings: No

Notes

- (1) Change in the scope of consolidation (change of condition of significant consolidated subsidiaries) during this quarterly period: No
- (2) Adoption of special accounting methods for preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and restatement of corrections
1. Changes in accounting policies in association with revision in accounting standards: No
 2. Other changes in accounting policies: No
 3. Changes in accounting estimates: No
 4. Restatement of corrections: No

(4) Number of shares outstanding (common stock)

(shares)

1. Number of shares outstanding (including treasury stock)	FY2013 Q3	109,663,524	FY2012	109,663,524
2. Number of shares of treasury stock	FY2013 Q3	15,672,159	FY2012	15,684,004
3. Average number of shares outstanding (during the period)	FY2013 Q3	93,989,037	FY2012 Q3	93,979,797

Indication of quarterly review procedure implementation status

This quarterly earnings report is not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act. Thus, at the time of disclosure of the financial results, the quarterly financial statement review procedures based upon the Financial Instruments and Exchange Act have not been completed.

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.

1. Qualitative Information on the Consolidated Financial Results for the Third Quarter of Fiscal Year Ending March 31, 2013

(1) Qualitative Information on the Consolidated Performance Results

During the third quarter of the fiscal year under review, although the economic recovery in Japan is at a standstill against the backdrop of a downturn in global economic conditions, the Japanese economy is expected to turn around. As we have currently witnessed, a weak yen and high stock prices have heightened the sense that the recession has bottomed out. However, large uncertainties surrounding overseas economies persist, primarily in Asia, posing a downward risk to our economy. Against the backdrop of these factors, companies' investments in the Japanese information services market have been weak.

In this environment, the Nihon Unisys group established the basic policies of the mid-term management plan: "expansion of our core businesses", "establishment of Co-Creation/BPO (Business Process Outsourcing) business models" and "entrance in the social infrastructure business." Through our experience of providing various ICT services that suit companies' business strategies of a broad spectrum of industries, we have developed our technologies, expertise and relationships with customers. On this basis, we have expanded our core businesses and stabilized the income base. Also, we have endeavored to create new sources of income such as joint businesses with customers, BPOs, and social infrastructure businesses.

In the policy domain of the expansion of our core businesses, contributions in sales increase by our IT infrastructure businesses were noted primarily through orders such as one from major telecommunications carriers regarding network renewal projects. Also, a regional bank has decided to entrust the operation of their next-generation core-banking system to our outsourcing service business. However, due to the outweighing impacts from the economic recession mainly on the manufacturing industry, the sales and orders both eventually decreased.

With respect to establishing Co-Creation/BPO (Business Process Outsourcing) business models, the sales from a new type of gift card (Note 1) have steadily increased against the backdrop of an increase in the size of the market.

With regard to the entrance in the social infrastructure business, the range of business has been expanded through "smart oasis[®] (Note 2)", a battery charging infrastructure system service. This service has now been provided to the battery charging service businesses that serve travelers utilizing electric vehicles in tourist sites. It also enables a full-blown release of a service of distributing to car navigation system the information pertaining to battery charging infrastructure. We will continue to set our sights on achieving annual plans for the fiscal year under review as described in our mid-term management plan.

(Note 1) New type of gift card

This gift card only becomes valid after a monetary amount is credited to the card by the cashier at the time of purchase. Unlike conventional pre-paid cards, these cards hold no value until money is loaded on them. Therefore, there is no need to stock them or take inventory, and business transactions can be conducted efficiently without taking up much space.

(Note 2) smart oasis[®]

This is a computer system service that enables the use of a battery charging infrastructure for electric vehicles (EVs) and plug-in hybrid vehicles (PHVs), through user authentication and charging functions. It also provides information of the locations of battery charging devices and their occupancy/vacancy status.

As regards the consolidated operating results for the third quarter of this fiscal year, net sales totaled ¥181,023 million (up by 5.3 % compared with the same period of the previous fiscal year). This was attributable to a continued strength of sales of software and hardware.

Concerning profit, due to an increase in income as a result of the increase in net sales and also our efforts of reducing costs such as selling, general and administrative expenses, operating income was ¥4,885 million (against a loss of ¥ 139 million of the same period last year), and ordinary income was ¥4,947 million (against a ¥ 338 million loss of the same period last year). The group posted a net loss of ¥ 2,032 million (against the net loss of ¥12,364 million of the same period last year), partly ascribable to posting as an extraordinary loss a loss on valuation of investment securities of ¥4,831 million.

(2) Qualitative Information on Consolidated Financial Position

Total assets at the end of the period under review were ¥ 178,804 million, a decrease of ¥ 11,278 million from the end of the previous fiscal year, partly ascribable to a decrease in accounts receivable-trade.

Liabilities were ¥ 115,023 million, a decrease of ¥ 11,836 million compared with the end of the previous fiscal year, partly due to repayment of loans and a decrease in accounts payable-trade.

Net assets were ¥ 63,780 million at the end of this period. The shareholders' equity ratio was 34.9%, an improvement of 2.3 percentage points from the end of the previous fiscal year.

(3) Qualitative Information on Consolidated Financial Forecast

Our consolidated Earnings forecast as announced on November 1, 2012 has not been revised.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

Millions of Yen

	FY2012 (As of March 31, 2012)	FY2013 Q3 (As of December 31, 2012)
ASSETS		
Current assets		
Cash and deposits	27,254	21,912
Notes and accounts receivable-trade	64,421	51,682
Merchandise and finished goods	5,334	9,198
Work in process	2,139	6,039
Raw materials and supplies	165	160
Deferred tax assets	5,137	4,701
Others	10,848	11,475
Allowance for doubtful accounts	(431)	(200)
Total current assets	114,869	104,969
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,274	3,193
Machinery, equipment and vehicles, net	6,434	6,448
Others, net	3,832	3,920
Total property, plant and equipment	13,540	13,563
Intangible assets		
Goodwill	2,209	2,106
Software	22,390	22,682
Others	106	102
Total intangible assets	24,706	24,891
Investments and other assets		
Investment securities	13,663	12,982
Deferred tax assets	9,621	7,483
Prepaid pension cost	1,606	1,596
Others	12,475	13,836
Allowance for doubtful accounts	(400)	(520)
Total investments and other assets	36,966	35,379
Total non-current assets	75,213	73,835
Total assets	190,083	178,804

	FY2012 (As of March 31, 2012)	FY2013 Q3 (As of December 31, 2012)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	23,377	18,350
Current portion of bonds	10,000	10,000
Current portion of long-term loans payable	10,173	2,537
Commercial papers	12,000	14,000
Income taxes payable	1,223	166
Allowance for loss on contract development	3,739	1,899
Other provision	738	557
Others	20,457	21,631
Total current liabilities	81,710	69,142
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	30,987	32,381
Deferred tax liabilities	175	50
Provision for retirement benefits	887	938
Other provision	439	519
Asset retirement obligations	1,300	1,275
Negative goodwill	7	-
Others	1,351	715
Total non-current liabilities	45,150	45,881
Total liabilities	126,860	115,023
NET ASSETS		
Shareholders' equity		
Capital stock	5,483	5,483
Capital surplus	15,281	15,281
Retained earnings	62,369	59,857
Treasury stock	(19,360)	(19,344)
Total shareholders' equity	63,773	61,278
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,868)	1,071
Deferred gains (losses) on hedges	17	64
Total accumulated other comprehensive income (loss)	(1,850)	1,135
Subscription rights to shares	847	884
Minority interests	452	482
Total net assets	63,223	63,780
Total liabilities and net assets	190,083	178,804

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

(Consolidated Statements of Income)

Millions of Yen

	FY2012 Q3 (Nine months ended December 31, 2011)	FY2013 Q3 (Nine months ended December 31, 2012)
Net sales	171,902	181,023
Cost of sales	129,770	136,014
Gross profit	42,132	45,008
Selling, general and administrative expenses	42,272	40,123
Operating income (loss)	(139)	4,885
Non-operating income		
Interest income	59	47
Dividends income	223	350
Others	204	235
Total non-operating income	486	634
Non-operating expense		
Interest expenses	620	501
Others	65	70
Total non-operating expenses	685	571
Ordinary income (loss)	(338)	4,947
Extraordinary income		
Gain on sales of investment securities	19	-
Gain on sales of golf memberships	-	1
Others	1	3
Total extraordinary income	21	5
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	107	25
Impairment loss	385	387
Loss on valuation of investment securities	623	4,831
Loss on valuation of golf club membership	67	17
Others	29	97
Total extraordinary loss	1,214	5,360
Loss before income taxes and minority interests	(1,532)	(407)
Income taxes-current	302	338
Income taxes-deferred	10,491	1,239
Total income taxes	10,794	1,577
Loss before minority interests	(12,326)	(1,985)
Minority interests in income	37	47
Net loss	(12,364)	(2,032)

(Consolidated Statements of Comprehensive Income)

Millions of Yen

	FY2012 Q3 (Nine months ended December 31, 2011)	FY2013 Q3 (Nine months ended December 31, 2012)
Loss before minority interests	(12,326)	(1,985)
Other comprehensive income		
Valuation difference on available-for-sale securities	(529)	2,940
Deferred gains (losses) on hedges	(23)	46
Share of other comprehensive income (loss) of associates accounted for using equity method	(0)	0
Total other comprehensive income (loss)	(552)	2,986
Comprehensive income (loss)	(12,878)	1,000
(Breakdown)		
Comprehensive income (loss) attributable to owners of the parent	(12,916)	953
Comprehensive income attributable to minority interests	37	47

(3) Notes concerning Going Concern Assumption

Not applicable

(4) Notes in the Event of Material Changes in Amount of Shareholders' Equity

Not applicable