

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): August 5, 2024

UNISYS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1-8729
(Commission File Number)

38-0387840
(I.R.S. Employer
Identification No.)

801 Lakeview Drive, Suite 100
Blue Bell, Pennsylvania 19422
(Address of principal executive offices) (Zip Code)

(215) 986-4011
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01	UIS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On August 5, 2024, Unisys Corporation (the "Company") issued a news release to report its financial results for the quarter ended June 30, 2024. The release is furnished as Exhibit 99.1 to this Current Report.

The information in Item 2.02 of this Current Report, including Exhibit 99.1 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

(d) The following exhibit is being furnished herewith:

Exhibit No.	Description
99.1	News Release, dated August 5, 2024, of Unisys Corporation
104	Cover page Interactive Data File (embedded within the Inline Extensible Business Reporting Language document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Unisys Corporation

Date: August 5, 2024

By: /s/ Debra McCann
Debra McCann
Executive Vice President and Chief Financial Officer



News Release

Unisys Announces 2Q24 Results

Unisys Continues Strong Momentum in New Business⁽⁶⁾ Signings and Reiterates Full-Year Guidance

- Revenue growth of 0.3% year over year (YoY), a 0.5% increase in constant currency⁽¹⁾; Excluding License and Support (Ex-L&S)⁽¹⁵⁾ revenue was flat YoY, a 0.1% increase in constant currency
- Gross profit margin of 27.2%, an improvement of 290 bps YoY; Ex-L&S gross profit margin of 18.7%, an increase of 270 bps YoY
- Operating profit margin of 4.9 %; non-GAAP operating profit⁽⁸⁾ margin of 6.1 %
- New Business Total Contract Value (TCV)⁽⁴⁾ increased 64% YoY and 17% quarter-over-quarter (QoQ) driven by more than doubling of new logo signings in both YoY and QoQ

BLUE BELL, Pa., August 5, 2024 – Unisys Corporation (NYSE: UIS) reported financial results for the second quarter of 2024.

"Unisys had another strong quarter of new logo signings, which more than doubled sequentially for the third consecutive quarter," said Unisys Chair and CEO Peter A. Altabef. "Overall New Business TCV grew double-digit year-over-year, which we believe signals strong marketplace momentum for our solution portfolio and recognition of the innovation we are bringing to our clients. We are also continuing to advance industry solutions that bring together data, engineering and industry expertise to drive tangible business value."

Unisys Chief Financial Officer Deb McCann said, "Unisys reported another solid quarter, with slightly stronger than expected Ex-L&S revenue growth. Our second quarter Ex-L&S gross profit margin improvement of 270 bps compared to prior year extends a track record of execution against our plan to improve profitability. Looking ahead for the second half of the year, we anticipate sequential revenue growth and operating profit and cash flow improvement as New Business signings begin to generate revenue and we further benefit from our operating efficiency initiatives."

Financial Highlights

Please refer to the accompanying financial tables for a reconciliation of the GAAP to non-GAAP measures presented except for financial guidance since such a reconciliation is not practicable without unreasonable effort.

(In millions, except numbers presented as percentages)

	2Q24	2Q23	YTD24	YTD23
Revenue	\$478.2	\$476.8	\$966.0	\$993.2
YoY revenue growth	0.3 %		(2.7)%	
YoY revenue growth in constant currency	0.5 %		(3.5)%	
Ex-L&S revenue	\$396.1	\$396.0	\$790.7	\$775.5
YoY revenue growth	— %		2.0 %	
YoY revenue growth in constant currency	0.1 %		1.5 %	
License and Support⁽¹⁴⁾ revenue	\$82.1	\$80.8	\$175.3	\$217.7
YoY revenue growth	1.6 %		(19.5)%	
YoY revenue growth in constant currency	2.1 %		(21.1)%	
Gross profit	\$129.9	\$115.8	\$265.9	\$274.8
Gross profit percent	27.2 %	24.3 %	27.5 %	27.7 %
Ex-L&S gross profit	\$74.2	\$63.4	\$145.4	\$115.9
Ex-L&S gross profit percent	18.7 %	16.0 %	18.4 %	14.9 %
Operating profit	\$23.6	\$0.1	\$41.3	\$50.0
Operating profit percent	4.9 %	— %	4.3 %	5.0 %
Non-GAAP operating profit	\$29.3	\$16.3	\$63.7	\$76.4
Non-GAAP operating profit percent	6.1 %	3.4 %	6.6 %	7.7 %
Net loss attributable to Unisys Corporation	(\$12.0)	(\$40.0)	(\$161.5)	(\$215.4)
Non-GAAP net income (loss) attributable to Unisys Corporation⁽¹⁰⁾	\$11.0	(\$6.1)	\$13.7	\$28.6
EBITDA	\$35.6	\$9.2	(\$68.6)	(\$108.6)
Adjusted EBITDA⁽⁹⁾	\$58.4	\$50.3	\$123.7	\$148.5
Adjusted EBITDA as a percentage of revenue	12.2 %	10.5 %	12.8 %	15.0 %

Second Quarter 2024 Results

Revenue growth of 0.3% YoY, a 0.5% increase in constant currency. Ex-L&S revenue was flat YoY, a 0.1% increase in constant currency.

Gross profit margin improved 290 bps YoY and Ex-L&S gross profit margin improved 270 bps YoY primarily driven by delivery improvements and an increase in higher-margin solutions in our New Business signings.

Financial Highlights by Segment

(In millions, except numbers presented as percentages)

	2Q24	2Q23	YTD24	YTD23
Digital Workplace Solutions (DWS):				
Revenue	\$132.1	\$135.0	\$264.4	\$266.0
YoY revenue growth	(2.1)%		(0.6)%	
YoY revenue growth in constant currency	(2.2)%		(1.1)%	
Gross profit	\$21.4	\$18.4	\$40.4	\$34.0
Gross profit percent	16.2 %	13.6 %	15.3 %	12.8 %
Cloud, Applications & Infrastructure Solutions (CA&I):				
Revenue	\$134.3	\$132.6	\$263.3	\$258.6
YoY revenue growth	1.3 %		1.8 %	
YoY revenue growth in constant currency	1.3 %		1.8 %	
Gross profit	\$23.9	\$22.4	\$45.3	\$38.8
Gross profit percent	17.8 %	16.9 %	17.2 %	15.0 %
Enterprise Computing Solutions (ECS):				
Revenue	\$137.5	\$134.6	\$284.5	\$322.8
YoY revenue growth	2.2 %		(11.9)%	
YoY revenue growth in constant currency	2.5 %		(13.3)%	
Gross profit	\$76.9	\$72.8	\$161.9	\$198.3
Gross profit percent	55.9 %	54.1 %	56.9 %	61.4 %

Second Quarter 2024 Segment Results

DWS revenue declined 2.1% YoY, a decline of 2.2% in constant currency, but was better than expected at the beginning of the second quarter, as the decline in discretionary volume was more modest than anticipated. DWS gross profit margin was 16.2%, an increase of 260 bps YoY, reflecting results from delivery modernization and efficiency initiatives as well as higher-margin solutions in our New Business signings.

CA&I revenue increased 1.3% in both YoY and constant currency. CA&I gross profit margin was 17.8%, an increase of 90 bps YoY, primarily driven by labor cost savings initiatives.

ECS revenue increased 2.2% YoY, an increase of 2.5% in constant currency. ECS gross profit margin was 55.9%, an increase of 180 bps YoY. The increase in revenue and gross profit margin was primarily driven by the timing of software license renewals and managed services growth.

Balance Sheet and Cash Flows

(In millions)

	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 344.9	\$ 387.7

(In millions)

	2Q24	2Q23	YTD24	YTD23
Cash provided by operations	\$2.7	\$42.5	\$26.5	\$55.3
Free cash flow ⁽¹¹⁾	(\$18.5)	\$24.7	(\$14.6)	\$17.2
Pre-pension and postretirement free cash flow ⁽¹²⁾	(\$13.8)	\$39.4	(\$2.2)	\$48.3
Adjusted free cash flow ⁽¹³⁾	(\$8.0)	\$68.1	\$9.3	\$88.2

Free cash flow declined by (\$43.2) million YoY in the second quarter of 2024 and by (\$31.8) million in the six months ended June 30, 2024, primarily due to the timing of collections and other fluctuations in working capital.

Other Key Performance Metrics

	<u>YoY Change</u>	<u>QoQ Change*</u>
TCV		
Total company	19 %	25 %
Ex-L&S TCV	10 %	35 %
Pipeline⁽³⁾		
Total company	(25)%	(7)%
Ex-L&S pipeline	(25)%	(8)%

* *QoQ - quarter over quarter*

TCV improvements reported above were primarily impacted by increased New Business TCV of 64% YoY and 17% QoQ, primarily driven by new logo signings more than doubling YoY and QoQ.

Total company and Ex-L&S pipeline declines YoY resulted from strong New Business conversion and timing of the renewal schedule.

Backlog⁽²⁾ was \$2.79 billion for the second quarter of 2024 compared to \$2.69 billion for the second quarter of 2023.

2024 Financial Guidance

The company reiterates full-year 2024 revenue growth and profitability guidance:

	<u>Guidance</u>
Revenue growth in constant currency	(1.5)% to 1.5%
Non-GAAP operating profit margin	5.5% to 7.5%

Constant currency revenue guidance implies (1.7)% to 1.3% revenue growth as reported, based on recent exchange rates, and assumes Ex-L&S full-year revenue growth of 1.5% to 5.0% and L&S revenue of approximately \$375 million.

Conference Call

Unisys will hold a conference call with the financial community on Tuesday, August 6 at 8 a.m. Eastern Time to discuss the results of the second quarter of 2024.

The live, listen-only webcast, as well as the accompanying presentation materials, can be accessed on the Unisys Investor Website at www.unisys.com/investor. In addition, domestic callers can dial 1-844-695-5518 and international callers can dial 1-412-902-6749 and provide the following conference passcode: Unisys Corporation Call.

A webcast replay will be available on the Unisys Investor Website shortly following the conference call. A replay will also be available by dialing 1-877-344-7529 for domestic callers or 1-412-317-0088 for international callers and entering access code 6869066 from two hours after the end of the call until August 20, 2024.

⁽¹⁾ **Constant currency** – A significant amount of the company’s revenue is derived from international operations. As a result, the company’s revenue has been and will continue to be affected by changes in the U.S. dollar against major international currencies. The company refers to revenue growth rates in constant currency or on a constant currency basis 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 is calculated by retranslating current and prior-period revenue at a consistent exchange rate rather than the actual exchange rates in effect during the respective periods.

- (2) **Backlog** – Represents future revenue associated with contracted work, which has not yet been delivered or performed. Although the company believes this revenue will be recognized, it may, for commercial reasons, allow the orders to be canceled, with or without penalty.
- (3) **Pipeline** – Represents qualified prospective sale opportunities for which bids have been submitted or vetted prospective sales opportunities which are being actively pursued. There is no assurance that pipeline will translate into recorded revenue.
- (4) **Total Contract Value (TCV)** – Represents the estimated revenue related to contracts signed in the period without regard for cancellation terms. New Business TCV represents TCV attributable to expansion and new scope for existing clients and new logo contracts.
- (5) **Book-to-bill** – Represents total contract value booked divided by revenue in a given period.
- (6) **New Business** – Represents expansion and new scope for existing clients and new logo contracts.
- (7) **Next-Gen Solutions** – Includes our Modern Workplace solutions within DWS, Digital Platforms and Applications (DP&A) solutions within CA&I, Specialized Services and Next-Gen Compute (SS&C) solutions within ECS, as well as Micro-Market solutions. The company uses estimated Next-Gen Solutions metrics to provide insight into the company's progress in shifting the revenue mix towards solutions that are generally higher-growth and higher-margin.
- (8) **Non-GAAP operating profit** – This measure excludes pretax pension and postretirement expense and pretax charges in connection with certain legal matters related to professional services and legal fees, including legal defense costs, associated with certain legal proceedings, and cost-reduction activities and other expenses.
- (9) **EBITDA & adjusted EBITDA** – Earnings before interest, taxes, depreciation and amortization (EBITDA) is calculated by starting with net income (loss) attributable to Unisys Corporation common shareholders and adding or subtracting the following items: net income (loss) attributable to noncontrolling interests, interest expense (net of interest income), provision for (benefit from) income taxes, depreciation and amortization. Adjusted EBITDA further excludes pension and postretirement expense; certain legal matters related to settlements, professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; cost-reduction activities and other expenses, non-cash share-based expense, and other (income) expense adjustments.
- (10) **Non-GAAP net income (loss) and non-GAAP diluted earnings (loss) per share** – These measures excluded pension and postretirement expense and charges or (credits) in connection with certain legal matters related to settlements, professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; cost-reduction activities and other expenses. The tax amounts related to these items for the calculation of non-GAAP diluted earnings (loss) per share include the current and deferred tax expense and benefits recognized under GAAP for these items.
- (11) **Free cash flow** – Represents cash flow from operations less capital expenditures.

⁽¹²⁾ **Pre-pension and postretirement free cash flow** – Represents free cash flow before pension and postretirement contributions.

⁽¹³⁾ **Adjusted free cash flow** – Represents free cash flow less cash used for pension and postretirement funding; certain legal matters related to professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; and cost-reduction activities and other payments.

⁽¹⁴⁾ **License and Support (L&S)** – Represents software license and related support revenue within the company's ECS segment.

⁽¹⁵⁾ **Excluding License and Support (Ex-L&S)** – These measures exclude revenue, gross profit and gross profit margin in connection with software license and support revenue within the company's ECS segment. The company provides these measures to allow investors to isolate the impact of software license renewals, which tend to be significant and impactful based on timing, and related support services in order to evaluate the company's business outside of these areas.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Unisys cautions readers that the assumptions forming the basis for forward-looking statements include many factors that are beyond Unisys' ability to control or estimate precisely, such as estimates of future market conditions, the behavior of other market participants and that TCV is based, in part, on the assumption that each of those contracts will continue for their full contracted term. Words such as "anticipates," "estimates," "expects," "projects," "may," "will," "intends," "plans," "believes," "should" and similar expressions may identify forward-looking statements and such forward-looking statements are made based upon management's current expectations, assumptions and beliefs as of this date concerning future developments and their potential effect upon Unisys. There can be no assurance that future developments will be in accordance with management's expectations, assumptions and beliefs or that the effect of future developments on Unisys will be those anticipated by management. Forward-looking statements in this release and the accompanying presentation include, but are not limited to, statements made in Mr. Altabef's and Ms. McCann's quotations, any projections or expectations of revenue growth, margin expansion, achievement of operational efficiencies and savings, future growth of our Next-Gen Solutions⁽⁷⁾, TCV and New Business TCV, the impact of New Logo signings, the impact of Unisys Logistics Optimization, backlog, pipeline, book-to-bill⁽⁵⁾, full-year 2024 revenue growth and profitability guidance, including constant currency revenue, Ex-L&S revenue growth, L&S revenue, non-GAAP operating profit margin, free cash flow generation and the assumptions and other expectations made in connection with our full-year 2024 financial guidance, our pension liability, future economic benefits from net operating losses and statements regarding future economic conditions or performance.

Additional information and factors that could cause actual results to differ materially from Unisys' expectations are contained in Unisys' filings with the U.S. Securities and Exchange Commission (SEC), including Unisys' Annual Reports on Form 10-K and subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other SEC filings, which are available at the SEC's web site, <http://www.sec.gov>. Information included in this release is representative as of the date of this release only and while Unisys periodically reassesses material trends and uncertainties affecting Unisys' results of operations and financial condition in connection with its preparation of management's discussion and analysis of results of operations and financial condition contained in its Quarterly and

Annual Reports filed with the SEC, Unisys does not, by including this statement, assume any obligation to review or revise any particular forward-looking statement referenced herein in light of future events.

Non-GAAP Information

This release includes certain non-GAAP financial measures that exclude certain items such as postretirement expense; certain legal and other matters related to professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; and cost-reduction activities and other expenses that the company believes are not indicative of its ongoing operations, as they may be unusual or non-recurring. The inclusion of such items in financial measures can make the company's profitability and liquidity results difficult to compare to prior periods or anticipated future periods and can distort the visibility of trends associated with the company's ongoing performance. Management also believes that non-GAAP measures are useful to investors because they provide supplemental information about the company's financial performance and liquidity, as well as greater transparency into management's view and assessment of the company's ongoing operating performance.

Non-GAAP financial measures are often provided and utilized by the company's management, analysts, and investors to enhance comparability of year-over-year results and to isolate in some instances the impact of software license renewals, which tend to be lumpy, and related support services in order to evaluate the company's business outside of these areas. These items are uncertain, depend on various factors, and could have a material impact on the company's GAAP results for the applicable period. These measures should not be relied upon as substitutes for, or considered in isolation from, measures calculated in accordance with U.S. GAAP. A reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP can be found below except for financial guidance and other forward-looking information since such a reconciliation is not practicable without unreasonable efforts as the company is unable to reasonably forecast certain amounts that are necessary for such reconciliation. This information has been provided pursuant to the requirements of SEC Regulation G.

About Unisys

Unisys is a global technology solutions company that powers breakthroughs for the world's leading organizations. Our solutions – cloud, data and AI, digital workplace, logistics and enterprise computing – help our clients challenge the status quo and unlock their full potential. To learn how we have been helping clients push what's possible for more than 150 years, visit unisys.com and follow us on LinkedIn.

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RELEASE NO.: 0805/9954

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UNISYS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(Unaudited)
(Millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue				
Services	\$ 416.1	\$ 417.0	\$ 832.9	\$ 820.9
Technology	62.1	59.8	133.1	172.3
	<u>478.2</u>	<u>476.8</u>	<u>966.0</u>	<u>993.2</u>
Costs and expenses				
Cost of revenue				
Services	312.1	323.5	627.0	639.6
Technology	36.2	37.5	73.1	78.8
	<u>348.3</u>	<u>361.0</u>	<u>700.1</u>	<u>718.4</u>
Selling, general and administrative	101.4	110.3	213.6	213.2
Research and development	4.9	5.4	11.0	11.6
	<u>454.6</u>	<u>476.7</u>	<u>924.7</u>	<u>943.2</u>
Operating income	23.6	0.1	41.3	50.0
Interest expense	7.9	7.5	15.8	15.1
Other (expense), net	(9.4)	(16.7)	(151.5)	(213.6)
Earnings (loss) before income taxes	6.3	(24.1)	(126.0)	(178.7)
Provision for income taxes	18.8	15.4	35.8	35.3
Consolidated net loss	(12.5)	(39.5)	(161.8)	(214.0)
Net (loss) income attributable to noncontrolling interests	(0.5)	0.5	(0.3)	1.4
Net loss attributable to Unisys Corporation	\$ (12.0)	\$ (40.0)	\$ (161.5)	\$ (215.4)
Loss per share attributable to Unisys Corporation				
Basic	\$ (0.17)	\$ (0.59)	\$ (2.34)	\$ (3.16)
Diluted	\$ (0.17)	\$ (0.59)	\$ (2.34)	\$ (3.16)

UNISYS CORPORATION
SEGMENT RESULTS
(Unaudited)
(Millions)

	Total	DWS	CA&I	ECS	Other
Three Months Ended June 30, 2024					
Revenue	\$ 478.2	\$ 132.1	\$ 134.3	\$ 137.5	\$ 74.3
Gross profit percent	27.2 %	16.2 %	17.8 %	55.9 %	
Three Months Ended June 30, 2023					
Revenue	\$ 476.8	\$ 135.0	\$ 132.6	\$ 134.6	\$ 74.6
Gross profit percent	24.3 %	13.6 %	16.9 %	54.1 %	
Six Months Ended June 30, 2024					
Revenue	\$ 966.0	\$ 264.4	\$ 263.3	\$ 284.5	\$ 153.8
Gross profit percent	27.5 %	15.3 %	17.2 %	56.9 %	
Six Months Ended June 30, 2023					
Revenue	\$ 993.2	\$ 266.0	\$ 258.6	\$ 322.8	\$ 145.8
Gross profit percent	27.7 %	12.8 %	15.0 %	61.4 %	

UNISYS CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Millions)

	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 344.9	\$ 387.7
Accounts receivable, net	432.6	454.5
Contract assets	17.4	11.7
Inventories	16.5	15.3
Prepaid expenses and other current assets	96.5	101.8
Total current assets	907.9	971.0
Properties	395.1	396.4
Less-accumulated depreciation and amortization	334.9	332.1
Properties, net	60.2	64.3
Outsourcing assets, net	26.1	31.6
Marketable software, net	169.6	166.2
Operating lease right-of-use assets	38.3	35.4
Prepaid postretirement assets	41.6	38.0
Deferred income taxes	108.9	114.0
Goodwill	287.2	287.4
Intangible assets, net	38.1	42.7
Restricted cash	7.8	9.0
Assets held-for-sale	4.9	4.9
Other long-term assets	177.2	200.9
Total assets	\$ 1,867.8	\$ 1,965.4
Total liabilities and deficit		
Current liabilities:		
Current maturities of long-term debt	\$ 7.2	\$ 13.0
Accounts payable	150.2	130.9
Deferred revenue	190.4	198.6
Other accrued liabilities	244.4	308.4
Total current liabilities	592.2	650.9
Long-term debt	489.2	491.2
Long-term postretirement liabilities	772.3	787.7
Long-term deferred revenue	103.7	104.4
Long-term operating lease liabilities	29.7	25.6
Other long-term liabilities	41.3	44.0
Commitments and contingencies		
Total Unisys Corporation stockholders' deficit	(174.1)	(151.8)
Noncontrolling interests	13.5	13.4
Total deficit	(160.6)	(138.4)
Total liabilities and deficit	\$ 1,867.8	\$ 1,965.4

UNISYS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Millions)

	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities		
Consolidated net loss	\$ (161.8)	\$ (214.0)
Adjustments to reconcile consolidated net loss to net cash provided by operating activities:		
Foreign currency losses (gains)	12.6	(0.5)
Non-cash interest expense	0.6	0.6
Employee stock compensation	11.4	8.9
Depreciation and amortization of properties	12.1	13.7
Depreciation and amortization of outsourcing assets	12.6	25.1
Amortization of marketable software	24.2	24.5
Amortization of intangible assets	4.6	4.9
Other non-cash operating activities	(1.0)	0.4
Loss on disposal of capital assets	—	0.1
Pension and postretirement contributions	(12.4)	(31.1)
Pension and postretirement expense	159.0	203.8
Deferred income taxes, net	0.1	9.3
Changes in operating assets and liabilities, excluding the effect of acquisitions:		
Receivables, net and contract assets	31.9	71.0
Inventories	(1.7)	(5.7)
Other assets	(13.4)	(16.1)
Accounts payable and current liabilities	(59.4)	(37.6)
Other liabilities	7.1	(2.0)
Net cash provided by operating activities	26.5	55.3
Cash flows from investing activities		
Proceeds from foreign exchange forward contracts	1,519.2	1,485.4
Purchases of foreign exchange forward contracts	(1,524.8)	(1,470.4)
Investment in marketable software	(25.7)	(21.3)
Capital additions of properties	(7.3)	(11.9)
Capital additions of outsourcing assets	(8.1)	(4.9)
Other	(0.1)	(0.4)
Net cash used for investing activities	(46.8)	(23.5)
Cash flows from financing activities		
Payments of long-term debt	(10.1)	(10.6)
Other	(1.8)	(0.4)
Net cash used for financing activities	(11.9)	(11.0)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(11.8)	8.7
(Decrease) increase in cash, cash equivalents and restricted cash	(44.0)	29.5
Cash, cash equivalents and restricted cash, beginning of period	396.7	402.7
Cash, cash equivalents and restricted cash, end of period	\$ 352.7	\$ 432.2

UNISYS CORPORATION
RECONCILIATIONS OF SELECTED GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited)
(Millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss attributable to Unisys Corporation	\$ (12.0)	\$ (40.0)	\$ (161.5)	\$ (215.4)
Pension and postretirement expense				
pretax	12.4	10.6	159.0	203.8
tax	0.1	(0.2)	0.2	(0.4)
net of tax	12.3	10.8	158.8	204.2
Certain legal matters				
pretax	6.5	8.7	(1.7)	14.4
tax	—	—	(2.8)	—
net of tax	6.5	8.7	1.1	14.4
Environmental matters				
pretax	0.7	7.5	1.0	17.8
tax	—	—	—	—
net of tax	0.7	7.5	1.0	17.8
Cost reduction and other expenses				
pretax	3.5	7.2	14.6	7.9
tax	—	0.3	0.3	0.3
net of tax	3.5	6.9	14.3	7.6
Non-GAAP net income (loss) attributable to Unisys Corporation	\$ 11.0	\$ (6.1)	\$ 13.7	\$ 28.6
Weighted average shares (thousands)	69,275	68,289	68,990	68,116
Plus incremental shares from assumed vesting:				
Employee stock plans	1,636	—	1,952	646
Non-GAAP adjusted weighted average shares	70,911	68,289	70,942	68,762
Diluted loss per share				
Net loss attributable to Unisys Corporation	\$ (12.0)	\$ (40.0)	\$ (161.5)	\$ (215.4)
Divided by weighted average shares	69,275	68,289	68,990	68,116
Diluted loss per share	\$ (0.17)	\$ (0.59)	\$ (2.34)	\$ (3.16)
Non-GAAP basis				
Non-GAAP net income (loss) attributable to Unisys Corporation for diluted earnings (loss) per share	\$ 11.0	\$ (6.1)	\$ 13.7	\$ 28.6
Divided by Non-GAAP adjusted weighted average shares	70,911	68,289	70,942	68,762
Non-GAAP diluted earnings (loss) per share	\$ 0.16	\$ (0.09)	\$ 0.19	\$ 0.42

UNISYS CORPORATION
RECONCILIATIONS OF GAAP TO NON-GAAP
(Unaudited)
(Millions)

FREE CASH FLOW

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Cash provided by operations	\$ 2.7	\$ 42.5	\$ 26.5	\$ 55.3
Additions to marketable software	(12.5)	(11.0)	(25.7)	(21.3)
Additions to properties	(5.1)	(4.6)	(7.3)	(11.9)
Additions to outsourcing assets	(3.6)	(2.2)	(8.1)	(4.9)
Free cash flow	(18.5)	24.7	(14.6)	17.2
Pension and postretirement funding	4.7	14.7	12.4	31.1
Pre-pension and postretirement free cash flow	(13.8)	39.4	(2.2)	48.3
Certain legal payments	1.2	10.9	2.6	13.0
Environmental matters payments	2.0	5.0	4.4	10.8
Cost reduction and other payments, net	2.6	12.8	4.5	16.1
Adjusted free cash flow	\$ (8.0)	\$ 68.1	\$ 9.3	\$ 88.2

UNISYS CORPORATION
RECONCILIATIONS OF GAAP TO NON-GAAP
(Unaudited)
(Millions)

EBITDA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net loss attributable to Unisys Corporation	\$ (12.0)	\$ (40.0)	\$ (161.5)	\$ (215.4)
Net (loss) income attributable to noncontrolling interests	(0.5)	0.5	(0.3)	1.4
Interest expense, net of interest income of \$5.3, \$6.5, \$11.9 and \$13.2, respectively ⁽¹⁾	2.6	1.0	3.9	1.9
Provision for income taxes	18.8	15.4	35.8	35.3
Depreciation	12.3	17.4	24.7	38.8
Amortization	14.4	14.9	28.8	29.4
EBITDA	\$ 35.6	\$ 9.2	\$ (68.6)	\$ (108.6)
Pension and postretirement expense	\$ 12.4	\$ 10.6	\$ 159.0	\$ 203.8
Certain legal matters ⁽²⁾	6.5	8.7	(1.7)	14.4
Environmental matters ⁽¹⁾	0.7	7.5	1.0	17.8
Cost reduction and other expenses ⁽³⁾	1.3	4.8	10.0	3.1
Non-cash share based expense	4.6	4.1	11.1	8.7
Other (income) expense, net adjustment ⁽⁴⁾	(2.7)	5.4	12.9	9.3
Adjusted EBITDA	\$ 58.4	\$ 50.3	\$ 123.7	\$ 148.5

⁽¹⁾ Included in other (expense), net on the consolidated statements of income (loss).

⁽²⁾ Included in selling, general and administrative expenses and other (expense), net within the consolidated statements of income (loss). For the six months ended June 30, 2024, certain legal matters includes a net gain of \$14.9 million related to a favorable judgement received in a Brazilian services tax matter.

⁽³⁾ Reduced for depreciation and amortization included above.

⁽⁴⁾ Other expense, net as reported on the consolidated statements of income (loss) less pension and postretirement expense, interest income and items included in certain legal and environmental matters, cost reduction and other expenses.

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenue	\$ 478.2	\$ 476.8	\$ 966.0	\$ 993.2
Net loss attributable to Unisys Corporation as a percentage of revenue	(2.5) %	(8.4) %	(16.7) %	(21.7) %
Non-GAAP net income (loss) attributable to Unisys Corporation as a percentage of revenue	2.3 %	(1.3) %	1.4 %	2.9 %
Adjusted EBITDA as a percentage of revenue	12.2 %	10.5 %	12.8 %	15.0 %

UNISYS CORPORATION
RECONCILIATIONS OF GAAP TO NON-GAAP
(Unaudited)
(Millions)

OPERATING PROFIT

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Operating profit	\$ 23.6	\$ 0.1	\$ 41.3	\$ 50.0
Certain legal matters ⁽¹⁾	3.1	8.7	10.4	14.4
Cost reduction and other expenses ⁽²⁾	2.3	7.1	11.3	11.3
Pension and postretirement expense ⁽¹⁾	0.3	0.4	0.7	0.7
Non-GAAP operating profit	\$ 29.3	\$ 16.3	\$ 63.7	\$ 76.4
Revenue	\$ 478.2	\$ 476.8	\$ 966.0	\$ 993.2
Operating profit percent	4.9 %	— %	4.3 %	5.0 %
Non-GAAP operating profit percent	6.1 %	3.4 %	6.6 %	7.7 %

⁽¹⁾ Included in selling, general and administrative on the consolidated statements of income (loss).

⁽²⁾ Included in cost of revenue, selling, general and administrative and research and development on the consolidated statements of income (loss).

EXCLUDING LICENSE AND SUPPORT (EX-L&S) REVENUE AND GROSS PROFIT

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenue	\$ 478.2	\$ 476.8	\$ 966.0	\$ 993.2
L&S revenue	82.1	80.8	175.3	217.7
Ex-L&S Non-GAAP revenue	\$ 396.1	\$ 396.0	\$ 790.7	\$ 775.5
Gross profit	\$ 129.9	\$ 115.8	\$ 265.9	\$ 274.8
L&S gross profit	55.7	52.4	120.5	158.9
Ex-L&S Non-GAAP gross profit	\$ 74.2	\$ 63.4	\$ 145.4	\$ 115.9
Gross profit percent	27.2 %	24.3 %	27.5 %	27.7 %
Ex-L&S Non-GAAP gross profit percent	18.7 %	16.0 %	18.4 %	14.9 %