

**1Q20 Financial Release
CEO/CFO Statements
April 28, 2020**

Courtney Holben, IRO

Thank you, Operator. Good afternoon everyone, this is Courtney Holben, Vice President of Investor Relations. Thank you for joining us. Earlier today, Unisys released its first-quarter 2020 financial results. I am joined this afternoon to discuss those results by Peter Altabef, our Chairman and CEO, and Mike Thomson, our CFO.

Before we begin, I'd like to cover a few details. First, today's conference call and the Q&A session are being webcast via the Unisys investor website. Second, you can find the earnings press release and the presentation slides that we will be using this afternoon to guide our discussion, as well as other information relating to our first-quarter performance, on our investor website, which we encourage you to visit. Third, today's presentation, which is complementary to the earnings press release, includes some non-GAAP financial measures. The non-GAAP measures have been reconciled to the related GAAP measures and we've provided reconciliations within the presentation.

Although appropriate under generally accepted accounting principles, the company's results reflect charges that the company believes are not indicative of its ongoing operations and that can make its profitability and liquidity results difficult to compare to prior periods, anticipated future periods, or to its competitors' results. These items consist of pension, debt exchange, cost reduction and other expense. Management believes each of these items can distort the visibility of trends associated with the company's ongoing performance.

Management also believes that the evaluation of the company's financial performance can be enhanced by use of supplemental presentation of its results that exclude the impact of these items in order to enhance consistency and comparativeness with prior or future period results. The following measures are often provided and utilized by the company's management, analysts, and investors to enhance comparability of year-over-year results, as well as to compare results to other companies in our industry: Non-GAAP Operating profit; Non-GAAP Diluted Earnings per Share; Free Cash Flow and Adjusted Free Cash Flow; EBITDA and Adjusted EBITDA; and Constant Currency.

In addition, this quarter we will be continuing to report non-GAAP adjusted revenue and related measures as a result of certain revenue relating to reimbursements from the company's check-processing JV partners for restructuring expenses included as part of the company's restructuring program. For more information regarding these adjustments, please see our earnings release and our Form 10-Q.

From time to time, Unisys may provide specific guidance or color regarding its expected future financial performance. Such information is effective only on the date given. Unisys generally will not update, reaffirm or otherwise comment on any such information except as Unisys deems necessary, and then only in a manner that complies with Regulation FD.

And finally, I'd like to remind you that all forward-looking statements made during this conference call are subject to various risks and uncertainties that could cause the actual results to differ materially from our expectations. These factors are discussed more fully in the earnings release and in the company's SEC filings. Copies of those SEC reports are available from the SEC and, along with other materials I mentioned earlier, on the Unisys Investor website.

And now, I'd like to turn the call over to Peter.

Peter Altabef, CEO

Thank you all for joining today. We hope that you, your families and friends are safe and healthy during this difficult time. As we all know, the world has changed significantly since the beginning of the year, so, I will address this before we turn to first-quarter results.

I am proud of how our team has responded to the current COVID-19 situation to support our clients and each other. Our priorities during this critical time center on the safety and well-being of our associates, clients and partners; providing the best service and most innovative solutions possible for our clients to help them through their challenges during this time; and positioning the company to emerge from the COVID-19 period in a position of strength. We moved quickly to encourage our associates to work from home, and within a very short period of time had more than 95% of our operations securely enabled for remote access.

We were already technology-enabled for remote working. Several years ago, we adopted video conferencing and voice-over-IP as our primary connectivity across the company. Most of our associates are equipped with laptops. In the limited instances where this was not the case, we worked quickly to provide the needed devices or find alternate options for management of workloads. We have also deployed Unisys Stealth® across our organization, which allows us to avoid the security issues associated with VPN usage that many companies have faced recently.

For the associates who cannot work remotely, such as those performing essential services in person with clients like our field services team, we are doing everything we can to ensure their safety, including providing PPE as available and utilizing government-recommended health practices.

We have implemented our Business Continuity Planning procedures. These are ISO-certified and provide for adjustments such as shifting service desk operations from affected locations to others that can accommodate client requirements, or redeploying underutilized field service engineers to help support service desks experiencing increased call volumes. We have also received “essential service” designations where necessary.

We have had a crisis management team in place for a number of years. While COVID-19 has not triggered our crisis management plan, a subset of this team has been helpful in providing oversight of operations. To date, there have been no material disruptions to delivery of services to our clients.

Digital Workplace Services, particularly Work-From-Home capabilities, has been much in the news, and is a source of strength for Unisys, representing approximately a third of total 2019 non-GAAP adjusted revenue. We are active in the COVID-19 fight, including by supporting digital workplace solutions that help assist clients in the healthcare and pharmaceutical industries that are providing lifesaving medical equipment and drugs. Our ClearPath Forward operating system helps clients in the financial services industry to be able to continue to support their customers’ online banking needs. Air cargo businesses use the Unisys cloud-based Digistics system to support their operations. As we have supported our clients, our goal has been not just to “get through this,” but to do so in a way that stands out and inspires confidence in our ability to provide a broader spectrum of services.

Unisys is highly diversified across several vectors, and we consider that a particular strength at this time, especially where geographies and industry sectors are being differently affected by the COVID-19 situation. We have a diversified client base, with no single client accounting for more than 5% of revenue. In the first quarter, 44 percent of non-GAAP adjusted revenue came from the U.S. and Canada, with 56% of revenue coming from the rest of the world. From an industry sector perspective, 37 percent of non-GAAP adjusted revenue was earned from commercial clients; 30 percent from financial services; and 33 percent from public sector clients which include U.S. state and local, foreign governments and license and other revenue from SAIC for the U.S. federal government.

The strength of our diversity is more than geography and client base. We also value gender and ethnic origin diversity, and especially in the current situation, this diversity leads to different perspectives, methodologies and approaches, which is critical to developing the best solutions in a quickly-changing environment.

Following the flexibility that resulted from the sale of our US Federal division, we were already planning to increase our investment in capabilities to allow us to better serve our clients, and we are continuing these efforts. We have several of these programs underway, including our ERP modernization program, an enhanced Workforce Management capability, and a new digital sales and marketing platform, so we will be well prepared coming out of the COVID-19 situation.

Notwithstanding these investments, we are also closely managing our costs, with the goal of mitigating the near-term impact of lower revenue, while also maintaining our ability to provide the necessary support for clients both now and as demand rebounds in the future. With this balance in mind, we are taking actions such as temporary salary reductions for the senior leadership team; reduction of third-party spend such as contractors; re-deploying our workforce based on shifting needs of the business; limiting expenses such as travel, some of which happens naturally based on stay-at-home orders in place; reducing work weeks; and utilizing furloughs where necessary. Longer term, we are also looking at reducing the level of expenses in the “new normal” such as our real estate footprint and ongoing travel costs.

Turning to our first-quarter activities, we had higher non-GAAP operating profit and margin year over year. We also announced and closed the sale of our U.S. Federal business, which has improved our capital structure and improved our operating flexibility. Due to the ongoing COVID-19 situation, we have been looking at various scenarios of what our 2020 financials could look like, and several of those scenarios indicate that 2020 full-year non-GAAP adjusted revenue may be down approximately 10% year over year, although it could be more or less than that, with an expectation of a more significant impact to profitability. Given the limited visibility into macroeconomic conditions at this point, we are withdrawing our previously-provided guidance for 2020.

Our business fundamentals remain strong, and we believe there is upside once stability returns to global markets. We believe in our solutions and are continuing to invest to bring increasing value to our clients. These include IntelliServe, CloudForte, Stealth, ClearPath Forward and our industry focused solutions.

Our industry go-to-market approach, supported by our solutions which are being leveraged across industries, is resonating with clients.

Many of those solutions are aimed directly at helping clients address key issues that have been highlighted by the COVID-19 pandemic, such as cloud enablement, digital workplace transformation and cybersecurity. We are leveraging our IntelliServe platform in our digital workplace services go-to-market efforts. Gartner recently named us as a leader in its Magic Quadrant for Managed Workplace Services, North America, for the second consecutive year. We believe this positioning reflects the investments we are making to integrate AI, robotic process automation, advanced analytics and machine learning. As an example of how clients are implementing IntelliServe, a large new-logo global frozen-food company signed a contract with Unisys in the first quarter, which among other things will modernize the company’s IT environment and service desk support through implementation of Unisys IntelliServe™.

As another key solution, CloudForte is gaining increasing traction. During the first quarter, we achieved Amazon’s “Well-Architected Framework” partner designation, which we believe will help further differentiate our offering. As an example of how clients are using CloudForte, in the first quarter we expanded our contract with California State University to integrate their information resources and deliver innovative educational and administrative services to their students and faculty. We support CSU across all 23 campuses, and our solutions are especially relevant as remote access has become critical for educational institutions.

Security is always evolving at Unisys, and we recently announced the general availability of Unisys Always On Access™ Powered by Stealth™, or “AOA.” Unisys AOA is a next-generation solution, providing advantages over traditional VPNs. AOA delivers secure access regardless of location, leveraging Stealth™ features such as endpoint protection and Dynamic Isolation™ to enable an organization to remain “always on,” even in the face of threats.

In the first quarter, Stealth also received updated NIAP certification, which is a designation across 31 countries that approves the solution to handle top-secret classified information. Proving our metal to the real world, we also hosted a “capture-the-flag” event at the February RSA conference, where contestants attempted to capture data and credentials protected by Stealth. Stealth remains undefeated, so no one earned the reward money, and instead we donated it to Women in Cybersecurity, an important mentoring and networking organization.

We often package Stealth with our other solutions, and one example was a first quarter new logo signing for a \$140 million contract with a major commercial defense contractor to serve its operations (so it was not transferred as part of the US Federal sale). Under the new relationship we are providing comprehensive cross-functional IT services, including Stealth.

As I said previously, I am proud of how our team has responded to the macro events we are all facing. We will continue to keep our focus on the health and safety of our associates, our clients and our partners, while also providing ongoing services at the high standards to which we hold ourselves and positioning ourselves to emerge from COVID-19 with strength.

I will now turn the call to Mike, who will provide more color

Mike Thomson, CFO

Good afternoon and thank you for joining us. First, I echo Peter's hope that you and your families are all safe, healthy and doing well in this challenging time. Our thoughts are with everyone as they face the daily challenges of this new environment.

In my discussion today, I will refer both to GAAP and non-GAAP results. As a reminder, reconciliations of these metrics are available in our earnings materials. As we have discussed previously, we closed the sale of our U.S. Federal business on March 13, 2020. The historical results of the company's U.S. Federal business have been reflected in the company's consolidated financial statements as discontinued operations beginning January 1, 2020, and as required by U.S. GAAP all prior-period financial statements have been reclassified accordingly. Throughout this discussion we will only refer to the company's continuing operations.

With respect to first-quarter results, non-GAAP adjusted revenue was \$514.5 million, down 6.9 percent year over year, or 5.2 percent on a constant-currency basis. As we mentioned in the fourth quarter, we were anticipating a year-over-year decline, and revenue was ahead of consensus estimates.

Non-GAAP adjusted Services revenue was down 10 percent year over year, or 8.3 percent year over year in constant-currency. Volumes at our check-processing joint venture declined as expected, and we experienced an impact from COVID-19, largely related to decreased demand for field services and declines in volume-based contracts. Additionally, foreign currency worked against us, as most currencies weakened versus the U.S. dollar.

Technology revenue was up 11.2 percent year over year, relative to expectations for a year-over-year decline, as several contracts were renewed earlier than expected. This outperformance in Technology revenue for the quarter helped offset the impact of COVID-19 that we saw in Services. As a reminder, for the most part GAAP accounting requires all license revenue associated with our proprietary software to be recognized upfront at the time of contract signing, provided all criteria have been met. These contracts come up for renewal according to a schedule based on when they were originally signed; however, sometimes these contracts are executed sooner or later than anticipated. Given the upfront revenue recognition, the timing of renewal can have a meaningful impact on total company revenue for the period.

Non-GAAP operating profit margin for the quarter was 5.5 percent, up 70 basis points year over year, which was better than expected, largely due to the higher-than-anticipated Technology revenue. Services non-GAAP operating profit margin was a negative 3.5 percent, versus a negative 0.7 percent in the prior-year period. This was due to the flow-through impact of the decline in field services and volume-based business, as well as a delay in certain cost-savings initiatives. We had intended for these initiatives to be implemented earlier in the first quarter, but they are taking a bit longer than we anticipated. We have fully underpinned our expected cost savings at this point and have begun executing against our plan.

As we discussed in Q4, we have approximately \$60 million of costs previously allocated to the U.S. Federal business that we are targeting to remove post-closing. We took a charge of approximately \$10 million in the first quarter related to some of these costs, and we anticipate the remaining charges of approximately \$10-20 million later in 2020. We expect approximately \$25-30 million of these savings to be recognized in 2020, as the majority of these actions have already taken place.

Adjusted EBITDA was up 10.4 percent year over year, and adjusted EBITDA margin was up 220 basis points to 13.9 percent. GAAP loss per share was 85 cents versus 64 cents in the prior-year period, driven by higher year over year cost-

reduction charges and a currency-translation charge. This was slightly below consensus estimates of negative 75 cents, due to these restructuring charges and the currency-translation charge not being fully included in some of the underlying estimates. These charges had a 42-cent impact on EPS in the quarter. Non-GAAP EPS was 1 cent versus a loss of 11 cents in the prior-year period, and was well ahead of consensus estimates.

Cash used in operations was \$377.9 million in the first quarter versus \$70.4 million in the prior-year period. This usage includes approximately \$315 million of U.S. pension contributions. Adjusted free cash flow for the quarter improved by \$28 million and was a use of \$68.1 million versus a use of \$95.9 million in the prior-year period, benefitting from lower capex spend year over year.

The sale of our U.S. Federal business significantly enhanced our cash position and balance sheet overall. As of the end of the quarter, we had \$789.6 million of cash on the balance sheet. This does not include an additional \$487.3 million in restricted cash that was earmarked for the redemption of the company's \$440 million senior secured notes that took place on April 15, 2020. We expect to make approximately \$300 million in additional voluntary contributions to the U.S. pension plans during 2020.

Our net leverage including pension obligations, has been reduced significantly to 2.7x based on Last Twelve Months March 31 Adjusted EBITDA, relative to 4.3x as of year-end 2019. As of April 15, our senior secured notes have been fully redeemed.

Services backlog was \$3.7 billion, roughly in line with our year-end amount of \$3.8 billion, and up 1% versus the year-end value on a constant-currency basis. We signed over \$200 million of new logo contracts in the quarter, and total contract value signed was up 32 percent year over year.

As I think most of you know US GAAP requires that pension valuations are performed at year end and are based on market conditions at that point in time. As a result, recent market movements have not been realized and have no immediate or direct impact on our financial statements. However, consistent with past practice and to provide additional perspective, I will give some color on what the impact would have been if calculations were done at the end of March.

As a reminder, the discount rates used to value our obligations are not tied to U.S. Treasuries, they are tied to yields on corporate bonds, which have not decreased as much as Treasuries. Further, the impact of interest rate movements on cash contributions is muted in the first few years of the calculation. And lastly, we also have a hedging strategy that protects asset returns against significant selloffs in equities.

As a result of all of this, as well as the cash contributions to our U.S. pension obligations that we made during the quarter, the global pension deficit would have decreased by \$130 million versus year end. Post the additional voluntary contributions of approximately \$300 million that we intend to make later this year, there would be no additional pension cash contributions this year or next year. I would also note that based on our contributions made to date, we have improved our U.S. pension plan funding status freeing up our ability to remove pension liabilities through mechanisms like bulk lump sum offerings as well as annuitizations. We intend to pursue one or both of these options in 2020.

As Peter highlighted, we have taken numerous steps to minimize the impact of COVID-19 on our business. Our goal is to strike a balance between mitigating short-term negative financial impacts and emerging from this period in a position of strength. This requires that we maintain a strong delivery engine to support our clients' rapidly-evolving needs during this unprecedented time and to be prepared for increased demand when the temporary disruption comes to an end. Peter noted some of the things we are doing to manage operating costs, and we are also reducing discretionary capex where possible. Growth capex will naturally be reduced given our expectation for potential delays in new logo and new scope contracts. We increased cash reserves by drawing down \$59 million from our credit facility. All that being said we are continuing to increase our investment in our internal capabilities that will allow us to better serve our clients. Initiatives such as our ERP modernization program, enhanced workforce management system, and the creation of a new digital sales and marketing platform are all in various stages of planning, development or implementation.

Our expectations for 2020 are lower than originally anticipated. As previously noted, we have run a number of scenarios to look at the potential impact of COVID-19 on our financial results. Several of these scenarios indicate that full-year 2020 non-GAAP adjusted revenue may be down approximately 10 percent year over year, though it could ultimately be down more or less than that.

The bulk of our Technology revenue and approximately 84% of 2020 non-GAAP adjusted Services revenue is anticipated to come from renewals or revenue already contracted as of December 31, 2019, and we have historically seen renewal rates above 90%. There may be some delays in renewals, though, especially within Technology, and volume-based contracts may see a reduction in revenue.

New logo, new scope, expansion and project-based work is also likely to see an impact due to delays around purchasing decisions resulting from potential pressure on clients' financial situations. Profitability is expected to be impacted more significantly. Given how quickly the situation continues to evolve, and the inherent uncertainty embedded in the macroeconomic environment we are withdrawing our 2020 annual guidance.

Despite the uncertainty associated with the current period, our business is fundamentally strong, and once we begin to see global markets stabilize, we expect demand to become more robust. In fact, we believe the challenges our clients are currently facing will speed their decision to transform to digital which bodes well for our solutions. We achieved approximately 35% of our full-year new logo TCV target in Q1, indicating strong demand for our solutions. Assuming that the COVID-19 situation is contained to 2020, we expect that we will see revenue growth again in 2021. Beyond that, we believe medium-term revenue growth should still be in the 2 to 5 percent range, in line with the industry.

With that, I will turn the call back over to Peter.

Peter Altabef, CEO

Thanks, Mike, very much. I'd like to thank you everyone for joining us on the call today. Before we begin the Q&A session, I would like to highlight that, as we announced previously, we postponed our Investor Day until we have better visibility on macroeconomic conditions. In the interim, we have created an "Introduction to Unisys" designed to provide an overview of the company, as we have a number of investors and analysts looking at the company for the first time or the first time in many years. By the time we finished putting it together, however, we realized that it would be helpful for anyone interested in our company, even people who are already familiar with us. So, I would encourage all of you to access the presentation, which we posted on our Investor website last week. With that, we will open to questions. Operator?

Question & Answer Section

Q – Jon Tanwanteng – CJS Securities: My first one is you mentioned profits being more impacted than revenue this year. Can you talk about the incremental decremental margin there? And given the scenario of 10% revenue decline this year, what would the profitability range be?

A – Peter Altabef– Unisys Corp: Thanks, Jon. So obviously, we don't, and I would be surprised if many companies, have a really good view of exactly how COVID-19 will fill out for the rest of the year or exactly how long it will take. The scenarios that, again, we and others are running are our best guess. And when we put out the 10% number there, that, again, is our best judgment right now based on different modeling, which could certainly be higher or lower than that. The reason we put out the 10% was not only to share with you some of our modeling, but also give you directionally that we are a company that is affected by COVID-19, but not a company that we expect to be as dramatically affected by it as others on the revenue side.

When we look on the profit side, again, I believe that we will be affected but not as affected as some others. The list of things we have done to ameliorate the profit issues, I think, are extensive, and I think we are ahead of the curve in the

way we are approaching this. That said, there are just a bunch of unknowns. On our technology revenue, for instance, which tends to be higher margin and higher cash flow for us, we did very well in the quarter. We exceeded what we expected to do in the quarter. Those contracts could get delayed as we looked at the rest of the quarter, especially those where clients are looking at usage.

We just simply don't know exactly the effect on profitability. Some of the things we know now. So, it's one thing to put everyone on work from home, and we have done that with over 95% of our people operating effectively. But there are things to do that require being at customer sites, especially as our model involves getting more and more efficient and effective on some client activities. So not all of that is going to be able to be done right now or at least not as well as it could be if we were actually on site. So, at the end of the day, we think that the profit will be somewhat disproportionately lower than revenue, especially as we have fixed costs that don't immediately go away when revenue does. But we kind of put that out to show we think other things being equal, this is a company with very strong liquidity right now, very strong cash position. And I think we have a pretty good plan. With that, I'll defer it to Mike.

A – Mike Thomson– Unisys Corp: Yes. Jon, maybe I'll just add a point or 2 to that, and I think Peter covered it well. But the other thing that we were very focused on doing was maintaining our staff, right? So, we had indicated in our prepared remarks that our goal here is to come out of COVID stronger than we went into COVID, right? And certainly, removing your staff because of the temporary decline in revenue is not a great way to do that. So, we've actually taken a position where we're doing a little retooling, retraining, making sure that we've got folks lined up so that we are prepared to serve our clients even better as we come out of this crisis.

For that reason, as Peter alluded to, the fixed cost model of that associate base or even though that in some cases, it's variable, you mentioned furloughs and some other things where we tweaked what we can, but we're really trying to hold the masses. Not to mention, we see this as an opportunity. You've got many other folks in our space that are letting a lot of people go. Well, if there are resources out there that are in the right skill set, well, we're looking at opportunity to get some of those resources on board. So again, post the crisis that we'll be stronger than we were going into it. So those are a couple of the reasons why I think that the profitability will be impacted in a greater manner than top line.

Q – Jon Tanwanteng – CJS Securities: Okay. Great. And then 80% to 85% of your revenue is recurring, what percentage of that would you say is maybe essential business tied to things that actually help your clients run their businesses? What could be renegotiated or cut, if they had to, if there were a solvency issue situation? And then I think you mentioned a couple of times now that you have volume-based contracts. I'm just wondering what percentage of revenue is tied to those?

A – Mike Thomson– Unisys Corp: Sure. Well, I'll pick up on the recurring theme, Jon. So, as we talk about many times, really, over 80% of it is recurring. I would say, for the most part, our recurring revenue are not discretionary type things, right, whether that's our global workspace solutions, et cetera, right, that's not our project-based work. So, they're not really in positions to be renegotiated. And frankly, we've not really had any clients come to us in renegotiation of a contract throughout this crisis. We certainly talked to select clients around perhaps deferral of payments and things like that, but not a negotiation or renegotiation even in a crisis situation.

As Peter mentioned in some of his remarks, we don't have any clients that make up greater than 5% of our revenue base. So, our diversity as far as client diversity is concerned, helps us in that respect as well. As far as the volume-based contracts, largely, those are tied to our BPO business, which you can see is a relatively smaller piece of the overall pie. So, in general, I think, again, with our remarks that we've made earlier and that we've made historically, the fact that we've got diversity in the clients that we serve, diversity in the sectors that we serve, diversity in the geographies that we perform our business in, ability to ship workloads, et cetera, we've been able to service our client base without interruption. And I think in general, we've gotten really high marks from our client base in support of their businesses.

Q – Jon Tanwanteng – CJS Securities: Okay. Great. And finally, just on the pension. It was great to hear that the deficit actually decreased. If you could, could you talk about pension relief efforts in Washington? And what was currently being discussed and how that might benefit you if something does get passed?

A – Mike Thomson – Unisys Corp: Sure. So maybe I'll touch on 2 points. The first just being the waiver process that we've talked about in the past, we withdrew that waiver, as you would suspect that we would based on the voluntary contributions that we've made. We've already essentially prepaid '20 and '21. So, the waiver for '20 was not required any longer. Two, what you're referring to is some legislation that is currently being discussed as part of one of the stimulus packages. Essentially, the 2 things that they're talking about is expansion of the interest rate corridor and also deferring or amortizing payments for cash contributions over a 15-year period. The current program is over a 7-year period.

So essentially, what that would do, and those are both put in place to ultimately give companies the ability to infuse cash into their businesses today, and it's more a permanent fix as opposed to some of the temporary solutions that they've already put in place with some of the other stimulus packages. So essentially, Jon, it would take away our pension contributions for probably the next 6 years. And post that, I don't think we have a year that exceeds something like certainly \$50 million in any given year throughout their duration. So, it really streamlines and spread those contributions out over a much longer period, frankly, which is a lot more indicative to when those actual obligations come due. So, from our perspective, it would be viewed positively and would really allow us to stretch out cash contributions over a much longer period of time.

Q – Rod Bourgeois – DeepDive Equity Research: I want to ask kind of a bigger picture question, kind of looking down the road after the coronavirus crisis subsides. I'd love to get your take on whether you see trends happening during the crisis that would put you in a position to have better market share on the other side of the crisis? So, are there trends happening or investments that you're making or developments in your client base that would allow you to essentially gain wallet share at some of your key clients?

A – Peter Altabef – Unisys Corp: So, Rod, thanks for the question. I think it's a great question. And it is one we're spending a lot of time on. So, we are trying to optimize for the current situation, but very much looking forward and looking ahead to what that new normal looks like, and how we are a stronger company when we get there. When we think about the things we are doing right now, they fall into 2 categories. One, I would say, is the shoemaker not having a whole lot of shoes. So, putting in a new ERP program, putting in a new workforce management program, changing our sales and marketing platform, are all things that we would have done subsequent to the sale of the federal team now that we have more financial flexibility to do it. But it's even more important that we do it right now because under this period of time, we can really kind of make sure that we nail our processes and that we are ready to compete really with anyone as we come out of it in terms of not getting in our own way. This is a company that has always had a lot of potential, but sometimes we get in our own way. And we will be out of that phase by the time COVID-19 is over.

With respect to solutions for our clients, we have been focusing for several years now on developing next-generation solutions across our key areas of focus, and we now have them. So, when we talk about global workforce and IntelliServe, our ability to not only provide these services on a client site, but to do this remotely. When we talk about adding Stealth into the mix, which, of course, isn't an add-on for us. It's always been inherent in that application, but it's something that other folks don't have.

So, workforce, global workforce, which is now getting, I would say, C-level attention from not just the C level, but the CEO level attention, fits right into our sweet spot. So, we feel very good about our solutions for global workforce. And this is a permanent shift. Not everyone is going to go back to offices. Those that do will be going back one day, 2 days, 3 days a week instead of 5 days a week. So, our ability to do so much of this work for our clients remotely and to add the kind of AI we have been adding to it, to add the artificial automation is a big deal.

CloudForte, when I think of what we have done, and I think of what clients are experiencing now, it's pretty interesting. Clients who have the majority of their work already in the cloud are experiencing less issues with COVID-19 from an IT standpoint than those that are still dealing with their own data centers because those clouds are effectively outsourced. They have a level of redundancy, and they're up and running without having to worry about having your own people on site. So our CloudForte solutions, which encourage the movement and the administration and the operation of that work to the cloud is exactly what is called for right now and will be called for afterwards. (inaudible), it's hard to mention a platform that's not more particularly appropriate to both the time right now and the time going forward. Our Stealth

pipeline is up 36% year-on-year. We have a tremendous number of opportunities in front of us. And we think that that's going to be a very, very bright spot for us. So, I hate to say we are fortunate because that's a bad word to use in this experience. But we do have a whole series of solutions that have been our core go-to-market solutions, whose time is really very appropriate.

Q – Rod Bourgeois – DeepDive Equity Research: So, an extension of the question. So, I think we all see the work from home trend. We see enterprises needing to modify their infrastructure to enable that at a much greater scale. You have a huge history in the workplace solutions business. So, it's natural that you have an opportunity there. So, let's say, you're at a client, they bring you in further into the workplace to upgrade, be ready for work from home. What's the most natural thing now that you're in that position? What's the most natural thing to cross-sell to add scope to that relationship beyond the workplace arena?

A – Peter Altabef – Unisys Corp: Well, so if we're already, as I said, about 1/3 of our revenue today is around that digital workspace model. If you look at the kind of revenue we had outside of that, also, about 1/3 of our revenue is what I would call subject to CloudForte solutioning, right? So, whether that is cloud infrastructure, whether that is on-premise infrastructure going to the cloud, whether that is applications work about optimizing programs for the cloud. So, it's another 1/3 of our revenue that fits into another strong suit of ours, which is our CloudForte solutions. And what I would say, Rod, to answer your question specifically, if we are already working with a client on global workspace, it is right next door to say, okay, well, so we're managing all of these operations for you remotely. We need to optimize them onto the cloud environment because that's going to give you more security, and we need to be able to move it in between cloud environments as the pricing of those cloud environments becomes more competitive, which it is doing. So, I would say it's a short burst from our IntelliServe offering to our CloudForte, and then Stealth actually underlies both of those.

Q – Rod Bourgeois – DeepDive Equity Research: Understood. And then one final question. In Q1, clearly, your operating margin in services, in particular, was impacted by the loss of some demand due to COVID. Can you quantify in the first quarter what the margin hit was from the kind of evaporation in some of the volumes that happened on the demand side?

A – Michael Thomson – Unisys Corp: Rod, it's Mike. Yes, look, I don't know that we've got a specific data point there. As you can imagine, it's very difficult to know how much of the volume decline is specific to one thing or another or specific to you not being in the location or not in the location. So, I don't think it'd be as precise as we would like it to be at this point in time. But I guess from our perspective, we were a lot more concerned around ensuring that our clients had no disruptions, that we're able to support our client base in everything that they were doing to get themselves ready for COVID and to not have crucial systems go down. As you know, we support many different industries, pharma, health care, transportation, you name it, right, public sector, government. So, we were a lot more focused in ensuring the delivery of that work than trying to pinpoint this percentage point related to COVID versus something else.

Q – Rod Bourgeois – DeepDive Equity Research: Got it. So just to clarify on that, though. So, some of the margin hit from COVID was more than just the revenue flow-through hurt you. It was also that you had to incur some costs to sort of adjust your operating margin to take care of clients. So, in some ways, there were some lumpy costs that needed to be incurred to convert your operating model?

A – Michael Thomson – Unisys Corp: Sure. Look, I think I would look at it threefold. You have the straight revenue pass-through, as you just alluded to. You have the lumpiness for what you have to kind of set up your own infrastructure for costs that are onetime to have our people working remote. And then you also have the inability to get into highly complex situations to remediate things, right, because you can't be on site. So, there's some delay there and some duplicative cost in regards to that as well. But again, first and foremost, it was around seamless delivery, building goodwill and making sure our clients were operational.

A – Peter Altabef – Unisys Corp: And Rod, this is Peter. Just coming full circle to your first question about looking out. If we look at the industry trends and we look at how we are set up as a company and you say, okay, so what part of the industry is going to be slightly deemphasized and what part is going to be emphasized as a COVID-19 result. I would say the piece we would expect to get deemphasized somewhat is going to be our field services piece. There won't be as

much of that, although we are evolving field services to include more IoT, which actually may make up some of that. But putting that aside, field services probably is under more pressure going forward. What replaces that is more security work as you're doing more things remotely, more remote service, more service desk, all of the things that we are good at from a work from home standpoint. And I would say when you look at the margin shift between field services margins and security margins and service desk margins and remote support margins, you're going from low-margin work to significantly higher margin work. So, I do think that will inure to our benefit over time.

Q – Rod Bourgeois – DeepDive Equity Research: Definitely a bit of a blessing in disguise because the growth is moving to the digital side of the workplace market. So interesting.

Q – Joseph Vafi – Canaccord Genuity Corp: It's Joe Vafi over at Canaccord. Just number one, thanks for your candid remarks here on the business, both positive and negative in this tough time. I thought maybe we'd start with a positive on maybe just a couple more minutes on the Stealth driven AOA business or this always on business and how it stacks up against VPN? I mean I'm not a comm equipment analyst, but it sounds pretty intriguing here on what it could mean moving forward.

A – Peter Altabef – Unisys Corp: Yes. So, our Stealth, so the Always-On Access powered by Stealth is a variation of Stealth. And it is Stealth that specifically is targeted at a work from home environment. So, VPNs have different levels of maturity. But if you think of a typical VPN, it's a pipe that allows you to access home base remotely. VPNs were initially set up, Joe, to help a laptop that is on the road somewhere. And they were not set up for the volume that they're seeing now. Usually, it was set up to carry about 20% of a client's network. Now we're talking about 80%. And when you open up a VPN pipe, the problem is opening it up in a network in somebody's house is you're opening it up to everything else on that network, which is old equipment that is also on a network that is not as modern as a laptop, it could be gaming console, it could be all sorts of stuff.

So, our system, which is software as a service system and is a next-generation system uses Stealth to identify that specific piece of equipment and the specific identity of the user of that piece of equipment. So, it doesn't extend into the rest of the home network environment. It also enables the technology that Stealth has. And finally, it allows for dynamic isolation, which means if there is a laptop or if there is a server or if there is an IP address that is from a bad actor, whether it's somebody doing this from home or somebody infiltrating the network, it doesn't matter whether you're inside or outside the firewall. As soon as that is detected, we close it down, and we can close it down within 15 to 20 seconds. And so that allows us to isolate the bad actors and not shut down the rest of the network, which is really critical when you look at some of the cybersecurity events that have gone on in the last 2 years. So, we're very excited about always on access. And I will tell you the level of interest we have is extraordinary. I'll just leave it at that.

Q – Joseph Vafi – Canaccord Genuity Corp: That's pretty exciting, Peter. Just if you could remind us now that the SAIC deal is closed, I know you mentioned this new logo deal with a commercial defense contractor that did not transfer over. I assume you have a license deal with SAIC at this point on Stealth as they potentially resell that into the government? How is that working?

A – Peter Altabef – Unisys Corp: We do. So, 2 separate points. So, we're not out of the public business. So, as you heard me talk earlier, Joe, 33% of our revenue is public post the sale of federal. The vast majority of that is U.S. state and local business, and it is business overseas with foreign governments. In addition, one of the things that continues is we become -- we become a supplier of our software to SAIC for it to use in the government. Some of that software is ClearPath Forward. U.S. government clients use ClearPath Forward, we make that available to SAIC through a license arrangement, and they use it for their clients. Stealth is exactly the same. So, we provide Stealth to SAIC, and it uses Stealth for its clients.

Now unlike ClearPath Forward, which was a pretty mature offering as far as the federal government is concerned, Stealth is still a newer offering that is expanding with clients. And so, one of the sales that generated technology revenue for us in the first quarter was, in fact, a sale of Stealth to a U.S. government client post the sale of our U.S. Federal business. So that was SAIC getting that contract and then us providing Stealth behind that. SAIC is a \$7 billion organization. Our U.S. Federal team was about \$700 million. We actually expect that pipeline to be increasing and the

license revenues to be increasing. We won't get all the service revenues, although we'll get some of that. But the higher margin license revenue, we will get all of that.

Q – Joseph Vafi – Canaccord Genuity Corp: That's great. That's encouraging. And then I guess, if you look at that technology segment, it's always been historically a business that's focused on the kind of a renewal business and it's strategic, you've got to keep the lights on with those clients. Do you see this really being anything as an impediment here where people wouldn't renew? It doesn't feel like that to me. I thought I'd get your opinion on that.

A – Peter Altabef – Unisys Corp: Yes, it doesn't feel that way to us either. The organizations that are using that technology are, number one, extremely fortunate in the fact that it is so secure. And so that is a benefit to its ability to process quickly at high volume at relatively low cost. It's extremely secure environment. And so, given the level of cyber-attacks that has gone up post COVID-19, especially against financial institutions, health care institutions, government institutions, having that secure platform is more important than ever. We don't get indications that it is anything that would affect the ongoing interest. And obviously, we're investing in that, to your point. So, we now have ClearPath Forward operating in the cloud. We have it operating in the public cloud. So, we're really making advances in bringing that to a place where anybody who has an interest in that platform has no interest in leaving that platform. And of course, technology revenue for us is more than ClearPath Forward. It also includes Stealth license revenue and industry application products license revenue, and we consider those to all be areas of growth.

A – Mike Thomson– Unisys Corp: And Joe, just one thing I'd add to that as well, if I could. So, in the Introduction to Unisys, we have a couple slides in there, and we have Vishal Gupta, who leads our technology practice there, it actually gives some real insight there about different applications now for writing open code, on top of that, the support from a services perspective. Peter alluded to the cloud computing. So that application is completely hardware agnostic at this stage and basically software deployed. So, we think there's some real advantages and even tying back to Rod's question, all of these solutions kind of play together and play very nicely together, and obviously, all embedded from a security perspective.

Q – Joseph Vafi – Canaccord Genuity Corp: Sure. I mean that's all encouraging. And I think the road map that you guys have done there is right on the mark. And I know you were saying earlier, I think, Peter, that -- perhaps you said that perhaps you don't want to say you're fortunate, but there is an old proverb out there that luck favors the prepared mind. So it's good to be prepared to set yourself up for luck.

A – Peter Altabef – Unisys Corp: Well, thank you, Joe. We are prepared. And so, I'll take that, it works for us.

Q –Ishfaque Faruk – Sidoti & Co LLC: Just a couple of questions. Most of my questions have been addressed already, actually. On your tech revenue side, Mike, you mentioned that some of your revenues from the SAIC deal, there's still some TSAs out there. This quarter, it was pretty high. Can you give me a sense for what percentage was from that SAIC, if any? Or was it a ClearPath Forward?

A – Mike Thomson– Unisys Corp: Yes. Ishfaque, so what I would say to you is that the opening remarks were really around the renewal schedule, and we had a couple contracts renew a little earlier than we had anticipated, but we also had some volume increases. They were from the SAIC venture, and they were a ClearPath Forward based. So, it was a legacy client that went over with the sale, and obviously, good in the concept of working relations with SAIC, very good. The transition has been very smooth. I think both parties are extremely happy with how that is going. And already in the quarter, we've consummated a deal with one of our legacy clients that were ultimately sold as part of that business. And not only did we get the revenue flow-through for that. We ended up getting additional revenues associated with that from a volume base. So, so far, so good, off to a really good start in that space. And as Peter alluded to earlier, they were roughly 7x or 10x bigger than we were in that space. So, we were really looking forward to that relationship. And hopefully, between Stealth and ClearPath and the services that sit on top of ClearPath Forward that we'll continue to see that increase in our technology revenue base.

Q –Edward Mally – Imperial Capital LLC: Just to go back to some of the comments that you had made on the pension deficit during your prepared remarks, I just wanted to make sure I heard some of the figures you had presented

correctly. You talked about a \$130 million reduction on a pro forma basis. Is that versus the number you reported at the end of the first quarter? Or would that have been relative to year-end 2019?

A – Mike Thomson– Unisys Corp: Yes. So that was \$130 million reduction in deficit, and that would have been pro forma and against 2019 ending position. That would have included not only the contributions that we did make in the quarter, but also the pro forma contributions that we're anticipating making through the remainder of 2020 as well as all of the impact of the activities during the quarter. So, movements in interest rates and what has gone on in equities, et cetera. So really just trying to give you a pro forma sense of what it would have looked like. Now I'll couple all of that with you don't do an actuarial valuation during the year. It's only done at the end of the year. So, I would caution it to just be -- it's just from a directional perspective, to give you some additional color as to what it would look like. But those things are only done at the 12/31 ending position.

Peter Altabef, CEO

Thanks very much. This is Peter again. I really do appreciate everyone joining the call. I know we started a few minutes later, and I apologize for that technical glitch. We are very much open for business as a company and as an Investor Relations team. So, Courtney, Melissa, Mike, myself, are really all at your service. We continue to put more information on our Investor Relations website, such as the introduction to Unisys, which is much more than an introduction. And again, I recommend it to you, and we welcome questions and comments from you on an ongoing basis. So, thank you very much for participating in the call, and we look forward to the next one.