UNISYS

Second Quarter 2022 Financial Results

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- Statements made by Unisys during today's presentation that are not historical facts, including those regarding future performance, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and assumptions and involve risks and uncertainties that could cause actual results to differ from expectations. These risks and uncertainties are discussed in the company's reports filed with the SEC and in this quarter's earnings release.
- Forward-looking statements include, but are not limited to, any projections or expectations of earnings, revenues, annual contract value ("ACV"), total contract value ("TCV"), new business ACV or TCV, backlog, pipeline or other financial items; any statements of the company's plans, strategies or objectives for future operations; statements regarding future economic conditions or performance; and any statements of belief or expectation.
- The impact from the changing market and economic conditions due to the COVID-19 pandemic is uncertain and is expected to impact our business and consolidated results of operations and could impact our financial condition in the future. At this time, we are unable to accurately predict the full impact that COVID-19 will have due to numerous uncertainties, including the severity of the disease, the duration of the pandemic, actions that may be taken by governmental authorities, the impact to the business of our customers and partners and other factors.
- Although appropriate under generally accepted accounting principles ("GAAP"), 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 post-retirement and 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; EBITDA and Adjusted EBITDA, Non-GAAP Diluted Earnings per Share; Free Cash Flow and Adjusted Free Cash Flow; Constant Currency, Pipeline, ACV, and TCV.
- From time to time Unisys may provide specific guidance regarding its expected future financial performance. Such guidance is effective only on the date given. Unisys generally will not update, reaffirm or otherwise comment on any prior guidance except as Unisys deems necessary, and then only in a manner that complies with Regulation FD.
- These presentation materials can be accessed on the Unisys Investor website at www.unisys.com/investor. Information in this presentation is as of August 3, 2022, and Unisys undertakes no duty to update this information.

2Q22 Company Highlights

- Company beat consensus estimates on all key metrics
- Total company revenue was up 2.8% YoY on a constant-currency basis and roughly flat YoY
- Non-GAAP operating profit margin was 9.0%
- Annual Contract Value (“ACV”) signings grew 25% YoY and Total Contract Value (“TCV”) signings grew 12% YoY
- Total company pipeline grew 30% YoY
- Momentum in key focus areas within Digital Workplace Solutions and Cloud, Applications & Infrastructure Solutions (see slide 8)

Company Insights

In DWS, our primary focus is in higher-growth, higher-margin proactive, experience-based solutions that streamline and optimize collaboration anywhere and on any device to maximize employee productivity and engagement, which we refer to as Modern Workplace.

- Our DWS business is positioned to take market share, and as we shift our mix to Modern Workplace solutions (which now represents ~14% of segment revenue versus ~4% in the prior-year period) pipeline in the segment grew 20% YoY and Modern Workplace pipeline more than doubled YoY.

In CA&I, our momentum continues. We have revised the name of this segment from Cloud & Infrastructure because applications are an increasingly important part of our growth story. We are working to shift the mix of revenue in CA&I toward Digital Platforms and Applications ("DP&A"), which include hybrid and multi-cloud management, cybersecurity, application modernization, cloud-native application development and data analytics and insights.

- We are also seeing progress in this shift within CA&I, in which pipeline grew 45% YoY, with DP&A (which now represents ~29% of CA&I revenue, versus ~20% in the prior-year period) pipeline more than doubling YoY.

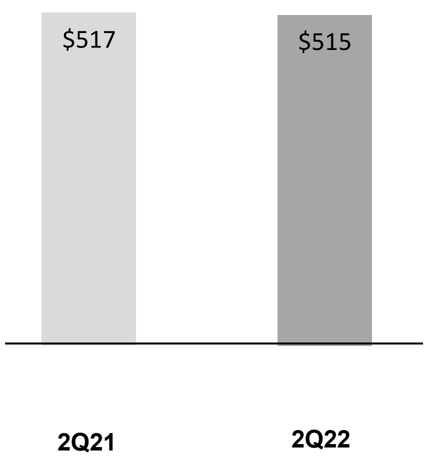
Our ECS segment is ahead of expectations for the year. We believe there is future upside in this segment in ECS-related services, specific proprietary industry applications, and next-generation compute capabilities.

- Within ECS-related services, we are working to drive increased managed and application services. We are enhancing our capabilities in specific proprietary financial services and travel & transportation solutions within industry applications. We see opportunities to advance our compute capabilities through quantum, edge and serverless-computing ecosystems.

2Q22 Financial Results

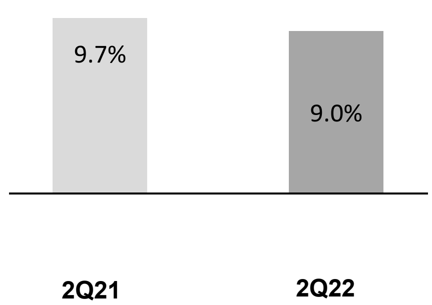
Revenue ($M)

Total company revenue was up 2.8% YoY in constant currency and flat as-reported

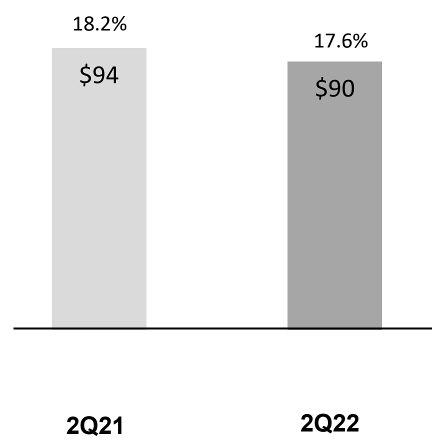


Operating Profit Margin (%)
Non-GAAP[1]

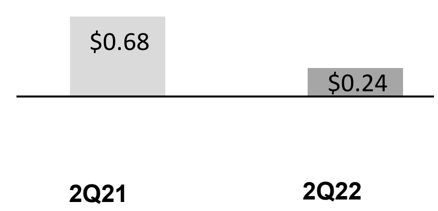
The declines are largely driven by the company's increased investments in sales and marketing, which contributed to ACV, TCV and pipeline growth, with EPS also impacted by higher taxes due to the jurisdictions in which income was earned



Adjusted EBITDA ($M) And Margin (%)
Non-GAAP[1]

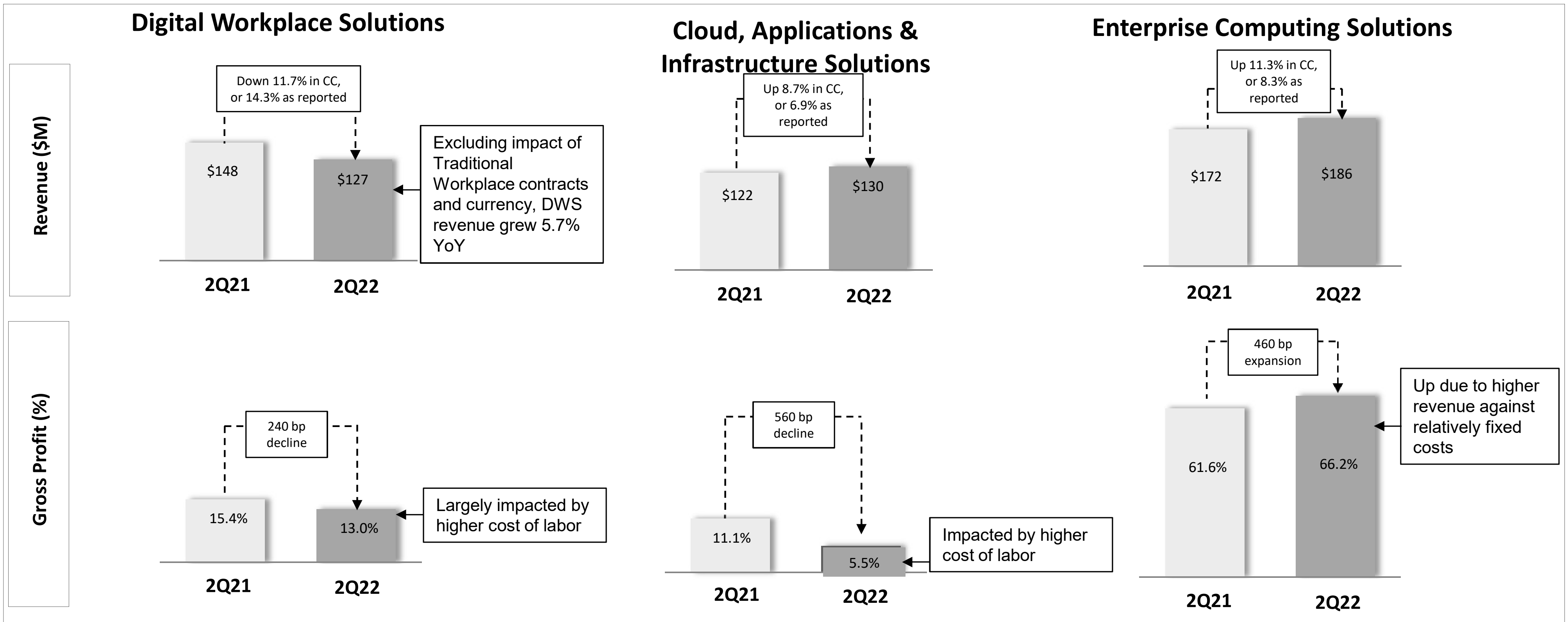


Earnings per Share
Non-GAAP[1]



[1]See appendix for reconciliation of non-GAAP measures.

2Q22 Segment Results



2Q22 Cash Flow and EBITDA Results

$M	2Q21	2Q22
EBITDA[1]	($144.8)	$51.6
Adjusted EBITDA[1]	$94.4	$90.4
Adjusted EBITDA Margin[1]	18.2%	17.6%
Operating Cash Flow	$41.9	($33.7)
Capital Expenditures	($22.9)	($25.4)
Free Cash Flow[1]	$19.0	($59.1)
Adjusted Free Cash Flow[1]	$54.5	($38.5)

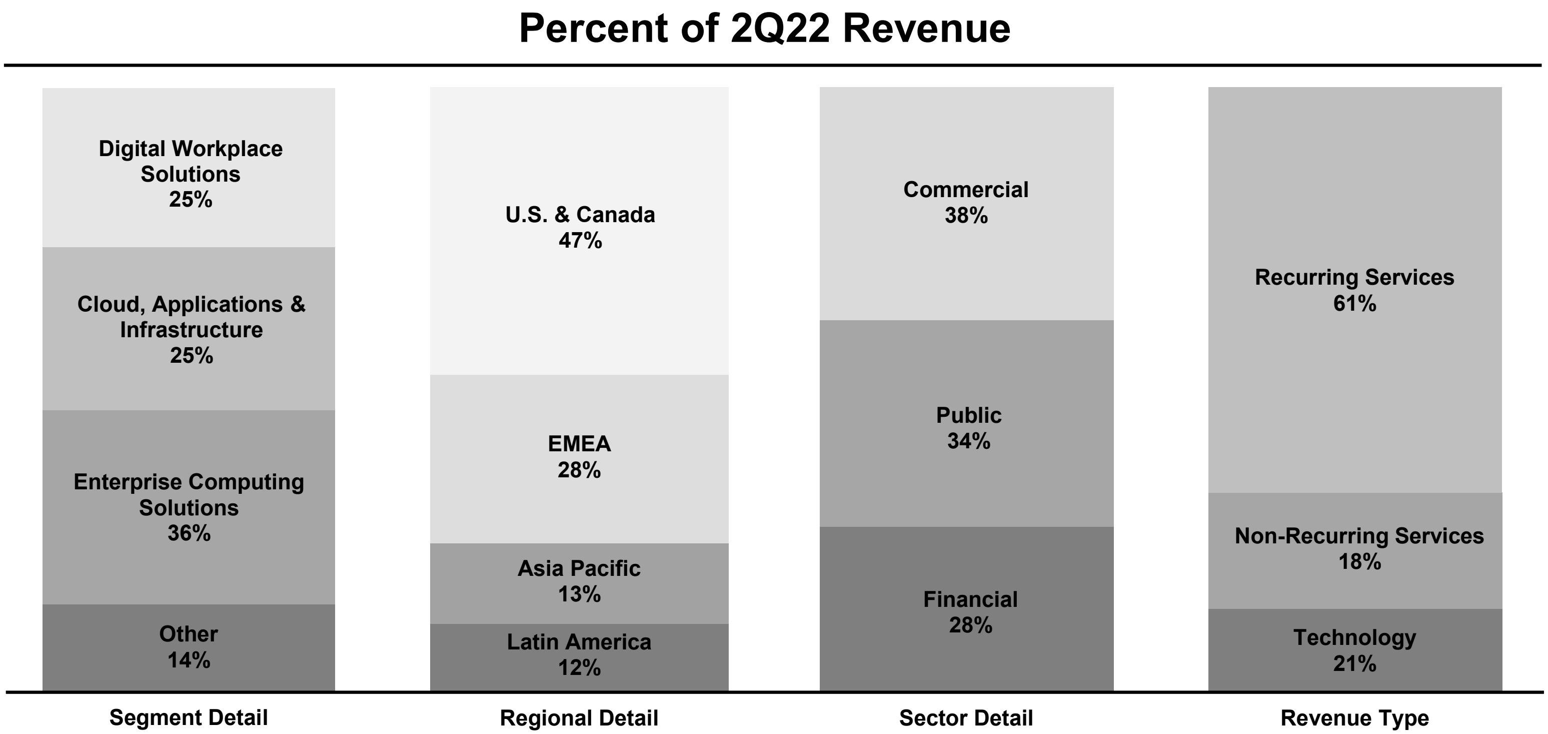
[1]See appendix for reconciliation of non-GAAP measures.

ACV, TCV and Pipeline

	YoY growth
Total Company ACV	25%
DWS ACV	15%
CA&I ACV	63%
Total Company TCV	12%
Total Company Pipeline	30%
DWS Pipeline	20%
Modern Workplace Pipeline	>100%
CA&I Pipeline	45%
Digital Platforms & Applications Pipeline	>100%

Appendix

2Q22 Unisys Revenue Profile



Revised 2022 Financial Guidance

Revenue Growth: 2.5% – 4.5% in constant-currency, or (1)% – 1% as-reported

Non-GAAP Operating Profit Margin: 7.5% – 9.0%

Adjusted EBITDA Margin: 16.0% – 17.5%

Potential Economic Benefit of Tax Assets

$ in M	Description	Net Deferred Tax Assets[1]	Future Available Reductions in Taxable Income
	U.S.		
NOLs and Tax Credits	Net Operating Loss – Federal & State	$574	$1,763
	Tax Credits	177	843
Pension and Other	Pension	162	641
	Other Deferred Tax Assets	49	194
	Total available U.S.	**$962**	**$3,441**
	Non-U.S.		
Foreign Tax Attributes	Net Operating Loss – Non-U.S.	$266	$1,022
	Pension and other – Non-U.S.	104	368
	Total available non-U.S.	**$370**	**$1,390**
	Total available	**$1,332**	**$4,831**
	Valuation Allowance [1]	(1,226)	
	Total Net Deferred Tax Asset [1]	**$106**	

1 The elements listed above are for informational purposes only and are based on expectations and assumptions defined in the Form 10-K filed for December 31, 2021. See Critical Accounting Policies – Income Taxes for the assessment of the realization of company's deferred tax assets and liabilities and Footnote 8 in 2021 Form 10-K filed in February 2022.

Net Deferred Tax Assets represent the tax effected difference between the book and tax basis of assets and liabilities. Deferred tax assets represent future deductions against taxable income or a credit against a future income tax liability. Deferred tax liabilities represent taxable amounts in future years when the related asset or liability is recovered.

Valuation Allowance - US GAAP requires net deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or the entire deferred tax asset will not be realized. The factors used to assess the likelihood of realization are the company's historical profitability, forecast of future taxable income and available tax-planning strategies that could be implemented to realize the net deferred tax assets. The company considers tax-planning strategies to realize or renew net deferred tax assets to avoid the potential loss of future tax benefits.

Operating Profit

$M	2Q21	2Q22
Operating profit (loss)	**40.8**	**33.7**
Postretirement expense	0.6	0.6
Cost reduction and other expense	8.7	12.3
Non-GAAP operating profit (loss)	**50.1**	**46.6**
GAAP operating profit (loss) %	7.9%	6.5%
Non-GAAP operating profit (loss) %	9.7%	9.0%

EBITDA and Adjusted EBITDA

$M	2Q21	2Q22
Net income (loss) attributable to Unisys	**(140.8)**	**(17.1)**
Net income (loss) attributable to noncontrolling interests	(1.5)	0.3
Interest expense, net of interest income*	6.5	4.9
Provision for income tax	(53.1)	20.3
Depreciation	24.7	26.5
Amortization	19.4	16.7
EBITDA	**(144.8)**	**51.6**
Postretirement expense	225.7	12.5
Cost reduction and other charges**	10.1	17.9
Non-cash share-based expense	3.7	3.5
Other (income) expense adjustment***	(0.3)	4.9
Adjusted EBITDA	**94.4**	**90.4**

*Included in Other (income) expense, net on the Consolidated Statements of Income
**Reduced for depreciation and amortization included above & Disposals in Other Expense
***Other (income) expense, net as reported on the Consolidated Statements of Income less postretirement expense, interest income and items included in cost reduction and other expenses

Net Income and EBITDA as a Percentage of Revenue

$M	2Q21	2Q22
Revenue	517.3	515.0
Net income (loss) as percentage of revenue	(27.2)%	(3.3)%
Non-GAAP net income (loss) as a percentage of revenue	8.9%	3.1%
Adjusted EBITDA as a percentage of revenue	18.2%	17.6%

Earnings per Diluted Share

$M except share and per share data		**2Q21**	**2Q22**
Net income (loss) attributable to Unisys Corporation common shareholders		**(140.8)**	**(17.1)**
Post-retirement expense:	pretax	225.7	12.5
	tax	52.0	0.0
	net of tax	173.7	12.5
Cost reduction and other expense:	pretax	13.6	20.8
	tax and minority interest	0.5	0
	net of tax	13.1	20.8
Non-GAAP net income (loss) attributable to Unisys Corporation		**46.0**	**16.2**
Weighted average shares (thousands)		67,080	67,694
Plus incremental shares from assumed conversion of employee stock plans		740	418
GAAP adjusted weighted average shares		**67,820**	**68,112**
Diluted earnings (loss) per share			
GAAP basis			
GAAP net income (loss) attributable to Unisys Corporation for diluted earnings per share		(140.8)	(17.1)
Divided by adjusted weighted average shares		67,080	67,694
GAAP earnings (loss) per diluted share		**(2.10)**	**(0.25)**
Non-GAAP basis			
Non-GAAP net income (loss) attributable to Unisys Corporation for diluted earnings per share		46.0	16.2
Divided by non-GAAP adjusted weighted average shares		67,820	68,112
Non-GAAP earnings (loss) per diluted share		**0.68**	**0.24**

Free Cash Flow

$M	2Q21	2Q22
Cash provided by (used for) operations	**41.9**	**(33.7)**
Capital expenditures	(22.9)	(25.4)
Free cash flow	**19.0**	**(59.1)**
Postretirement funding	10.5	8.9
Cost reduction funding	25.0	11.7
Adjusted free cash flow	**54.5**	**(38.5)**

Non-GAAP and Other Information

Although appropriate under generally accepted accounting principles ("GAAP"), 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 certain portions of post-retirement and cost-reduction and other expenses. 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 – The company recorded pretax post-retirement expense and pretax charges in connection with cost-reduction activities and other expenses. For the company, non-GAAP operating profit excluded these items. The company believes that this profitability measure is more indicative of the company's operating results and aligns those results to the company's external guidance, which is used by the company's management to allocate resources and may be used by analysts and investors to gauge the company's ongoing performance.

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 attributable to noncontrolling interests, interest expense (net of interest income), provision for income taxes, depreciation and amortization. Adjusted EBITDA further excludes post-retirement and cost-reduction and other expenses, non-cash share-based expense, and other (income) expense adjustment. In order to provide investors with additional understanding of the company's operating results, these charges are excluded from the adjusted EBITDA calculation.

Non-GAAP diluted earnings per share – The company has recorded post-retirement expense and charges in connection with and cost-reduction activities and other expenses. Management believes that investors may have a better understanding of the company's performance and return to shareholders by excluding these charges from the GAAP diluted earnings/loss per share calculations. The tax amounts presented for these items for the calculation of non-GAAP diluted earnings per share include the current and deferred tax expense and benefits recognized under GAAP for these amounts.

Free cash flow – The company defines free cash flow as cash flow from operations less capital expenditures. Management believes this liquidity measure gives investors an additional perspective on cash flow from on-going operating activities in excess of amounts used for reinvestment.

Adjusted free cash flow – Because inclusion of the company's post-retirement contributions, cost-reduction charges/reimbursements and other payments in free cash flow may distort the visibility of the company's ability to generate cash flow from its operations without the impact of these non-operational costs, management believes that investors may be interested in adjusted free cash flow, which provides free cash flow before these payments. This liquidity measure was provided to analysts and investors in the form of external guidance and is used by management to measure operating liquidity.

Non-GAAP operating profit, EBITDA and adjusted EBITDA, non-GAAP net income and non-GAAP diluted earnings per share, free cash flow and adjusted free cash flow should not be relied upon as substitutes for, or considered in isolation from, measures calculated in accordance with U.S. GAAP.