UNISYS | Securing Your Tomorrow®

First-Quarter 2018 Financial Results

May 1, 2018

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Inder Singh | SVP & CFO

www.unisys.com/investor

Disclaimer

- 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 today's earnings release.
- Forward-looking statements include, but are not limited to, any projections of earnings, revenues, annual contract value ("ACV"), total contract value ("TCV"), new business ACV or TCV, backlog 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.
- 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 revenue, 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; and Constant Currency.
- This year we will be reporting non-GAAP revenue and related measures as a result of the adoption of the new revenue recognition rules under ASC 606 to exclude revenue that had previously been recorded in 2017 under ASC 605. For more information regarding these adjustments, please see our earnings release and our Form 10-Q for the quarter. 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 May 1, 2018, and Unisys undertakes no duty to update this information.

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CEO Remarks
Peter Altabef

Progress on Key Strategic Initiatives in 1Q18

Use Industry Go-To-Market Strategy to Improve Revenue Trends

- Total company revenue grew 6.6% YoY; non-GAAP adjusted revenue down 1.4% YoY
- New business and total company TCV and ACV up year over year
- Growth in 1Q18 focus industry revenue of approximately 1% YoY
  - 3.6% YoY growth in Services revenue in focus industries
- Completed our base tier of industry application products by launching LineSight™ in 1Q18

Improve Consistency in Annual Technology Revenue

- Technology revenue up 76.6% YoY; non-GAAP adjusted Technology revenue up 9.7% YoY

Leverage our Security Expertise to Drive Revenue

- Stealth progress with deal signings
  - TCV, ACV and win rate grew by over 200% on a year-over-year basis
- Overall security pipeline[1] grew by 62.6%
- Stealth serving as a differentiator in competitive processes, including wins with Australia's Department of Home Affairs and the United States TSA

Improve Profitability

- Non-GAAP operating profit margin up 60 basis points YoY to 7.2%
- Adjusted EBITDA margin expansion of 130 basis points YoY to 14.2%

See appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures.

1 Pipeline represents prospective sale opportunities being pursued or for which bids have been submitted. There is no assurance that pipeline will translate into recorded revenue.

Go-To-Market Progress

1Q18 TCV

Total Company
$1.4B
174% YoY growth

New Business
$641M
145% YoY growth

1Q18 ACV

Total Company
$418M
136% YoY growth

New Business
$121M
99% YoY growth

1Q18 Pipeline[1]

Total Company
$13.8B
30% YoY growth

New Business
$11.9B
47% YoY growth

Security
>$640M
63% YoY growth

Industry Application Products & Related Services
>$685M
7% YoY decline

1Q18 Focus industry revenue[1] (47% of total revenue) up ~ 1% year over year

See definitions beginning on slide 17

1 Pipeline represents the TCV of prospective sale opportunities being pursued or for which bids have been submitted. There is no assurance that pipeline will translate into recorded revenue.

CFO Remarks
Inder Singh

1Q18 Financial Highlights

Solid Total Company Performance

- Total revenue growth of 6.6% YoY; non-GAAP adjusted revenue decline of 1.4% YoY
- Operating profit margin was 14.4%, more than quadruple YoY and up 1110 basis points
- Non-GAAP operating profit margin expanded 60 basis points YoY to 7.2%, reflective of cost restructuring work
- Adjusted EBITDA margin was 14.2%, up 130 basis points YoY

Continued Momentum in Services Backlog

- Services backlog grew 26% YoY and 10% sequentially
  - 2nd consecutive quarter of YoY growth
  - 3th consecutive quarter of sequential growth

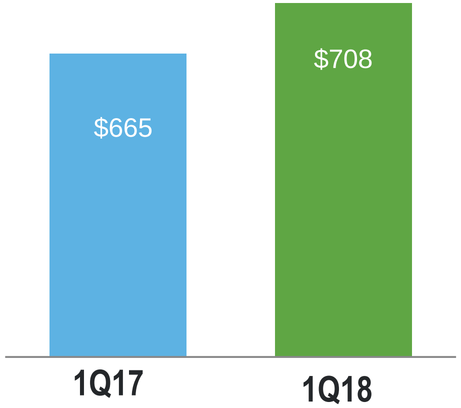
Strong Start to the Year for Technology

- Technology revenue up 76.6% YoY; non-GAAP adjusted Technology revenue up 9.7% YoY
- Technology operating margin up 3930 basis points to 54.7%; non-GAAP adjusted Technology operating margin expanded 1450 basis points to 29.9%

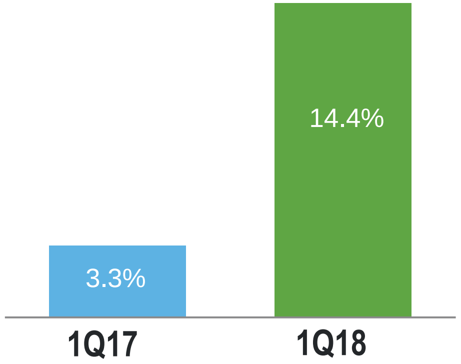
See appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures.

1Q18 Financial Results

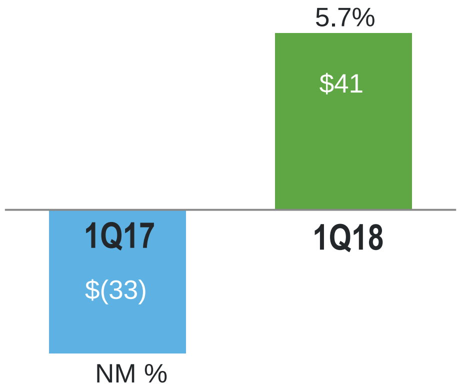
Revenue ($M)
GAAP



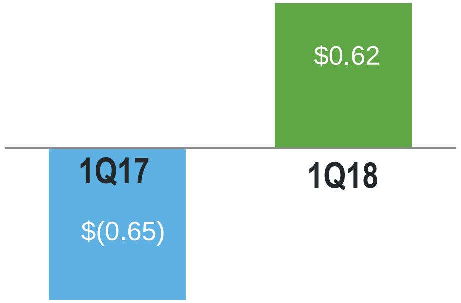
Operating Profit Margin (%)
GAAP



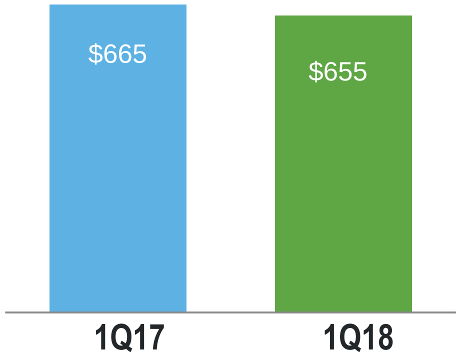
Net Income Attributable to Unisys ($M) & Margin (%)
GAAP



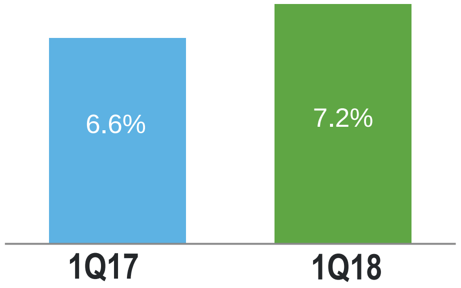
Diluted Earnings per Share
GAAP



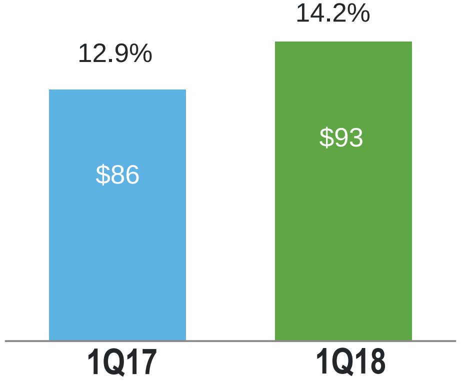
Adjusted Revenue[1] ($M)
Non-GAAP



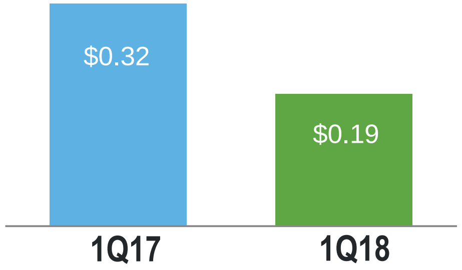
Operating Profit Margin[1] (%)
Non-GAAP



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



Diluted Earnings per Share[1]
Non-GAAP

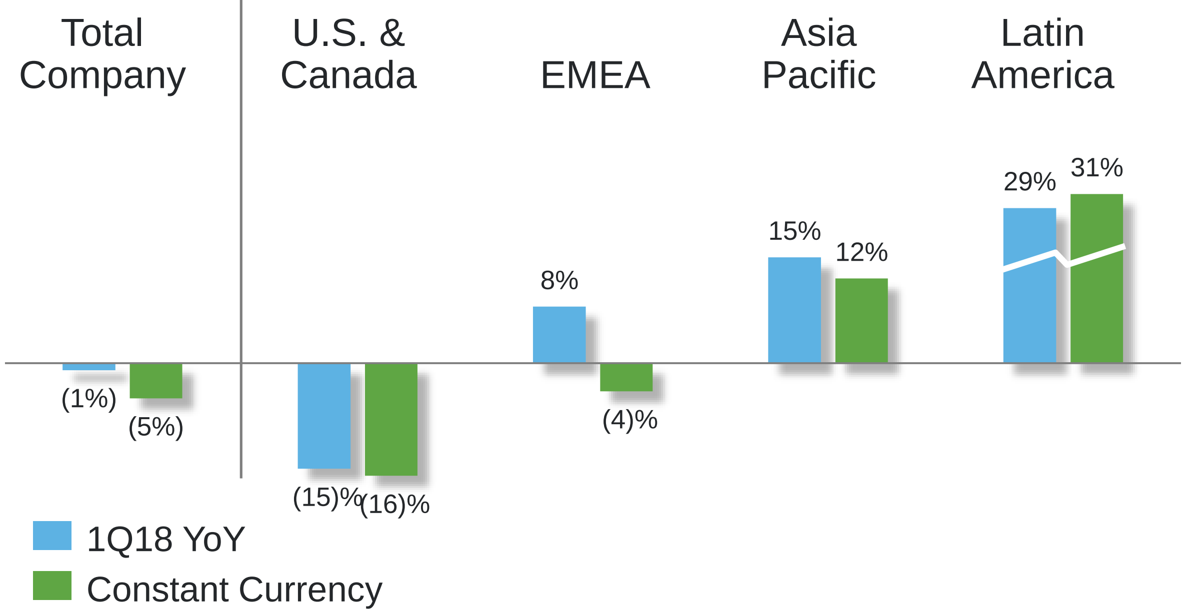


See appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures

1. 2018 numbers adjusted to exclude revenue previously recorded under ASC 605, which was also included in 2018 under ASC 606 (see additional detail starting on slide 17)

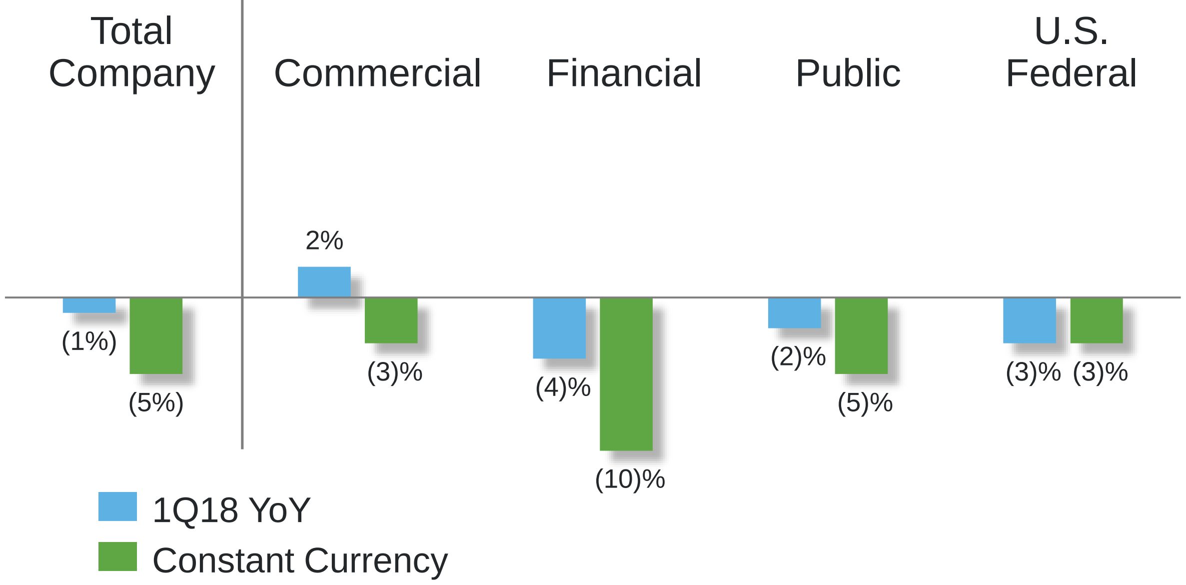
1Q18 Growth by Region and Sector[1]

By Region



- Growth in all regions with the exception of US&C
  - Growth in Services and Technology in EMEA, Asia Pacific and Latin America
  - US&C YoY compare impacted by large contract re-negotiation in 1Q17
- EMEA was helped by currency

By Sector



- Commercial sector growth of 2% YoY
- US Federal sector down 3% YoY, largely due to late budget appropriations, weather impacts, and timing
  - Services backlog for this sector was up over 20%
- YoY compare for Public sector was impacted by large contract re-negotiation in 1Q17
- Financial sector down YoY due in part to Technology renewal schedule

1. 2018 numbers adjusted to exclude revenue previously recorded under ASC 605, which was also included in 2018 under ASC 606 (see additional detail starting on slide 17)

1Q18 Segment Results

$M	As Reported		
Services Segment	**1Q17**	**1Q18**	**YoY Change**
Services Revenue	$585	$569	(2.9)%
Services Gross Profit Margin	18.2%	16.6%	(160) bps
Services Operating Profit Margin	4.7%	3.0%	(170) bps

$M	As Reported			Non-GAAP Adjusted[1]	
Technology Segment	**1Q17**	**1Q18**	**YoY Change**	**1Q18**	**YoY Change**
Technology Revenue	$79	$140	76.6%	$87	9.7%
Technology Gross Profit Margin	46.6%	68.9%	22.3 pts	51.9%	530 bps
Technology Operating Profit Margin	15.4%	54.7%	39.3 pts	29.9%	14.5 pts

See appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures

1. 2018 numbers adjusted to exclude revenue previously recorded under ASC 605, which was also included in 2018 under ASC 606 (see additional detail starting on slide 17)

1Q18 Cash Flow Results

$M	1Q17	1Q18	YoY Change
Operating Cash Flow	$(41)	$(50)	
Capital Expenditures	$(35)	$(49)	
Free Cash Flow	$(76)	$(99)	
Adjusted Free Cash Flow	$(23)	$(51)	
EBITDA	$25	$118	
EBITDA Margin	3.8%	16.7%	12.9 pts
Adjusted EBITDA	$86	$93	
Adjusted EBITDA Margin	12.9%	14.2%	130 bps

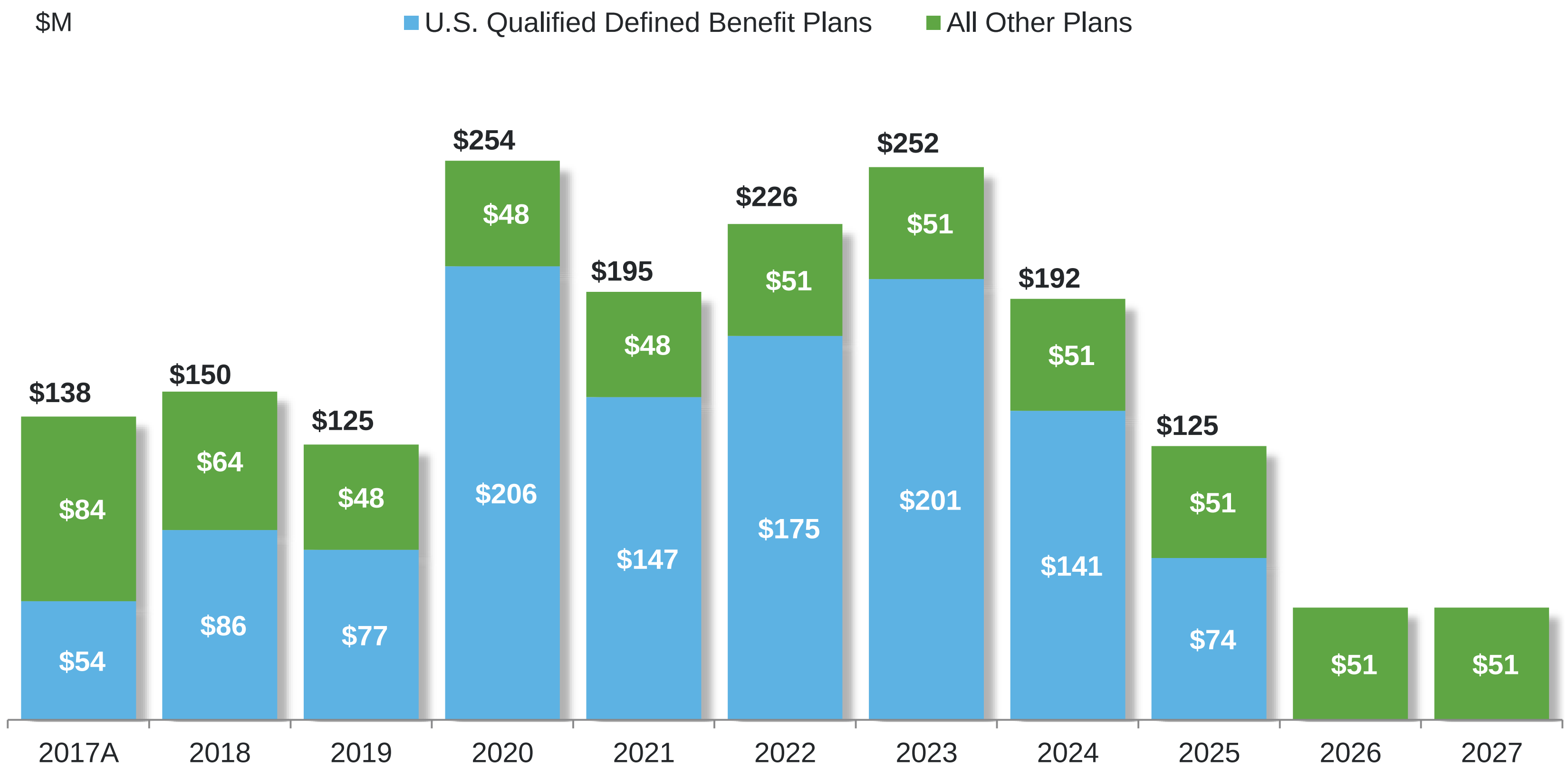
Note: increased capital expenditures related to system upgrades at iPSL JV

See appendix for a reconciliation of non-GAAP measures to their most comparable GAAP measures.

Questions & Answers

Appendix

Estimated Future Pension Cash Contributions Through 2027



The funding estimates for our U.S. qualified defined benefit pension plans are based on estimated asset returns and the funding discount rates used for the U.S. qualified defined benefit plans as of year-end 2017. The future funding requirements are likely to change based on, among other items, market conditions and changes in discount rates.

Current estimates for future contributions to international plans are based on local funding regulations and agreements as of year-end 2017 and are likely to change based on a number of factors including market conditions, changes in funding agreements, changes in discount rates and changes in currency rates.

Potential Economic Benefit of Unisys Tax Assets

$M

Description		Unisys Net Deferred Tax Assets[1]	Future Available Reductions in Taxable Income
	U.S.		
NOLs and Tax Credits	Net Operating Loss – Federal & State	$570	$1,519
	Tax Credits	155	738
Pension and Other	Pension	382	1,511
	Other Deferred Tax Assets	68	269
	Total available U.S.	**$1,175**	**$4,037**
	Non-U.S.		
Foreign Tax Attributes	Net Operating Loss – Non-U.S.	$267	$1,095
	Pension and other – Non-U.S.	110	507
	Total available non-U.S.	**$377**	**$1,602**
	Total available	**$1,552**	**$5,639**
	Valuation Allowance [1]	(1,441)	
	Total Net Deferred Tax Asset [1]	**$111**	

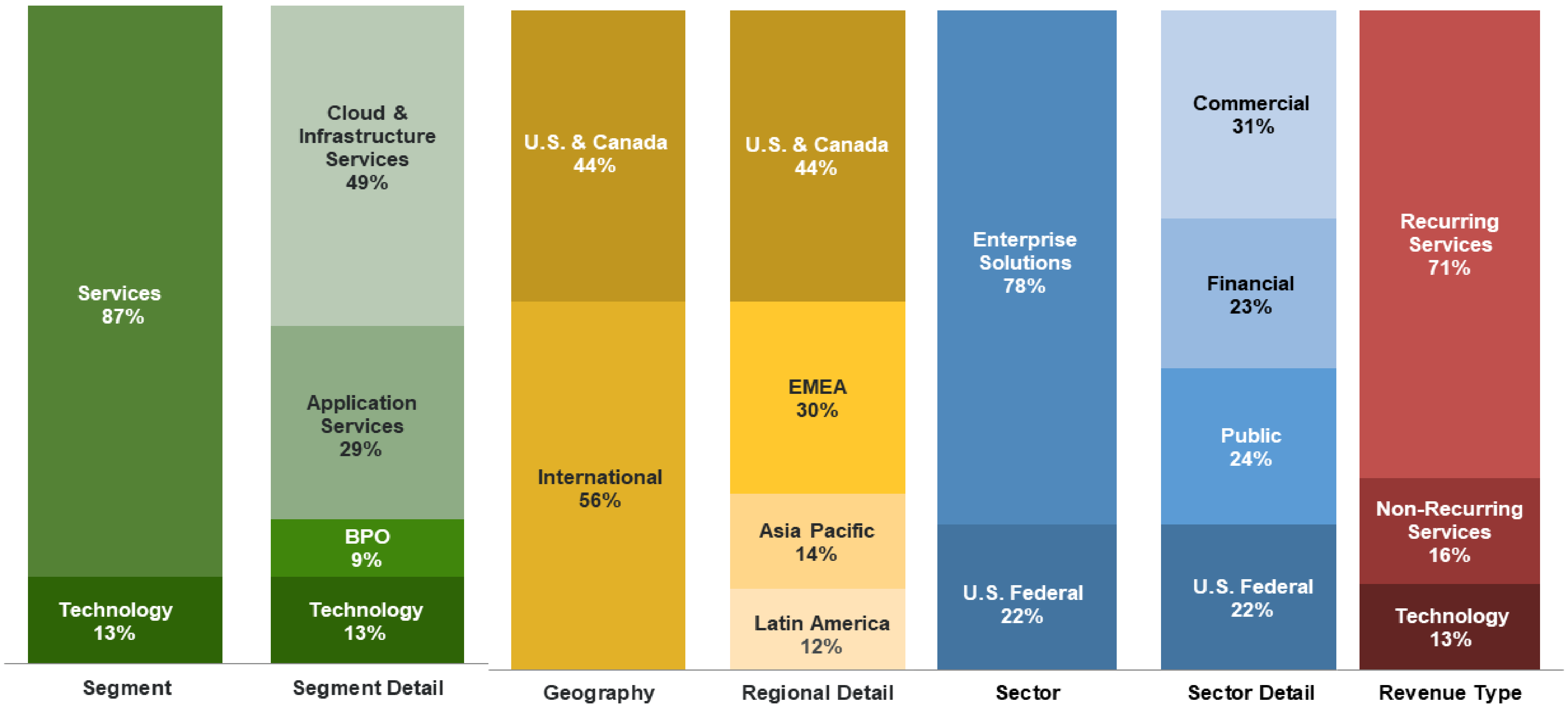
1 The elements listed above are for informational purposes only and are based on expectations and assumptions defined in the December 31, 2017 Form 10-K.

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.

First Quarter 2018 Unisys Revenue Profile

Percent of First Quarter 2018 Non-GAAP Adjusted Revenue



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 revenue, 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.

Total Contract Value – TCV is the estimated total contractual revenue related to contracts signed in the period including option years (Federal contracts only) and without regard for cancellation terms. New business TCV represents TCV attributable to new scope for existing clients and new logo contracts.

Annual Contract Value – ACV represents the revenue expected to be recognized during the first twelve months following the signing of a contract.

Constant currency – The company refers to 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 results at a consistent rate.

Services Backlog – Services Backlog is the balance of contracted services revenue not yet recognized, including only the funded portion of services contracts with the U.S. Federal government

Non-GAAP adjusted revenue – For the first quarter of 2018, the company’s non-GAAP results will include an adjustment to exclude certain revenue. The company has excluded revenue of $53 million. This is revenue from software license extensions and renewals which were contracted for in the fourth quarter of 2017 and properly recorded as revenue at that time under the revenue recognition rules then in effect (ASC 605). Upon adoption of the new revenue recognition rules (ASC 606) on January 1, 2018, and since the company adopted ASC 606 under the modified retrospective method whereby prior periods were not restated, the company was required to include this $53 million in the cumulative effect adjustment to retained earnings on January 1, 2018. ASC 606 requires revenue related to software license renewals or extensions to be recorded when the new license term begins, which in the case of the $53 million is January 1, 2018. The company has excluded revenue and related profit for these software licenses in its non-GAAP results since it has been previously reported in 2017. This is a one-time adjustment and it will not reoccur in future periods. However, in its quarterly financial statements on Form 10-Q for all of 2018, the company is required to report what its financial statements would have been if it had not adopted ASC 606. The $53 million is included in those adjustments. There are additional adjustments being made, but they do not represent previously recorded revenue. Those adjustments represent other differences between ASC 605 and ASC 606, principally extended payment term software licenses and short-term software licenses both of which are recorded at the inception of the license term under ASC 606 but were required to be recognized ratably over the software license term under ASC 605.

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. In the first quarter of 2018, the company included the ASC 606 adjustment discussed above.

Non-GAAP adjusted Technology gross margin – In the first quarter of 2018, the company included the ASC 606 adjustment discussed above.

Non-GAAP adjusted Technology operating margin – In the first quarter of 2018, the company included the ASC 606 adjustment discussed above.

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 revenue, 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.

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 expense, cost-reduction and other expense, 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. In the first quarter of 2018, the company included the ASC 606 adjustment discussed above.

Non-GAAP diluted earnings per share – The company has recorded post-retirement expense and charges in connection with 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. In the first quarter of 2018, the company included the ASC 606 adjustment discussed above.

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 and cost-reduction 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.

Industry application productions – Industry Application products include ActiveInsights ™ MedDevice, ActiveInsights ™ PharmaTrack, AirCore®, Digistics ™, Digital Investigator ™, ENFORCE ™, Elevate ™ , FamilyNow ™, and LineSight®.

Focus industries - include Commercial & Retail Banking, Justice/Law Enforcement/Border Security, Life Sciences & Healthcare, Social Services, and Travel & Transportation.

Schedule A: GAAP to Non-GAAP Reconciliation

Revenue and Operating Profit

$M	1Q17	1Q18
Reported revenue	**$664.5**	**$708.4**
ASC 606 adjustment	0.0	(53.0)
Non-GAAP adjusted revenue[1]	**$664.5**	**$655.4**
Operating profit (loss)	**$21.8**	**$101.8**
ASC 606 adjustment	0.0	(53.0)
Postretirement expense	1.7	1.0
Cost reduction and other expense	20.1	(2.9)
Non-GAAP operating profit (loss)	**$43.6**	**$46.9**
Customer revenue	$664.5	$708.4
Non-GAAP customer revenue[1]	664.5	655.4
GAAP operating profit (loss) %	3.3%	14.4%
Non-GAAP operating profit (loss) %	6.6%	7.2%

1. 2018 numbers adjusted to exclude revenue previously recorded under ASC 605, which was also included in 2018 under ASC 606 (see additional detail starting on slide 18)

Schedule B: GAAP to Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA

$M	1Q17	1Q18
Net income (loss) attributable to Unisys	**$(32.7)**	**$40.6**
Net income (loss) attributable to noncontrolling interests	3.0	1.1
Interest expense, net of interest income of $3.2, $2.4 respectively *	3.3	13.4
Provision for Income tax	12.9	20.9
Depreciation (1)	23.0	27.3
Amortization	15.7	14.7
EBITDA	**$25.2**	**$118.0**
ASC 606 adjustment	0.0	(53.0)
Postretirement expense	26.2	19.3
Cost reduction and other charges[1]	25.4	(2.9)
Non-cash share-based expense	3.7	4.0
Other (income) expense adjustment[1]**	5.5	7.5
Adjusted EBITDA[1]	**$86.0**	**$92.9**

*Included in Other (income) expense, net on the Consolidated Statements of Income
** 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

1. During the quarter ended March 31, 2017, the company recognized cost reduction and other expense of $25.4 million of pretax charges which includes $5.3 million of foreign currency losses related to exiting a foreign country impacted by the cost reduction plan that reduces the Other (income) expense adjustment.

Schedule C: GAAP to Non-GAAP Reconciliation

Earnings per Diluted Share

$M except share and per share data		1Q17	1Q18
Net income (loss) attributable to Unisys Corporation common shareholders		**$(32.7)**	**$40.6**
ASC 606 adjustment:	pretax	0.0	(53.0)
	tax provision (benefit)	0.0	5.3
	net of tax	0.0	(47.7)
Post-retirement expense:	Pretax	26.2	19.3
	tax provision (benefit)	0.2	0.3
	net of tax	26.4	19.6
Cost reduction and other expense:	Pretax	25.4	(2.9)
	tax provision (benefit)	(0.5)	0.1
	net of tax	24.9	(2.8)
Non-GAAP net income (loss) attributable to Unisys Corporation common shareholders		**$18.6**	**9.7**
Add interest expense on convertible notes		4.7	0.0
Non-GAAP net income (loss) attributable to Unisys Corporation for diluted earnings per share		**$23.3**	**$9.7**
Weighted average shares (thousands)		50,256	50,748
Plus incremental shares from assumed conversion of employee stock plans & convertible notes		22,255	327
GAAP adjusted weighted average shares		**72,511**	**51,075**
Diluted earnings (loss) per share			
GAAP basis			
GAAP net income (loss) attributable to Unisys Corporation for diluted earnings per share		$(32.7)	$45.4
Divided by adjusted weighted average shares		50,256	72,943
GAAP earnings (loss) per diluted share		**$(0.65)**	**$0.62**
Non-GAAP basis			
Non-GAAP net income (loss) attributable to Unisys Corporation for diluted earnings per share		$23.3	$9.7
Divided by non-GAAP adjusted weighted average shares		72,511	51,075
Non-GAAP earnings (loss) per diluted share		**$0.32**	**$0.19**

Schedule D: GAAP to Non-GAAP Reconciliation

Free Cash Flow

$M	1Q17	1Q18
Cash provided by (used for) operations	**$(41.0)**	**$(50.2)**
Capital expenditures	(35.2)	(48.5)
Free cash flow	**$(76.2)**	**$(98.7)**
Postretirement funding	31.7	30.9
Cost reduction funding	21.2	17.0
Adjusted free cash flow	**$(23.3)**	**$(50.8)**