



# Third Quarter 2024 Financial Results



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# Disclaimer

## Forward-Looking Statements

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

Additional information and factors that could cause actual results to differ materially from Unisys' expectations are contained in Unisys' filings with the U.S. Securities and Exchange Commission (SEC), including Unisys' Annual Reports on Form 10-K and subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other SEC filings, which are available at the SEC's web site, <http://www.sec.gov>. Information included in this presentation is representative as of the date of this presentation only and while Unisys periodically reassesses material trends and uncertainties affecting Unisys' results of operations and financial condition in connection with its preparation of management's discussion and analysis of results of operations and financial condition contained in its Quarterly and Annual Reports filed with the SEC, Unisys does not, by including this statement, assume any obligation to review or revise any particular forward-looking statement referenced herein in light of future events.

## Non-GAAP Information

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

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



# 3Q24 Highlights

## Revenue

Reiterating full-year constant currency growth guidance range of (1.5%) to +1.5%

3Q revenue growth of 7.0% YoY or 8.2% in constant currency driven by strong License & Support (L&S) renewals in the ECS segment

Ex-L&S revenue growth of (1.3%) YoY or (0.1%) in constant currency

## Gross Profit

Total gross margin of 29.2%, up 870 bps YoY due to higher L&S revenue and improved profitability in the remainder of the business

Ex-L&S gross margin of 17.9%, up 390 bps YoY driven by efficiency initiatives in DWS & CA&I and a 200 bps impact of a revenue reversal in the prior-year period related to a previously exited contract

## Operating Profit & Free Cash Flow

Raising full-year Non-GAAP Operating Margin guidance to 6.5% to 8.5% compared to previous guidance of 5.5% to 7.5%

Expecting ~\$30 million of free cash flow for the full-year compared to prior expectations of ~\$10 million

Operating Margin of 1.5%; Non-GAAP Operating Margin of 9.9%: expansion of 520 bps YoY and 980 bps YoY, respectively

## Sales Metrics

Total Company TCV up +36% YoY and Ex-L&S TCV up +18% YoY driven by a 50% increase in New Business TCV

3Q Pipeline up +9% QoQ and Ex-L&S Pipeline up +10% QoQ

TTM\* Book-To-Bill for total company and Ex-L&S Solutions of 1.2x; Backlog of \$2.8B, up 18% YoY



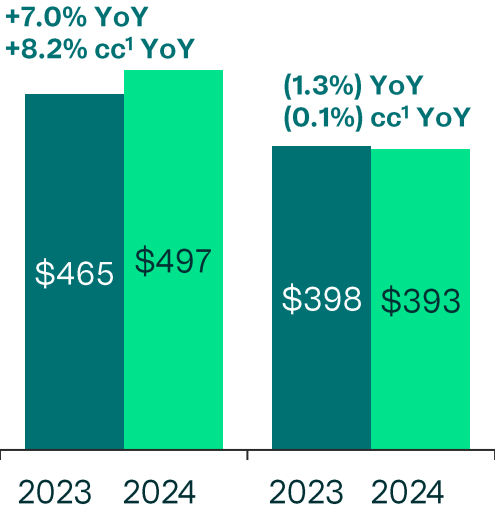
Note: See Appendix for reconciliation of non-GAAP measures.

\* Trailing Twelve Months (TTM).

<sup>1</sup> Consists of new scope and expansion.

# 3Q Revenue (\$M)

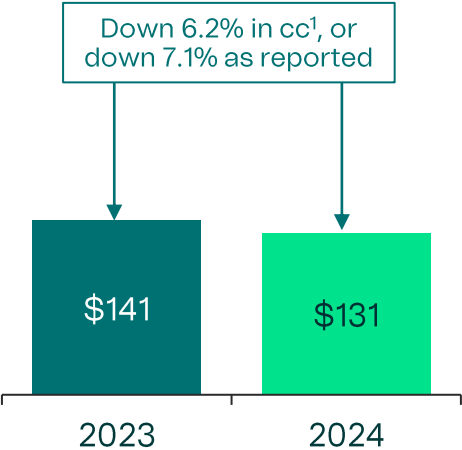
## COMPANY



Total Company Ex-L&S<sup>2</sup>

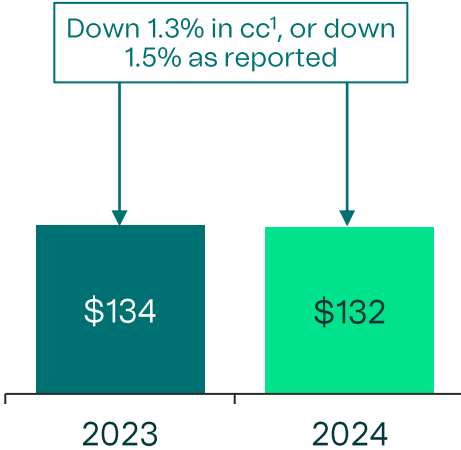
Total company revenue growth was primarily driven by L&S revenue. Ex-L&S revenue was flat year-over-year

## DWS



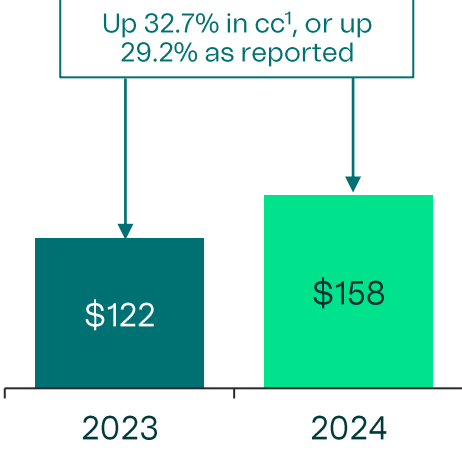
Driven by lower discretionary volume with clients

## CA&I



Driven by the timing of some non-recurring technology revenue

## ECS



Driven by timing of L&S renewal signings



<sup>1</sup> Refers to constant currency.  
<sup>2</sup> See Appendix for reconciliation of non-GAAP measures.

# 3Q 2024 Revenue Profile

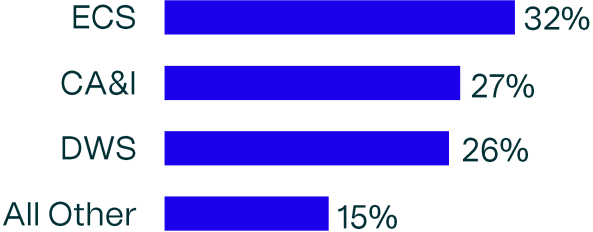
Highly diverse revenue streams with large base of recurring revenue

21%  
L&S Solutions

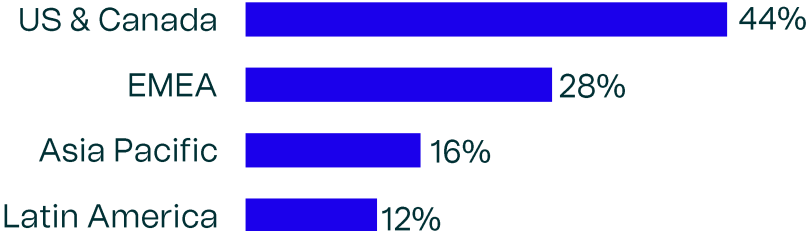
79%  
Ex-L&S Solutions



### Segments



### Geography

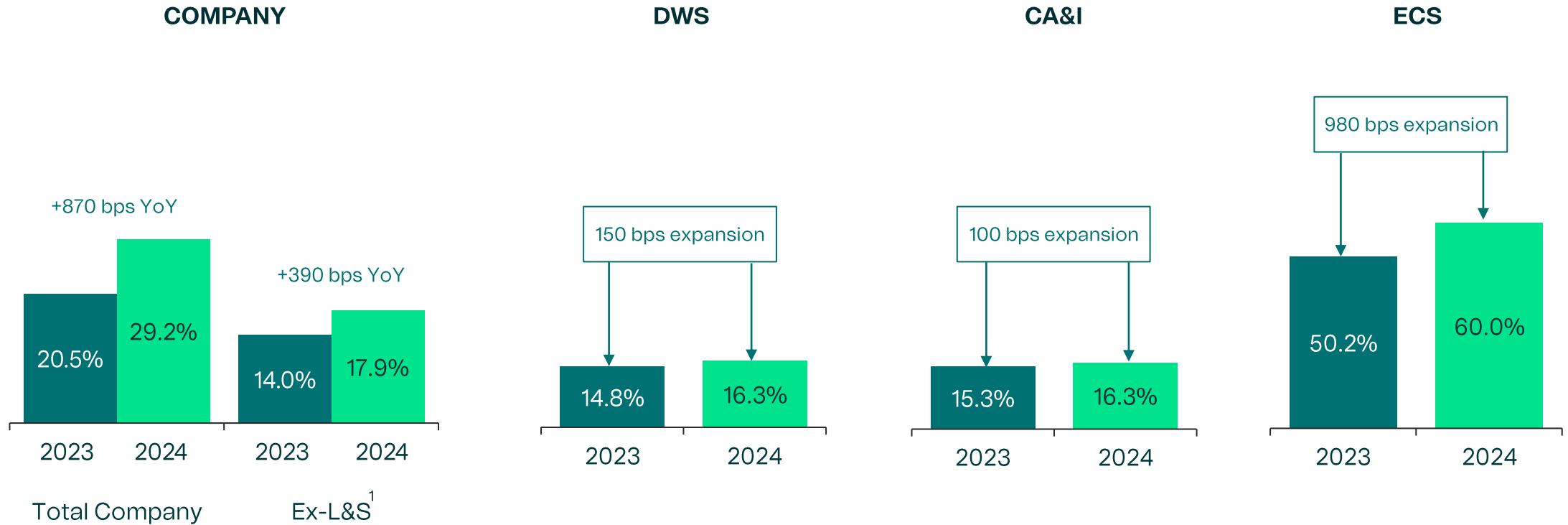


### Client Sector



Note: See Appendix for reconciliation of non-GAAP measures.

# 3Q Gross Margin



Total Company expansion was primarily driven by higher ECS revenue; Ex-L&S expansion due to delivery improvements and 200 bps one-time negative impact in the prior year period

Expansion due to delivery modernization and efficiency initiatives

Expansion due to labor cost savings initiatives

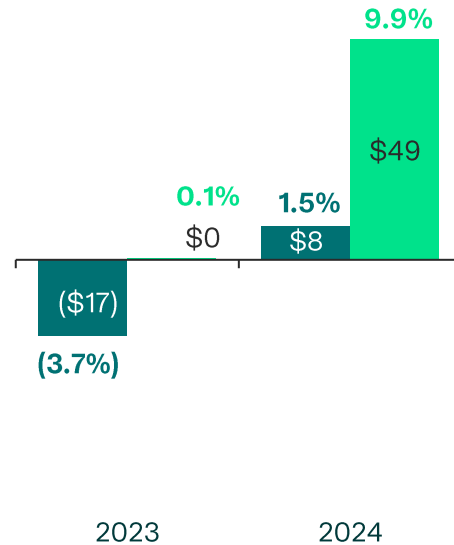
Expansion due to higher revenue



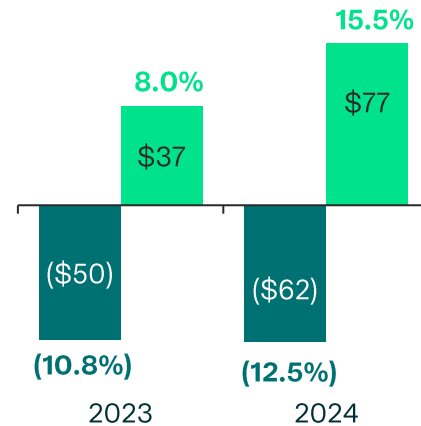
<sup>1</sup> See Appendix for reconciliation of non-GAAP measures.

# 3Q Profitability and Free Cash Flow (\$M, except per share data)

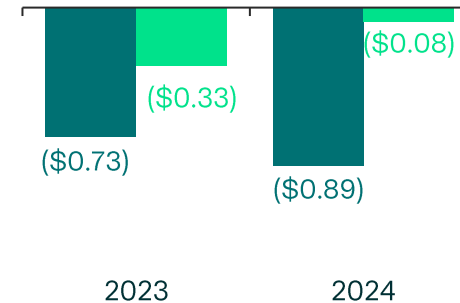
3Q GAAP & Non-GAAP<sup>1</sup> Operating Profit & Margins



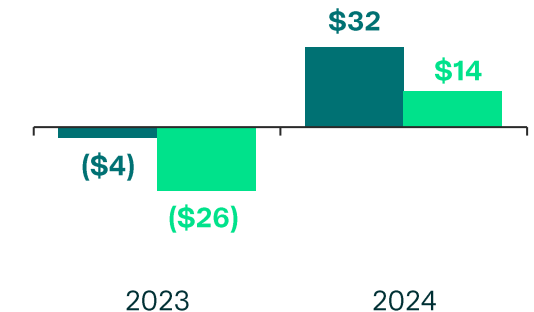
3Q GAAP Net Income (Loss) & Adj. EBITDA<sup>1</sup> and Margins



3Q GAAP & Non-GAAP<sup>1</sup> Diluted Earnings Per Share



3Q Operating Cash Flow & Free Cash Flow<sup>1</sup>



Increases in margins were largely due to higher L&S revenue and lower operating expense, partially offset by a non-cash goodwill impairment of \$39.1 million related to the DWS segment. Net loss included an additional \$29.0 million tax accrual established for certain foreign subsidiaries for which the company is no longer asserting indefinite reinvestment of earnings

GAAP Non-GAAP<sup>1</sup>

3Q operating cash flow and free cash flow improvement primarily driven by the timing of collections

Operating Cash Flow Free Cash Flow<sup>1</sup>



<sup>1</sup>See Appendix for reconciliation of non-GAAP measures.

# 3Q24 EBITDA and Cash Flow Detail

\$M	3Q24	3Q23	YTD24	YTD23
EBITDA <sup>1</sup>	\$ 18.1	\$ 7.6	(\$ 50.4)	(\$ 100.9)
ADJUSTED EBITDA <sup>1</sup>	\$ 77.0	\$ 37.0	\$ 200.7	\$ 185.5
ADJUSTED EBITDA MARGIN <sup>1</sup>	15.5%	8.0%	13.7%	12.7%
OPERATING CASH FLOW	\$ 32.0	(\$ 4.1)	\$ 58.5	\$ 51.2
CAPITAL EXPENDITURES	(\$ 17.8)	(\$ 21.6)	(\$ 58.9)	(\$ 59.7)
FREE CASH FLOW <sup>1</sup>	\$ 14.2	(\$ 25.7)	(\$ 0.4)	(\$ 8.5)
PRE-PENSION AND POSTRETIREMENT FREE CASH FLOW <sup>1</sup>	\$ 22.8	(\$ 15.5)	\$ 20.6	\$ 32.8
ADJUSTED FREE CASH FLOW <sup>1</sup>	\$ 28.3	\$ 1.4	\$ 37.5	\$ 89.5



<sup>1</sup> See Appendix for reconciliation of non-GAAP measures.



# Leverage Detail

\$M	SEPTEMBER 30, 2024
SENIOR SECURED NOTES <sup>1</sup>	\$ 485.0
FINANCE LEASES AND OTHER DEBT	14.9
<b>TOTAL DEBT</b>	<b>\$ 499.9</b>
GLOBAL NET PENSION DEFICIT (AS OF DEC 31, 2023)	703.0
<b>TOTAL DEBT INCLUDING PENSION DEFICIT</b>	<b>\$ 1,202.9</b>
CASH	\$ 373.7
<b>NET LEVERAGE</b>	<b>\$ 126.2</b>
<b>NET LEVERAGE INCLUDING PENSION DEFICIT</b>	<b>\$ 829.2</b>
LTM ADJUSTED EBITDA	\$ 301.1
<b>NET LEVERAGE RATIO</b>	<b>0.4x</b>
<b>NET LEVERAGE RATIO INCLUDING PENSION DEFICIT</b>	<b>2.8x</b>



<sup>1</sup> Represents face value of debt.

# Financial Guidance

Full-Year 2024

**(1.5%) to 1.5%**

Reiterating Revenue  
Growth in Constant  
Currency

**6.5% to 8.5%**

Raising Non-GAAP  
Operating Profit Margin  
from 5.5% to 7.5%

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## Guidance Assumptions & Other 2024 Expectations

- Constant currency revenue guidance translates to reported revenue growth of (1.0%) to +2.0% based on recent exchange rates
- Constant currency growth range assumes L&S revenue of approximately \$415 million and Ex-L&S revenue growth near the low end of 1.5% to 5.0%
- Free Cash Flow of ~\$30M
- Capital Expenditures of ~\$85M
- Cash taxes of ~\$55M
- Net interest payments in-line with 2023 at ~20M
- Pension contributions of ~\$25M
- Environmental, legal, and restructuring & other payments of ~\$45M



# Our Opportunity

We have multiple opportunities to create significant value for Unisys stakeholders



Grow Ex-L&S revenue

Building awareness and recognition of our solutions & capabilities



Accelerate growth rate

Through AI-related services and industry solutions, such as Unisys Logistics Optimization



Invest in our core L&S platforms

Leveraging expertise in hybrid compute to increase value for clients and use of our systems



Expand profitability

Through delivery efficiency, solution mix shift, and SG&A efficiencies



Improve free cash flow conversion

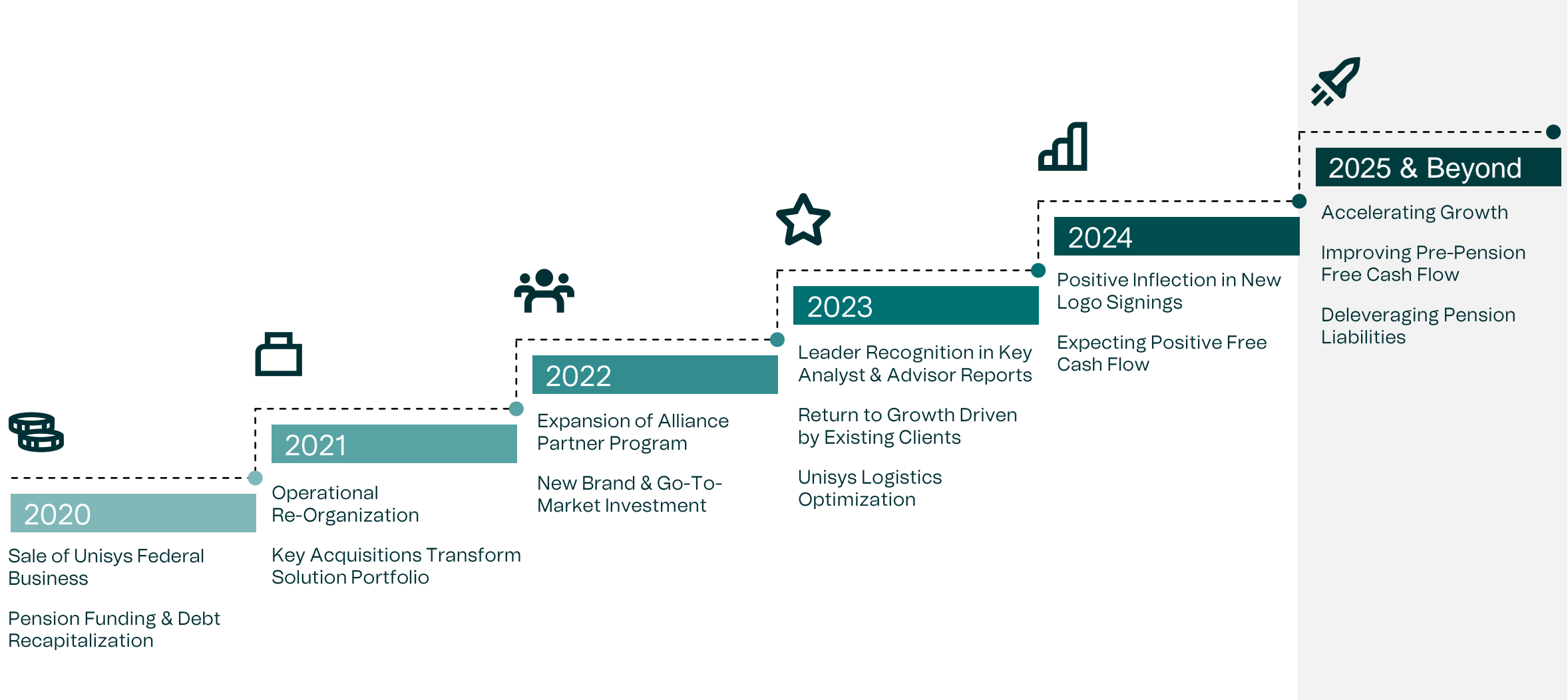
Lower legal & environmental payments, one-time environmental recovery, utilization of tax assets



Sustain flexible capital structure

Pension contributions de-lever capital structure and create stakeholder value

# The Unisys Transformation



# Unisys AI Solutions & Services

A comprehensive, start-to-future AI portfolio with a pragmatic approach

## AI Center of Excellence

High-impact business outcomes

Responsible AI

Security and regulatory compliance

1

### Strategy & Consulting

AI vision & strategy | Maturity & Readiness assessment | Roadmap development | Change management | Upskilling

2

### Data Services

Data preparation & transformation | Governance & security | Data strategy | Data quality & analytics | Risk assessment

3

### Solutions

Unique Unisys solutions | Partner-integrated solutions | Agents, accelerators and technology frameworks | Partner-focused services

4

### Managed Services

Operations & optimization | Application, cloud & security management | Datacenter management | Performance monitoring



# Appendix



# Potential Economic Benefit of Tax Assets

\$M	DESCRIPTION	NET DEFERRED TAX ASSETS <sup>1</sup>	FUTURE AVAILABLE REDUCTIONS IN TAXABLE INCOME
	<b><u>U.S.</u></b>		
<b>NOLS AND TAX CREDITS:</b>	NET OPERATING LOSS – FEDERAL & STATE	\$ 546	\$1,743
	TAX CREDITS	112	533
<b>PENSION AND OTHER:</b>	PENSION	127	519
	OTHER DEFERRED TAX ASSETS	99	405
	<b>TOTAL AVAILABLE U.S.</b>	<b>\$ 884</b>	<b>\$3,200</b>
	<b><u>NON-U.S.</u></b>		
<b>FOREIGN TAX ATTRIBUTES</b>	NET OPERATING LOSS – NON-U.S.	\$ 267	\$ 1,024
	PENSION AND OTHER – NON-U.S.	112	406
	<b>TOTAL AVAILABLE NON-U.S.</b>	<b>\$ 379</b>	<b>\$ 1,430</b>
	<b>TOTAL AVAILABLE</b>	<b>\$ 1,263</b>	<b>\$ 4,630</b>
	<b>VALUATION ALLOWANCE<sup>1</sup></b>	<b>(1,150)</b>	
	<b>TOTAL NET DEFERRED TAX ASSET<sup>1</sup></b>	<b>\$ 113</b>	

<sup>1</sup> 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, 2023. See Critical Accounting Policies – Income Taxes for the assessment of the realization of company’s deferred tax assets and liabilities and Footnote 7 in 2023 Form 10-K filed on February 26, 2024. 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.



# Excluding License and Support (Ex-L&S)

\$M	3Q24	3Q23	YTD24	YTD23
REVENUE	\$ 497.0	\$ 464.6	\$ 1,463.0	\$ 1,457.8
L&S REVENUE	104.5	67.1	279.8	284.8
<b>EX-L&amp;S NON-GAAP REVENUE</b>	<b>\$ 392.5</b>	<b>\$ 397.5</b>	<b>\$ 1,183.2</b>	<b>\$ 1,173.0</b>
GROSS PROFIT	\$ 145.0	\$ 95.3	\$ 410.9	\$ 370.1
L&S GROSS PROFIT	74.7	39.6	195.2	198.5
<b>EX-L&amp;S NON-GAAP GROSS PROFIT</b>	<b>\$ 70.3</b>	<b>\$ 55.7</b>	<b>\$ 215.7</b>	<b>\$ 171.6</b>
GROSS PROFIT MARGIN	29.2%	20.5%	28.1%	25.4%
<b>EX-L&amp;S NON-GAAP GROSS PROFIT MARGIN</b>	<b>17.9%</b>	<b>14.0%</b>	<b>18.2%</b>	<b>14.6%</b>





# Non-GAAP Operating Profit

\$M	3Q24	3Q23	YTD24	YTD23
GAAP OPERATING PROFIT (LOSS)	\$ 7.5	(\$ 17.1)	\$ 48.8	\$ 32.9
GOODWILL IMPAIRMENT	39.1	-	39.1	-
CERTAIN LEGAL MATTERS <sup>1</sup>	(2.2)	9.3	8.2	23.7
COST REDUCTION AND OTHER EXPENSES <sup>2</sup>	4.6	7.8	15.9	19.1
PENSION AND POSTRETIREMENT EXPENSE <sup>1</sup>	0.4	0.4	1.1	1.1
<b>NON-GAAP OPERATING PROFIT</b>	<b>\$ 49.4</b>	<b>\$ 0.4</b>	<b>\$ 113.1</b>	<b>\$ 76.8</b>
REVENUE	\$ 497.0	\$ 464.6	\$ 1,463.0	\$ 1,457.8
<b>GAAP OPERATING PROFIT (LOSS) MARGIN</b>	<b>1.5%</b>	<b>(3.7%)</b>	<b>3.3%</b>	<b>2.3%</b>
<b>NON-GAAP OPERATING PROFIT MARGIN</b>	<b>9.9%</b>	<b>0.1%</b>	<b>7.7%</b>	<b>5.3%</b>

<sup>1</sup> Included in selling, general and administrative expenses on the consolidated statements of income (loss).

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



# Adjusted EBITDA Reconciliation

\$M	3Q24	3Q23	YTD24	YTD23
NET (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 61.9)	(\$ 50.0)	(\$ 223.4)	(\$ 265.4)
NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	-	1.1	(0.3)	2.5
INTEREST EXPENSE, NET OF INTEREST INCOME OF \$5.5, \$6.9, \$17.3 AND \$20.0, RESPECTIVELY <sup>1</sup>	2.4	0.9	6.4	2.9
PROVISION FOR INCOME TAXES	53.3	20.4	89.1	55.7
DEPRECIATION	11.3	19.6	36.0	58.4
AMORTIZATION	13.0	15.6	41.8	45.0
<b>EBITDA</b>	<b>\$ 18.1</b>	<b>\$ 7.6</b>	<b>(\$ 50.4)</b>	<b>(\$ 100.9)</b>
PENSION AND POSTRETIREMENT EXPENSE	12.1	10.3	171.1	214.1
GOODWILL IMPAIRMENT	39.1	-	39.1	-
CERTAIN LEGAL MATTERS <sup>2</sup>	0.8	9.4	(0.9)	23.8
ENVIRONMENTAL MATTERS <sup>1</sup>	0.4	(0.1)	1.4	17.7
COST REDUCTION AND OTHER EXPENSES <sup>3</sup>	2.4	5.9	12.4	9.0
NON-CASH SHARE-BASED EXPENSE	4.8	3.8	15.9	12.5
OTHER (INCOME) EXPENSE, NET ADJUSTMENT <sup>4</sup>	(0.7)	0.1	12.1	9.3
<b>ADJUSTED EBITDA</b>	<b>\$ 77.0</b>	<b>\$ 37.0</b>	<b>\$ 200.7</b>	<b>\$ 185.5</b>
REVENUE	\$ 497.0	\$ 464.6	\$ 1,463.0	\$ 1,457.8
<b>ADJUSTED EBITDA MARGIN</b>	<b>15.5%</b>	<b>8.0%</b>	<b>13.7%</b>	<b>12.7%</b>

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

<sup>2</sup> Included in selling, general and administrative expenses and other (expense), net within the consolidated statements of income (loss). For the nine months ended September 30, 2024, certain legal matters include a net gain of \$14.9 million related to a favorable judgment received in a Brazilian services tax matter.

<sup>3</sup> Reduced for depreciation and amortization included above.

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



# Non-GAAP Net Income

\$M EXCEPT SHARE AND PER SHARE DATA

		3Q24	3Q23	YTD24	YTD23
NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION		(\$ 61.9)	(\$ 50.0)	(\$ 223.4)	(\$ 265.4)
PENSION & POSTRETIREMENT EXPENSE	PRETAX	12.1	10.3	171.1	214.1
	TAX	0.2	(0.2)	0.4	(0.6)
	<b>NET OF TAX</b>	<b>\$ 11.9</b>	<b>\$ 10.5</b>	<b>\$ 170.7</b>	<b>\$ 214.7</b>
GOODWILL IMPAIRMENT	PRETAX	39.1	-	39.1	-
	TAX	-	-	-	-
	<b>NET OF TAX</b>	<b>\$ 39.1</b>	<b>-</b>	<b>\$ 39.1</b>	<b>-</b>
CERTAIN LEGAL MATTERS	PRETAX	0.8	9.4	(0.9)	23.8
	TAX	-	-	(2.8)	-
	<b>NET OF TAX</b>	<b>\$ 0.8</b>	<b>\$ 9.4</b>	<b>\$ 1.9</b>	<b>\$ 23.8</b>
ENVIRONMENTAL MATTERS	PRETAX	0.4	(0.1)	1.4	17.7
	TAX	-	-	-	-
	<b>NET OF TAX</b>	<b>\$ 0.4</b>	<b>(\$ 0.1)</b>	<b>\$ 1.4</b>	<b>\$ 17.7</b>
COST REDUCTION & OTHER EXPENSES	PRETAX	3.9	8.3	18.5	16.2
	TAX	-	0.4	0.3	0.7
	<b>NET OF TAX</b>	<b>\$ 3.9</b>	<b>\$ 7.9</b>	<b>\$ 18.2</b>	<b>\$ 15.5</b>
<b>NON-GAAP NET INCOME (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION</b>		<b>(\$ 5.8)</b>	<b>(\$ 22.3)</b>	<b>\$ 7.9</b>	<b>\$ 6.3</b>



# Non-GAAP Diluted Earnings Per Share

\$M EXCEPT SHARE AND PER SHARE DATA	3Q24	3Q23	YTD24	YTD23
NON-GAAP NET INCOME (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 5.8)	(\$ 22.3)	\$ 7.9	\$ 6.3
WEIGHTED AVERAGE SHARES (THOUSANDS)	69,357	68,381	69,112	68,205
PLUS INCREMENTAL FROM ASSUMED VESTING OF EMPLOYEE STOCK PLANS	-	-	-	-
<b>ADJUSTED WEIGHTED AVERAGE SHARES (THOUSANDS)</b>	<b>69,357</b>	<b>68,381</b>	<b>69,112</b>	<b>68,205</b>
WEIGHTED AVERAGE SHARES (THOUSANDS)	69,357	68,381	69,112	68,205
PLUS INCREMENTAL FROM ASSUMED VESTING OF EMPLOYEE STOCK PLANS	-	-	1,960	805
<b>NON-GAAP ADJUSTED WEIGHTED AVERAGE SHARES (THOUSANDS)</b>	<b>69,357</b>	<b>68,381</b>	<b>71,072</b>	<b>69,010</b>
<u>DILUTED (LOSS) PER SHARE</u>				
NET (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 61.9)	(\$ 50.0)	(\$ 223.4)	(\$ 265.4)
DIVIDED BY WEIGHTED AVERAGE SHARES (THOUSANDS)	69,357	68,381	69,112	68,205
<b>DILUTED (LOSS) PER SHARE</b>	<b>(\$ 0.89)</b>	<b>(\$ 0.73)</b>	<b>(\$ 3.23)</b>	<b>(\$ 3.89)</b>
<u>NON-GAAP DILUTED EARNINGS (LOSS) PER SHARE</u>				
NON-GAAP NET INCOME (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 5.8)	(\$ 22.3)	\$ 7.9	\$ 6.3
DIVIDED BY NON-GAAP ADJUSTED WEIGHTED AVERAGE SHARES	69,357	68,381	71,072	69,010
<b>NON-GAAP DILUTED EARNINGS (LOSS) PER SHARE</b>	<b>(\$ 0.08)</b>	<b>(\$ 0.33)</b>	<b>\$ 0.11</b>	<b>\$ 0.09</b>



# Adjusted Free Cash Flow

\$M	3Q24	3Q23	YTD24	YTD23
<b>CASH PROVIDED BY OPERATIONS</b>	<b>\$ 32.0</b>	<b>(\$ 4.1)</b>	<b>\$ 58.5</b>	<b>\$ 51.2</b>
ADDITIONS TO MARKETABLE SOFTWARE	(11.0)	(11.6)	(36.7)	(32.9)
ADDITIONS TO PROPERTIES	(3.7)	(3.5)	(11.0)	(15.4)
ADDITIONS TO OUTSOURCING ASSETS	(3.1)	(6.5)	(11.2)	(11.4)
<b>FREE CASH FLOW</b>	<b>\$ 14.2</b>	<b>(\$ 25.7)</b>	<b>(\$ 0.4)</b>	<b>(\$ 8.5)</b>
PENSION AND POSTRETIREMENT FUNDING	8.6	10.2	21.0	41.3
<b>PRE-PENSION AND POSTRETIREMENT FREE CASH FLOW</b>	<b>\$ 22.8</b>	<b>(\$ 15.5)</b>	<b>\$ 20.6</b>	<b>\$ 32.8</b>
CERTAIN LEGAL PAYMENTS	(0.5)	7.4	2.0	20.4
ENVIRONMENTAL MATTERS PAYMENTS	4.0	3.8	8.4	14.5
COST REDUCTION AND OTHER PAYMENTS, NET	2.0	5.7	6.5	21.8
<b>ADJUSTED FREE CASH FLOW</b>	<b>\$ 28.3</b>	<b>\$ 1.4</b>	<b>\$ 37.5</b>	<b>\$ 89.5</b>



# Non-GAAP Net Income Margin

\$M	3Q24	3Q23	YTD24	YTD23
REVENUE	\$ 497.0	\$ 464.6	\$ 1,463.0	\$ 1,457.8
NET (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 61.9)	(\$ 50.0)	(\$ 223.4)	(\$ 265.4)
NON-GAAP NET INCOME (LOSS) ATTRIBUTABLE TO UNISYS	(\$ 5.8)	(\$ 22.3)	\$ 7.9	\$ 6.3
NET (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION AS A % OF REVENUE	(12.5%)	(10.8%)	(15.3%)	(18.2%)
NON-GAAP NET INCOME (LOSS) ATTRIBUTABLE TO UNISYS CORPORATION AS A % OF REVENUE	(1.2%)	(4.8%)	0.5%	0.4%



# Definitions of Non-GAAP Financial Metrics

**Non-GAAP operating profit** – This measure excludes pretax pension and postretirement expense, pretax goodwill impairment charge and pretax charges in connection with certain legal matters related to professional services and legal fees, including legal defense costs, associated with certain legal proceedings, and cost-reduction activities and other expenses.

**EBITDA & adjusted EBITDA** – Earnings before interest, taxes, depreciation and amortization (EBITDA) is calculated by starting with net income (loss) attributable to Unisys Corporation common shareholders and adding or subtracting the following items: net income (loss) attributable to noncontrolling interests, interest expense (net of interest income), provision for (benefit from) income taxes, depreciation and amortization. Adjusted EBITDA further excludes pension and postretirement expense; goodwill impairment charge; certain legal matters related to settlements, professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; cost-reduction activities and other expenses, non-cash share-based expense, and other (income) expense adjustments.

**Non-GAAP net income (loss) and non-GAAP diluted earnings (loss) per share** – These measures excluded pension and postretirement expense, and charges or (credits) in connection with goodwill impairment; certain legal matters related to settlements, professional services and legal fees, including legal defense costs, associated with certain legal proceedings; environmental matters related to previously disposed businesses; cost-reduction activities and other expenses. The tax amounts related to these items for the calculation of non-GAAP diluted earnings (loss) per share include the current and deferred tax expense and benefits recognized under GAAP for these items.

**Free cash flow** – Represents cash flow from operations less capital expenditures.

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

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

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

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



# Definitions of Other Metrics and Terms

**Constant currency** – A significant amount of the company's revenue is derived from international operations. As a result, the company's revenue has been and will continue to be affected by changes in the U.S. dollar against major international currencies. The company refers to revenue growth rates in constant currency or on a constant currency basis so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates to facilitate comparisons of the company's business performance from one period to another. Constant currency is calculated by retranslating current and prior-period revenue at a consistent exchange rate rather than the actual exchange rates in effect during the respective periods.

**Backlog** – Represents future revenue associated with contracted work, which has not yet been delivered or performed. Although the company believes this revenue will be recognized, it may, for commercial reasons, allow the orders to be canceled, with or without penalty.

**Pipeline** – Represents qualified prospective sale opportunities for which bids have been submitted or vetted prospective sales opportunities which are being actively pursued. There is no assurance that pipeline will translate into recorded revenue.

**Total Contract Value (TCV)** – Represents the estimated revenue related to contracts signed in the period without regard for cancellation terms. New Business TCV represents TCV attributable to expansion and new scope for existing clients and new logo contracts.

**Book-to-bill** – Represents total contract value booked divided by revenue in a given period.

**New Business** – Represents expansion and new scope for existing clients and new logo contracts.

**Next-Gen Solutions** – Includes our Modern Workplace solutions within DWS, Digital Platforms and Applications (DP&A) solutions within CA&I, Specialized Services and Next-Gen Compute (SS&C) solutions within ECS, as well as Micro-Market solutions. The company uses estimated Next-Gen Solutions metrics to provide insight into the company's progress in shifting the revenue mix towards solutions that are generally higher-growth and higher-margin.

