



# First Quarter Financial Results

APRIL 30, 2025



Mike Thomson

Chief Executive Officer  
& President

Deb McCann

Chief Financial Officer

# 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 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 release include, but are not limited to, statements made in Mr. Thomson's and Ms. McCann's quotations, any projections or expectations of revenue growth, margin expansion, achievement of operational efficiencies and savings, expectations regarding the impacts of changes to our organizational structure, investments in our solutions and artificial intelligence adoption and innovation, TCV and Ex-L&S New Business TCV, the impact of new logo signings, backlog, book-to-bill, full-year 2025 revenue growth and profitability guidance, including constant currency revenue, Ex-L&S constant currency 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 2025 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, except as required by applicable law.

## 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. 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.



# 1Q25 Highlights

## Revenue

Reiterating full-year constant currency (CC) growth guidance range of +0.5% to +2.5% and increasing full-year L&S revenue expectations to \$410M, up from \$390M

Revenue decline of (8.5%) in CC driven by the timing of software license renewals in the ECS segment

Ex-L&S revenue decline of (5.5%) in CC due to lower volumes with existing clients in DWS and CA&I and a 170 bps one-time benefit in the prior period, partially offset by growth in Specialized Services and Next Generation Compute Solutions (SS&C) within ECS

## Gross Profit

Gross margin of 24.9%, down 300 bps YoY due to software license renewal timing

Ex-L&S gross margin of 17.8%, down 20 bps YoY or an improvement of 120 bps when adjusting for a 140 bps one-time benefit in the prior year period

## Operating Profit & Free Cash Flow

Reiterating full-year Non-GAAP Operating Margin guidance of 6.5% to 8.5%, with path to exceed the mid-point

Operating Margin of 1.2%; Non-GAAP Operating Margin of 2.8%, in-line with expectations

Cash Provided by Operations of \$33 million; Pre-Pension Free Cash Flow of \$23 million: an increase of \$10 million and \$11 million YoY, respectively

## Sales Metrics

Total Company Total Contract Value (TCV) of \$434 million, up +17% YoY

Ex-L&S New Business TCV of \$337 million, up +83% YoY driven by new logo signings

Trailing Twelve Months (TTM) Book-To-Bill for total company and Ex-L&S Solutions of 1.0x; Backlog of \$2.9B, up +2% sequentially and up +4% YoY



# 1Q Revenue (\$M)

## COMPANY

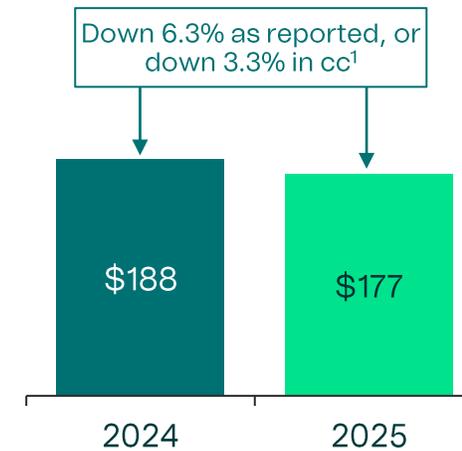


## DWS



Driven by lower volume with clients

## CA&I



Driven by lower volume with existing clients due to the timing of project work

## ECS



Driven by the timing of software license renewals

Total company decline primarily driven by timing of software license renewals, lower volumes with clients, and 120bps one-time growth benefit in prior year. Ex-L&S decline primarily driven by lower volume with clients and 160bps one-time Ex-L&S growth benefit in the prior-year period



<sup>1</sup>Refers to constant currency.

# 1Q 2025 Revenue Profile

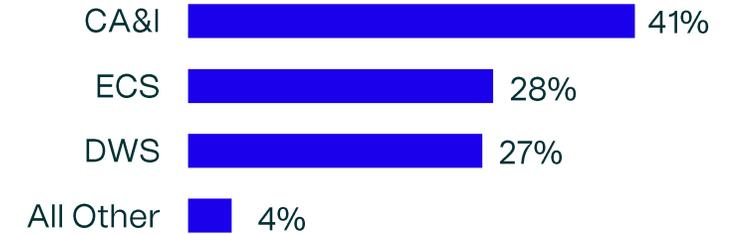
Highly diverse revenue streams with large base of recurring revenue

16%  
L&S Solutions

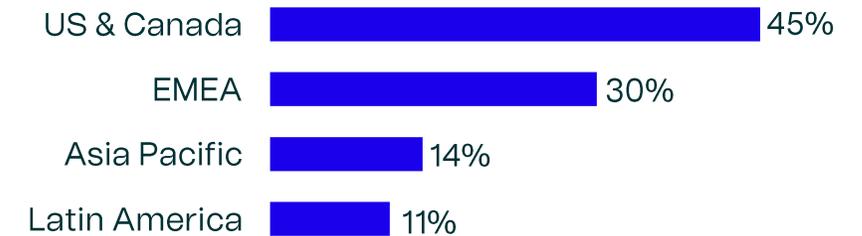
84%  
Ex-L&S Solutions



## Segments



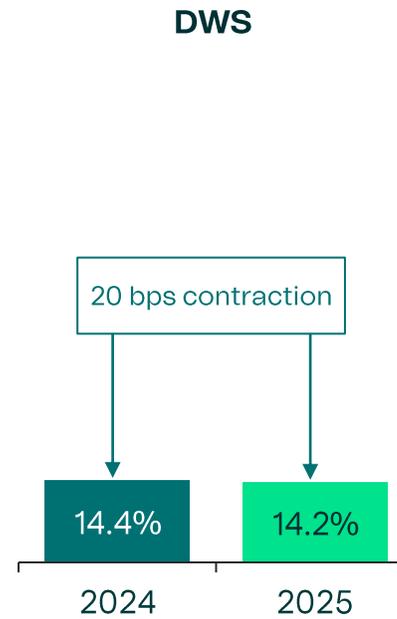
## Geography



## Client Sector



# 1Q Gross Margin



Total Company contraction was primarily driven by lower ECS revenue; Ex-L&S margins were relatively flat. Prior-year Total Company and Ex-L&S margins include one-time benefit of 100bps and 140bps, respectively.

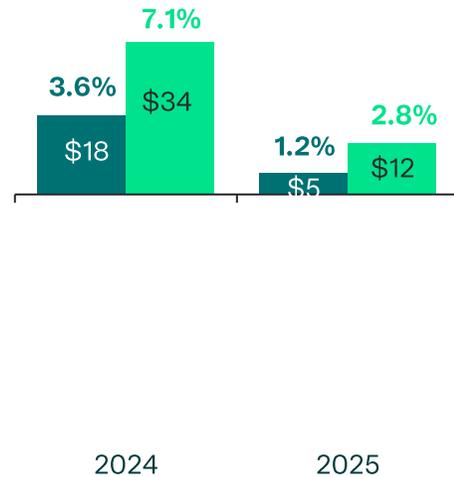
Margins were relatively flat year-over-year

Contraction primarily due to the timing of software license renewals



# 1Q Profitability and Free Cash Flow (\$M, except per share data)

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



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



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



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



Margin declines driven by lower L&S profit due to renewal timing, partially offset by lower operating expenses. Prior-year GAAP results included ~\$132M non-cash settlement loss, or a loss of \$1.93 per share, related to pension annuity purchase

Increases driven by improved working capital dynamics

■ GAAP      ■ Non-GAAP<sup>1</sup>

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



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

# 1Q25 EBITDA and Cash Flow Detail

\$M	1Q25	1Q24
EBITDA <sup>1</sup>	\$ 5.1	(\$ 104.2)
ADJUSTED EBITDA <sup>1</sup>	\$ 40.2	\$ 65.3
ADJUSTED EBITDA MARGIN <sup>1</sup>	9.3%	13.4%
OPERATING CASH FLOW	\$ 33.3	\$ 23.8
CAPITAL EXPENDITURES	(\$ 20.1)	(\$ 19.9)
FREE CASH FLOW <sup>1</sup>	\$ 13.2	\$ 3.9
PRE-PENSION AND POSTRETIREMENT FREE CASH FLOW <sup>1</sup>	\$ 22.6	\$ 11.6
ADJUSTED FREE CASH FLOW <sup>1</sup>	\$ 28.3	\$ 17.4



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

# Leverage Detail

\$M	MARCH 31, 2025
SENIOR SECURED NOTES <sup>1</sup>	\$ 485.0
FINANCE LEASES AND OTHER DEBT	12.9
<b>TOTAL DEBT</b>	<b>\$ 497.9</b>
GLOBAL NET PENSION DEFICIT (AS OF DEC 31, 2024)	750.2
<b>TOTAL DEBT INCLUDING PENSION DEFICIT</b>	<b>\$ 1,248.1</b>
CASH	\$ 393.1
<b>NET LEVERAGE</b>	<b>\$ 104.8</b>
<b>NET LEVERAGE INCLUDING PENSION DEFICIT</b>	<b>\$ 855.0</b>
LTM ADJUSTED EBITDA	\$ 266.7
<b>NET LEVERAGE RATIO</b>	<b>0.4x</b>
<b>NET LEVERAGE RATIO INCLUDING PENSION DEFICIT</b>	<b>3.2x</b>



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

# Reiterating Financial Guidance Full-Year 2025

**+0.5% to +2.5%**

Revenue Growth in  
Constant Currency

**6.5% to 8.5%**

Non-GAAP Operating  
Profit Margin

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## Guidance Assumptions & Other 2025 Expectations

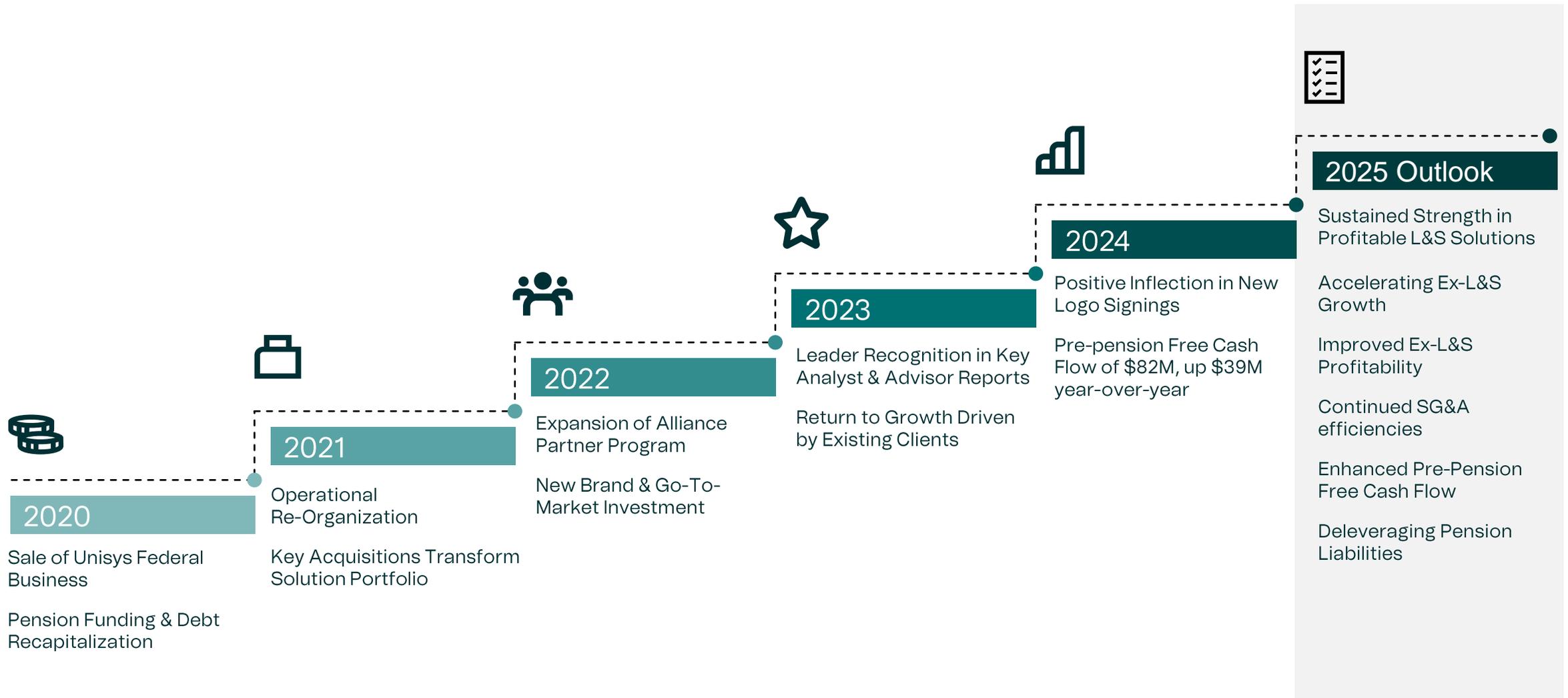
- Constant currency revenue guidance translates to reported revenue growth of (1.1%) to +0.9% based on exchange rates as of the end of 1Q25
- Constant currency growth range assumes L&S revenue of approximately \$410 million, up from \$390 million, and Ex-L&S constant currency revenue growth of approximately +1.0% to +5.0%
- Pre-Pension Free Cash Flow of ~\$100M
- Capital Expenditures of ~\$95M
- Cash taxes of ~\$70M
- Net interest payments of ~\$15M and does not assume refinancing
- Environmental, legal, and restructuring & other net inflows of ~\$10M
- Pension and postretirement contributions of ~\$95M



# Appendix



# The Unisys Transformation



# Our Portfolio of Offerings

Simplifying mission-critical IT at scale



**Cloud, Applications  
& Infrastructure Solutions**

## Cloud

Consulting, migration, and managed services across multi-cloud environments including public and private clouds or hybrid workloads

## Cloud AI

Establishing robust AI foundations and enabling AI adoption at scale

## Applications

Development, migration, & modernization

## Data

Modernizing, migrating, and managing data to enable analytics and unlock insights

## Cybersecurity

To ensure architecture, applications and data in motion and at rest are secure



**Digital Workplace  
Solutions**

## Intelligent Workplace

Enhanced Service Desk and Field Service solutions

## Unified Experience Management

XLAs, experience monitoring software, automation, AI, and our Experience Management Office (XMO)

## Modern Device Management

To remotely provision, track, manage and protect

## Workplace as a Service

Solutions including device subscription services and enterprise service management

## Seamless Collaboration

Collaboration tools and optimizing networks, platforms, and workspaces to enhance productivity



**Enterprise Computing  
Solutions**

## ClearPath Forward®

A flexible collection of products and platforms that provide secure, scalable operating environments for high-intensity enterprise computing

## Specialized Services

Services to manage and modernize infrastructure that runs our ClearPath Forward operating system

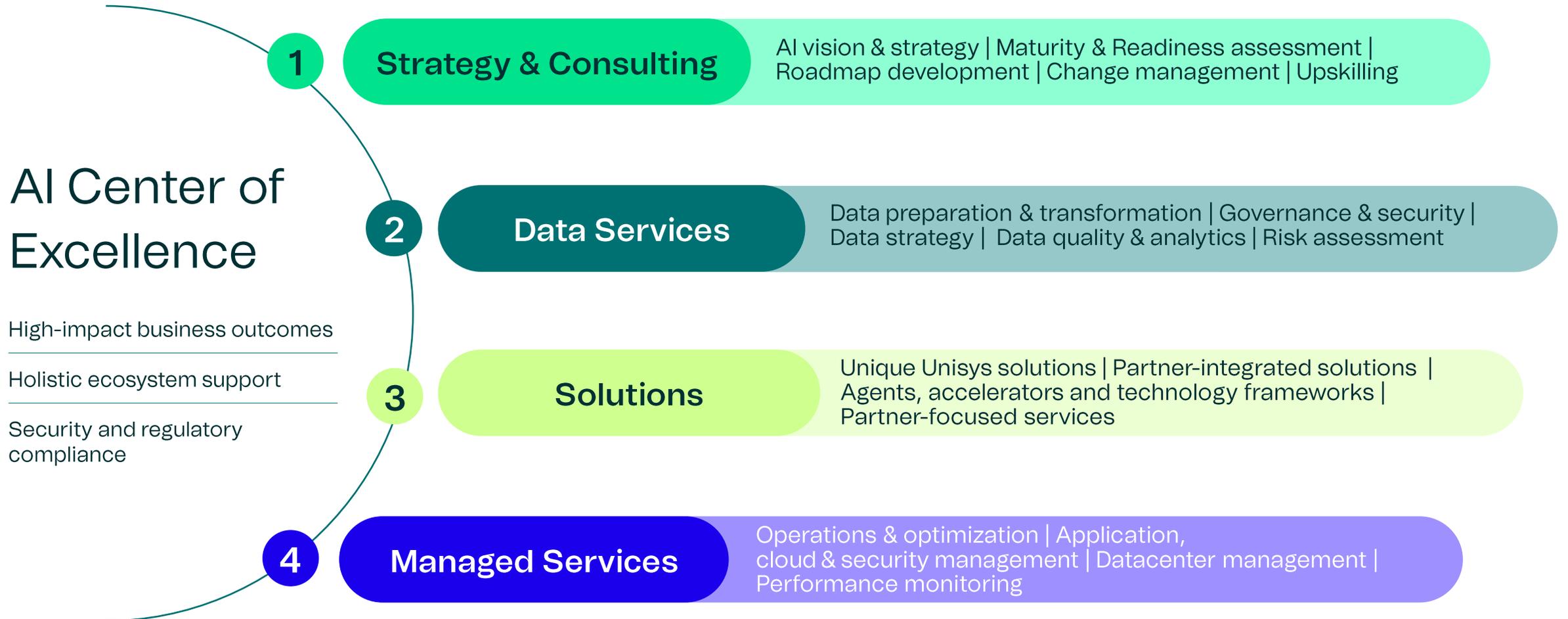
## Industry solutions

Leveraging data, AI, advanced computing including for Air Cargo, Travel, Financial Services, and Public Sector clients



# How Unisys enables enterprise AI

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



# Core Growth Tenets

## Unisys Drivers



### Land & Expand

Improving win rate with new logo, cross-selling to increase number of clients purchasing solutions from multiple Unisys segments, expanding geographies with existing base, and moving higher up the client tech eco-system.



### Expanding Addressable Markets

Expanding solution portfolio to address new opportunities and growing our market share with mid-market clients by leveraging our broad solutions, industry expertise, partner ecosystem, and agile delivery model to address skills gaps.



### Alliance Partners

Deepen key OEM, hyper-scaler, and technology partnerships and forge new and deeper partnerships with emerging disruptors to ensure we are building, marketing, and co-selling with the partners that will enable us to continue bringing our clients the latest in emerging solutions.



### Enabling Emerging Technology

Develop scalable, flexible, AI-embedded solutions by leveraging in-house capabilities, alliance partner tools and technology, and industry knowledge and enable enterprise AI adoption through specialized managed services



### Elevating Awareness & Relevance

Continue investment in go-to-market by deepening industry and technical sales, consultative thought leadership, solution-based lead generation, and relationships with industry analysts and third-party advisors who influence client decisions.



### Modernizing the Edge

Leverage scaled, central Application Factory and partner ecosystem to help clients modernize their application layers, adopt AI on the edge, and elevate customer and employee experience.

# ClearPath Forward® (“License & Support”)



**Proprietary, high-intensity compute environments**

Designed for powerful, secure, mission-critical transaction processing



**Decades of use in key industries**

Including Financial Services, Public Sector, Travel & Transportation



**Prioritizing security for sensitive client data**

The only commercially available operating system to never have data compromised\*



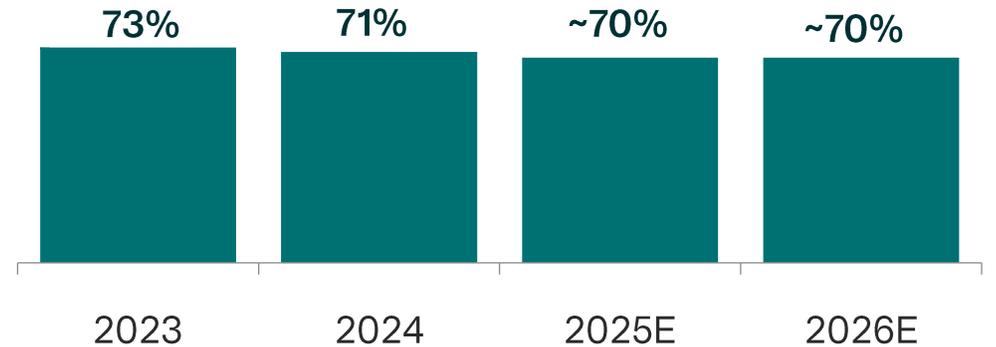
**Certified to run wherever the client needs**

Flexible deployment across infrastructure environments, including public cloud

L&S REVENUE



L&S GROSS MARGIN



\* According to data from the National Institute of Standards and Technology (NIST).

# ClearPath Forward 2050 Strategy

Expanding and enhancing the ecosystem; strategy evolution is driven by stability of the existing base, market demand, and client needs

## Product & Platform Evolution

- Continually enhancing core operating systems
- Diversify compute capabilities (e.g. hybrid computing, cloud expansion) with unique Unisys IP and expanded partner ecosystem to cover broader range of technologies
- Expanding modern language support (e.g. Python)
- Enhance Unisys Industry Solutions

## Unlock & Protect Data Value

- New product development to increase CPF workloads through re-patriation and consumption of existing client base
- Enhancing Data Exchange to make CPF home for clients' most valuable data
- Continually strengthening security, e.g. Post Quantum Cryptography (PQC)

## Specialized Services & Support

- Unisys Industry Solutions delivered as-a-service
- Specialized services bridging client skills gaps
- Application modernization and transformation via Unisys Application Factory
- Advisory to support compute diversification including AI and quantum adoption



# Our Opportunity

We have multiple opportunities to create solid value for Unisys stakeholders



Grow Ex-L&S revenue

Building awareness and recognition of our solutions & capabilities



Accelerate growth rate

Through higher-value solutions including AI-related services



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 optimization, solution mix shift, and SG&A efficiencies



Improve free cash flow conversion

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



Sustain flexible capital structure

Pension contributions de-lever capital structure

# Potential Economic Benefit of Tax Assets (as of December 31, 2024)

\$M	DESCRIPTION	NET DEFERRED TAX ASSETS <sup>1</sup>	FUTURE AVAILABLE REDUCTIONS IN TAXABLE INCOME
	<u>U.S.</u>		
<b>NOLS AND TAX CREDITS:</b>	NET OPERATING LOSS – FEDERAL & STATE	\$ 536	\$1,617
	TAX CREDITS	91	435
<b>PENSION AND OTHER:</b>	PENSION	150	600
	OTHER DEFERRED TAX ASSETS	120	479
	<b>TOTAL AVAILABLE U.S.</b>	<b>\$ 897</b>	<b>\$3,131</b>
	<u>NON-U.S.</u>		
<b>FOREIGN TAX ATTRIBUTES</b>	NET OPERATING LOSS – NON-U.S.	\$ 252	\$ 969
	PENSION AND OTHER – NON-U.S.	87	343
	<b>TOTAL AVAILABLE NON-U.S.</b>	<b>\$ 339</b>	<b>\$ 1,312</b>
	<b>TOTAL AVAILABLE</b>	<b>\$ 1,236</b>	<b>\$ 4,443</b>
	VALUATION ALLOWANCE <sup>1</sup>	(1,168)	
	<b>TOTAL NET DEFERRED TAX ASSET<sup>1</sup></b>	<b>\$ 68</b>	

Note: 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, 2024. See Critical Accounting Policies – Income Taxes for the assessment of the realization of company’s deferred tax assets and liabilities and Footnote 7 in 2024 Form 10-K filed in February 2025. 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) Revenue and Gross Profit

\$M	1Q25	1Q24
L&S REVENUE	\$ 71.1	\$ 93.2
EX-L&S REVENUE	361.0	394.6
<b>REVENUE</b>	<b>\$ 432.1</b>	<b>\$ 487.8</b>
L&S GROSS PROFIT	\$ 43.3	\$ 64.8
EX-L&S GROSS PROFIT	64.2	71.2
<b>GROSS PROFIT</b>	<b>\$ 107.5</b>	<b>\$ 136.0</b>
L&S GROSS PROFIT MARGIN	60.9%	69.5%
EX-L&S GROSS PROFIT MARGIN	17.8%	18.0%
<b>GROSS PROFIT MARGIN</b>	<b>24.9%</b>	<b>27.9%</b>



# Non-GAAP Operating Profit

\$M	1Q25	1Q24
GAAP OPERATING PROFIT	\$ 5.1	\$ 17.7
CERTAIN LEGAL MATTERS <sup>1</sup>	0.5	7.3
COST REDUCTION AND OTHER EXPENSES <sup>2</sup>	5.9	9.0
PENSION AND POSTRETIREMENT EXPENSE <sup>1</sup>	0.4	0.4
<b>NON-GAAP OPERATING PROFIT</b>	<b>\$ 11.9</b>	<b>\$ 34.4</b>
REVENUE	\$ 432.1	\$ 487.8
<b>GAAP OPERATING PROFIT MARGIN</b>	<b>1.2%</b>	<b>3.6%</b>
<b>NON-GAAP OPERATING PROFIT MARGIN</b>	<b>2.8%</b>	<b>7.1%</b>

<sup>1</sup> Included in selling, general and administrative 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	1Q25	1Q24
NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 29.5)	(\$ 149.5)
NET (LOSS) INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(1.1)	0.2
INTEREST EXPENSE, NET OF INTEREST INCOME OF \$5.7 AND \$6.6, RESPECTIVELY <sup>1</sup>	2.5	1.3
PROVISION FOR INCOME TAXES	10.6	17.0
DEPRECIATION	9.4	12.4
AMORTIZATION	13.2	14.4
<b>EBITDA</b>	<b>\$ 5.1</b>	<b>(\$ 104.2)</b>
PENSION AND POSTRETIREMENT EXPENSE	21.9	146.6
CERTAIN LEGAL MATTERS, NET <sup>2</sup>	(0.4)	(8.2)
ENVIRONMENTAL MATTERS <sup>1</sup>	0.4	0.3
COST REDUCTION AND OTHER EXPENSES <sup>3</sup>	3.7	8.7
NON-CASH SHARE BASED EXPENSE	6.8	6.5
OTHER (INCOME) EXPENSE, NET ADJUSTMENT <sup>4</sup>	2.7	15.6
<b>ADJUSTED EBITDA</b>	<b>\$ 40.2</b>	<b>\$ 65.3</b>
REVENUE	\$ 432.1	\$ 487.8
<b>ADJUSTED EBITDA MARGIN</b>	<b>9.3%</b>	<b>13.4%</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 three months ended March 31, 2024, certain legal matters, net included a net gain of \$14.9 million related to a favorable judgement 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

		1Q25	1Q24
NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION		(\$ 29.5)	(\$ 149.5)
PENSION & POSTRETIREMENT EXPENSE	PRETAX	21.9	146.6
	TAX	0.6	0.1
	<b>NET OF TAX</b>	<b>\$ 21.3</b>	<b>\$ 146.5</b>
CERTAIN LEGAL MATTERS, NET	PRETAX	(0.4)	(8.2)
	TAX	-	(2.8)
	<b>NET OF TAX</b>	<b>(\$ 0.4)</b>	<b>(\$ 5.4)</b>
ENVIRONMENTAL MATTERS	PRETAX	0.4	0.3
	TAX	-	-
	<b>NET OF TAX</b>	<b>\$ 0.4</b>	<b>\$ 0.3</b>
COST REDUCTION & OTHER EXPENSES	PRETAX	4.8	11.1
	TAX	-	0.3
	<b>NET OF TAX</b>	<b>\$ 4.8</b>	<b>\$ 10.8</b>
<b>NON-GAAP NET (LOSS) INCOME ATTRIBUTABLE TO UNISYS CORPORATION</b>		<b>(\$ 3.4)</b>	<b>\$ 2.7</b>



# Non-GAAP Diluted Earnings Per Share

\$M EXCEPT SHARE AND PER SHARE DATA	1Q25	1Q24
NON-GAAP NET (LOSS) INCOME ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 3.4)	\$ 2.7
WEIGHTED AVERAGE SHARES (THOUSANDS)	70,106	68,704
PLUS INCREMENTAL FROM ASSUMED VESTING OF EMPLOYEE STOCK PLANS	-	-
<b>ADJUSTED WEIGHTED AVERAGE SHARES (THOUSANDS)</b>	<b>70,106</b>	<b>68,704</b>
WEIGHTED AVERAGE SHARES (THOUSANDS)	70,106	68,704
PLUS INCREMENTAL FROM ASSUMED VESTING OF EMPLOYEE STOCK PLANS	-	2,267
<b>NON-GAAP ADJUSTED WEIGHTED AVERAGE SHARES (THOUSANDS)</b>	<b>70,106</b>	<b>70,971</b>
<u>GAAP DILUTED LOSS PER SHARE</u>		
NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 29.5)	(\$ 149.5)
DIVIDED BY ADJUSTED WEIGHTED AVERAGE SHARES (THOUSANDS)	70,106	68,704
<b>DILUTED LOSS PER SHARE</b>	<b>(\$ 0.42)</b>	<b>(\$ 2.18)</b>
<u>NON-GAAP DILUTED EARNINGS (LOSS) PER SHARE</u>		
NON-GAAP NET (LOSS) INCOME ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 3.4)	\$ 2.7
DIVIDED BY NON-GAAP ADJUSTED WEIGHTED AVERAGE SHARES	70,106	70,971
<b>NON-GAAP DILUTED (LOSS) EARNINGS PER SHARE</b>	<b>(\$ 0.05)</b>	<b>\$ 0.04</b>



# Adjusted Free Cash Flow

\$M	1Q25	1Q24
<b>CASH PROVIDED BY OPERATIONS</b>	<b>\$ 33.3</b>	<b>\$ 23.8</b>
ADDITIONS TO MARKETABLE SOFTWARE	(11.2)	(13.2)
ADDITIONS TO PROPERTIES AND OTHER ASSETS	(8.9)	(6.7)
<b>FREE CASH FLOW</b>	<b>\$ 13.2</b>	<b>\$ 3.9</b>
PENSION AND POSTRETIREMENT FUNDING	9.4	7.7
<b>PRE-PENSION AND POSTRETIREMENT FREE CASH FLOW</b>	<b>\$ 22.6</b>	<b>\$ 11.6</b>
CERTAIN LEGAL PAYMENTS	1.0	1.4
ENVIRONMENTAL MATTERS PAYMENTS	2.2	2.5
COST REDUCTION AND OTHER PAYMENTS, NET	2.5	1.9
<b>ADJUSTED FREE CASH FLOW</b>	<b>\$ 28.3</b>	<b>\$ 17.4</b>



# Non-GAAP Net Income Margin

\$M	1Q25	1Q24
REVENUE	\$ 432.1	\$ 487.8
NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION	(\$ 29.5)	(\$ 149.5)
NON-GAAP NET (LOSS) INCOME ATTRIBUTABLE TO UNISYS	(\$ 3.4)	\$ 2.7
<b>NET LOSS ATTRIBUTABLE TO UNISYS CORPORATION AS A % OF REVENUE</b>	<b>(6.8%)</b>	<b>(30.6%)</b>
<b>NON-GAAP NET (LOSS) INCOME ATTRIBUTABLE TO UNISYS CORPORATION AS A % OF REVENUE</b>	<b>(0.8%)</b>	<b>0.6%</b>



# 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 or gains associated with certain legal matters related to settlements, 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 exclude 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; and 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 (Pre-pension 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 settlements, 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.



# Definitions of Other Metrics

**License and Support (L&S)** – Represents software license and related support services, primarily ClearPath Forward®, 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 services 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.

**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 the estimated amount of future revenue to be recognized under contracted work, which has not yet been delivered or performed. The company believes that actual revenue reflects the most relevant measure necessary to understand the company's results of operations, but backlog can be a useful metric and indicator of the company's estimate of contracted revenue to be realized in the future, subject to certain inherent limitations. The timing of conversion of backlog to revenue may be impacted by, among other factors, the timing of execution, the extension or early termination of existing contracts with or without penalty, adjustments to estimates in pricing or volumes for previously included contracts, seasonality and foreign currency exchange rates. Investors are cautioned that backlog should not be relied upon as a substitute for, or considered in isolation from, measures in accordance with GAAP.

**Total Contract Value (TCV)** – Represents the initial estimated revenue related to contracts signed in the period without regard for early termination or revenue recognition rules. Changes to contracts and scope are treated as TCV only to the extent of the incremental new value. New Business TCV represents TCV attributable to expansion and new scope for existing clients and new logo contracts. L&S TCV is driven by software license renewals, as such changes in timing or terms of renewals can lead to fluctuations from period to period. The company believes that actual revenue reflects the most relevant measure necessary to understand the company's results of operations, but TCV can be a useful leading indicator of the company's ability to generate future revenue over time, subject to certain inherent limitations. Measuring TCV involves the use of estimates and judgments and the extent and timing of conversion of TCV to revenue may be impacted by, among other factors, the types of services and solutions sold, contract duration, the pace of client spending, actual volumes of services delivered as compared to the volumes anticipated at the time of contract signing, and contract modifications, including terminations, over the lifetime of a contract. Investors are cautioned that TCV should not be relied upon as a substitute for, or considered in isolation from, measures in accordance with GAAP.

**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.

