

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported) October 28, 2009

UNISYS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-8729

38-0387840

(State or Other
Jurisdiction of
Incorporation)

(Commission File Number)

(IRS Employer
Identification No.)

Unisys Way
Blue Bell, Pennsylvania 19424

(Address of Principal Executive Offices) (Zip Code)

(215) 986-4011

(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- \ \ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- \ \ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- \ \ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- \ \ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On October 28, 2009, Unisys Corporation issued a news release to report its financial results for the quarter ended September 30, 2009. The release is furnished as Exhibit 99 to this Current Report.

The information in this Current Report, including the Exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information contained herein and in the accompanying Exhibit shall not be incorporated by reference into any registration statement or other document filed with the Securities and Exchange Commission by Unisys Corporation, whether before or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(c) The following exhibit is being furnished herewith:

99 News Release, dated October 28, 2009, of Unisys Corporation

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNISYS CORPORATION

Date: October 28, 2009

By: /s/ Janet B. Haugen

Janet B. Haugen
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit
No.

- - - - -

99 News Release, dated October 28, 2009, of Unisys Corporation

Investor Contact:

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Niels.Christensen@unisys.com

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UNISYS ANNOUNCES THIRD-QUARTER 2009 FINANCIAL RESULTS

COMPANY REPORTS \$61 MILLION IN NET INCOME AND GENERATES FREE CASH FLOW AS RESULTS CONTINUED TO BENEFIT FROM TURNAROUND PROGRAM

BLUE BELL, Pa., October 28, 2009 - Unisys Corporation (NYSE: UIS) today reported third-quarter 2009 net income of \$61.1 million, or \$1.48 per diluted share, compared with a net loss of \$34.7 million, or a loss of \$.96 per diluted share, in the third quarter of 2008. The earnings per share amounts reflect the company's previously announced reverse stock split discussed below. The company's revenue declined 12% to \$1.16 billion compared with revenue of \$1.31 billion in the year-ago quarter. Foreign exchange rates had an approximately 5 percentage-point negative impact on revenue in the quarter. On a constant currency basis, revenue declined 7 percent.

"We continue to make progress in our turnaround program," said Unisys Chairman and CEO Ed Coleman. "For the second consecutive quarter, the company was solidly profitable at the bottom line. Driven by a more cost-efficient services business and a strong profit performance in our technology business, we tripled our operating income over the year-ago quarter and achieved an operating profit margin of 10.2 percent in the quarter. We also met a key goal of generating free cash flow in the quarter, and we are now free cash flow positive for the first nine months of 2009.

"I'm pleased by the improvement we're seeing, particularly given the difficult economic environment in which we've been operating this year," Coleman said. "While we have a great deal of work to do, these are positive signs that our turnaround is working."

Coleman also cited progress in strengthening the company's balance sheet. During the quarter Unisys successfully completed private offers to exchange unsecured senior notes for secured senior notes, cash and Unisys common stock. As a result of the exchange, the company reduced its long-term debt and cut its 2010 debt maturities to \$66 million.

OVERALL THIRD-QUARTER HIGHLIGHTS

Revenue in the United States declined 3 percent to \$542 million, as growth in the company's U.S. federal government business was offset by declines in its commercial business. Revenue in international markets declined 18 percent to \$618 million. On a constant currency basis, international revenue declined 11 percent in the quarter.

Unisys third-quarter gross profit margin improved to 26.4 percent from 22.2 percent a year ago as the company benefited from improved cost efficiencies in services delivery and a stronger mix of high-end enterprise servers. Reflecting these factors as well as significant reductions in selling, general, and administrative expenses, the company's operating profit margin increased to 10.2 percent compared with 2.9 percent a year ago.

THIRD-QUARTER BUSINESS SEGMENT RESULTS

Customer revenue in the company's services segment declined 13 percent (8 percent on a constant currency basis) compared with the year-ago quarter. Gross profit margin in the services business improved to 19.7 percent compared with 17.6 percent a year ago, while services operating margin improved to 7.7 percent compared with 3.1 percent a year ago.

Services orders showed substantial gains from a year ago, driven primarily by outsourcing contract renewals. Services order backlog at September 30, 2009 was \$6.4 billion.

Customer revenue in the company's technology segment declined 4 percent (3 percent in constant currency) from the third quarter of 2008. Gross profit margin in the technology business increased to 55.2 percent compared with 47.5 percent in the year-ago quarter, while technology operating margin increased to 21.2 percent compared with 11.0 percent in the third quarter of 2008.

CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Unisys generated \$94 million of cash from operations in the quarter compared with \$114 million in the year-ago quarter, which benefited from a significant sequential improvement in days of sales outstanding (DSO). The company has continued to maintain the improved levels of DSO. Capital expenditures in the third quarter of 2009 declined to \$48 million compared to \$78 million in the year-ago quarter as the company continued to tightly focus its investments. After capital expenditures, the company generated \$46 million of free cash flow in the quarter. At September 30, 2009, Unisys reported \$474 million of cash on hand.

On July 31, 2009, the company completed its private debt exchange offers for the exchange of an aggregate \$760.4 million of unsecured senior notes for an aggregate \$631.6 million of secured senior notes along with \$30 million of cash and 5.2 million shares of Unisys common stock (adjusted for the reverse stock split). The exchange offers reduced the company's overall long-term debt at September 30, 2009 to \$911 million and increased shares outstanding to 42.3 million shares (adjusted for the reverse stock split).

Subsequent to September 30, the Unisys Board of Directors approved a reverse stock split of the company's common stock at a ratio of one for ten. The reverse stock split, which was authorized by the company's shareholders at the company's annual meeting in May, became effective after the close of the market on October 23, 2009. The financial statements reflect the impact of the reverse stock split applied on a retroactive basis.

CONFERENCE CALL

Unisys will hold a conference call today at 8:15 a.m. Eastern Time to discuss its results. The listen-only Webcast, as well as the accompanying presentation materials, can be accessed via a link on the Unisys Investor Web site at www.unisys.com/investor. Following the call, an audio replay of the Webcast, and accompanying presentation materials, can be accessed through the same link.

ABOUT UNISYS

Unisys is a worldwide information technology company. We provide a portfolio of IT services, software, and technology that solves critical problems for clients. We specialize in helping clients secure their operations, increase the efficiency and utilization of their data centers, enhance support to their end users and constituents, and modernize their enterprise applications. To provide these services and solutions, we bring together offerings and capabilities in outsourcing services, systems integration and consulting services, infrastructure services, maintenance services, and high-end server technology. With more than 26,000 employees, Unisys serves commercial organizations and government agencies throughout the world. For more information, visit www.unisys.com.

FORWARD-LOOKING STATEMENTS

Any statements contained in this release that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, any projections of earnings, revenues, 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. All forward-looking statements rely on assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Risks and uncertainties that could affect the company's future results include the company's ability to refinance its debt; the economic and business environment; the company's ability to access external credit markets; the company's significant pension obligations; the success of the company's turnaround program; aggressive competition in the information services and technology marketplace; volatility and rapid technological change in the company's industry; the company's ability to retain significant clients; the company's ability to grow outsourcing; the company's ability to drive profitable growth in consulting and systems integration; market demand for the company's high-end enterprise servers and maintenance on those servers; the risk that the company's contracts may not be as profitable as expected or provide the expected level of revenues and that contracts with U.S. governmental agencies may be subject to audits, criminal penalties, sanctions and other expenses and fines; the risk that the company may face damage to its reputation or legal liability if its clients are not satisfied with its services or products; the performance and capabilities of third parties with whom the company has commercial relationships; the risks of doing business internationally; the business and financial risk in implementing future dispositions or acquisitions; the potential for infringement claims to be asserted against the company or its clients; the possibility that pending litigation could affect the company's results of operations or cash flow; and the company's consideration of all available information following the end of the quarter and before the filing of the Form 10-Q and the possible impact of this subsequent event information on its financial statements for the reporting period. Additional discussion of factors that could affect the company's future

results is contained in its periodic filings with the Securities and Exchange Commission. Unisys assumes no obligation to update any forward-looking statements.

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RELEASE NO.: 1028/9028

Unisys is a registered trademark of Unisys Corporation. All other brands and products referenced herein are acknowledged to be trademarks or registered trademarks of their respective holders.

UNISYS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(Millions, except per share data)

	Three Months Ended September 30		Nine Months Ended September 30	
	2009	2008	2009	2008
Revenue				
Services	\$1,006.0	\$1,152.1	\$3,019.8	\$3,486.2
Technology	153.6	160.3	368.4	467.5
	-----	-----	-----	-----
	1,159.6	1,312.4	3,388.2	3,953.7
Costs and expenses				
Cost of revenue:				
Services	793.1	937.6	2,402.7	2,814.2
Technology	60.7	82.8	187.0	250.5
	-----	-----	-----	-----
	853.8	1,020.4	2,589.7	3,064.7
Selling, general and administrative	163.5	218.4	506.3	701.9
Research and development	24.3	35.7	76.8	98.6
	-----	-----	-----	-----
	1,041.6	1,274.5	3,172.8	3,865.2
Operating profit	118.0	37.9	215.4	88.5
Interest expense	25.4	21.5	68.4	64.3
Other income (expense), net	(3.3)	(0.9)	(7.0)	(8.4)
	-----	-----	-----	-----
Income before income taxes	89.3	15.5	140.0	15.8
Provision for income taxes	26.2	45.1	58.4	72.5
	-----	-----	-----	-----
Consolidated net income (loss)	63.1	(29.6)	81.6	(56.7)
Net income attributable to noncontrolling interests	(2.0)	(5.1)	(6.8)	(15.4)
	-----	-----	-----	-----
Net income (loss) attributable to Unisys Corporation	\$61.1	(\$34.7)	\$74.8	(\$72.1)
	=====	=====	=====	=====
Earnings (loss) per share attributable to Unisys Corporation				
Basic	\$ 1.51	(\$.96)	\$ 1.96	(\$ 2.01)
	=====	=====	=====	=====
Diluted	\$ 1.48	(\$.96)	\$ 1.93	(\$ 2.01)
	=====	=====	=====	=====
Shares used in the per share computations (thousands):				
Basic	40,569	36,094	38,215	35,797
	=====	=====	=====	=====
Diluted	41,403	36,094	38,666	35,797
	=====	=====	=====	=====

On January 1, 2009, Unisys adopted SFAS 160, which required certain reclassifications of noncontrolling interests to the 2008 income statement. All references to "net income" or "net loss" contained in this press release are intended to refer to the income statement line item titled "Net income (loss) attributable to Unisys Corporation".

The financial statements reflect the impact of the one-for-ten reverse stock split which became effective on October 23, 2009 on a retroactive basis.

UNISYS CORPORATION
SEGMENT RESULTS
(Unaudited)
(Millions)

	Total	Elimi- nations	Services	Technology
	-----	-----	-----	-----
Three Months Ended September 30, 2009 -----				
Customer revenue Intersegment	\$1,159.6	(\$33.2)	\$1,006.0 1.7	\$153.6 31.5
	-----	-----	-----	-----
Total revenue	\$1,159.6	(\$33.2)	\$1,007.7	\$185.1
	=====	=====	=====	=====
Gross profit percent	26.4%		19.7%	55.2%
	=====		=====	=====
Operating profit percent	10.2%		7.7%	21.2%
	=====		=====	=====
Three Months Ended September 30, 2008 -----				
Customer revenue Intersegment	\$1,312.4	(\$67.5)	\$1,152.1 4.0	\$160.3 63.5
	-----	-----	-----	-----
Total revenue	\$1,312.4	(\$67.5)	\$1,156.1	\$223.8
	=====	=====	=====	=====
Gross profit percent	22.2%		17.6%	47.5%
	=====		=====	=====
Operating profit percent	2.9%		3.1%	11.0%
	=====		=====	=====
Nine Months Ended September 30, 2009 -----				
Customer revenue Intersegment	\$3,388.2	(\$118.4)	\$3,019.8 5.0	\$368.4 113.4
	-----	-----	-----	-----
Total revenue	\$3,388.2	(\$118.4)	\$3,024.8	\$481.8
	=====	=====	=====	=====
Gross profit percent	23.6%		19.0%	43.8%
	=====		=====	=====
Operating profit percent	6.4%		6.1%	2.8%
	=====		=====	=====
Nine Months Ended September 30, 2008 -----				
Customer revenue Intersegment	\$3,953.7	(\$162.2)	\$3,486.2 9.4	\$467.5 152.8
	-----	-----	-----	-----
Total revenue	\$3,953.7	(\$162.2)	\$3,495.6	\$620.3
	=====	=====	=====	=====
Gross profit percent	22.5%		18.4%	43.4%
	=====		=====	=====
Operating profit percent	2.2%		2.9%	3.1%
	=====		=====	=====

UNISYS CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Millions)

	September 30, 2009	December 31, 2008
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$473.6	\$544.0
Accounts and notes receivable, net	764.0	818.5
Inventories		
Parts and finished equipment	65.1	64.7
Work in process and materials	59.7	70.7
Deferred income taxes	17.7	23.8
Prepaid expense and other current assets	112.4	116.7
	-----	-----
Total	1,492.5	1,638.4
	-----	-----
Properties	1,438.5	1,416.0
Less accumulated depreciation and amortization	1,192.4	1,139.5
	-----	-----
Properties, net	246.1	276.5
	-----	-----
Outsourcing assets, net	292.0	314.9
Marketable software, net	175.3	202.0
Prepaid postretirement assets	55.6	20.7
Deferred income taxes	89.5	87.6
Goodwill	198.2	189.4
Other long-term assets	191.9	94.6
	-----	-----
Total	\$2,741.1	\$2,824.1
	=====	=====
Liabilities and stockholders' deficit		
Current liabilities		
Current maturities of long-term debt	\$66.0	\$1.5
Accounts payable	287.3	379.2
Other accrued liabilities	952.4	1,045.7
	-----	-----
Total	1,305.7	1,426.4
	-----	-----
Long-term debt	845.0	1,059.1
Long-term postretirement liabilities	1,410.5	1,497.0
Other long-term liabilities	325.4	265.4
Commitments and contingencies		
Total stockholders' deficit	(1,145.5)	(1,423.8)
	-----	-----
Total	\$2,741.1	\$2,824.1
	=====	=====

UNISYS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)
(Millions)

	Nine Months Ended September 30	
	2009	2008
Cash flows from operating activities		
Consolidated net income (loss)	\$81.6	(\$56.7)
Add (deduct) items to reconcile consolidated net income (loss) to net cash provided by operating activities:		
Employee stock compensation expense	(.3)	(.2)
Company stock issued for U.S. 401(k) plan	-	34.2
Depreciation and amortization of properties	71.7	80.4
Depreciation and amortization of outsourcing assets	113.9	126.0
Amortization of marketable software	70.3	90.0
Disposals of capital assets	5.7	8.6
Loss on sale of assets	4.7	
Decrease in deferred income taxes, net	16.7	-
Decrease in receivables, net	96.4	175.9
Decrease in inventories	15.4	16.7
Decrease in accounts payable and other accrued liabilities	(248.8)	(215.9)
Increase (decrease) in other liabilities	6.0	(43.3)
Increase in other assets	(52.0)	(108.7)
Other	.5	9.4
	-----	-----
Net cash provided by operating activities	181.8	116.4
	-----	-----
Cash flows from investing activities		
Proceeds from investments	296.8	4,838.1
Purchases of investments	(294.9)	(4,847.9)
Collateralized letters of credit	(82.5)	-
Investment in marketable software	(43.7)	(65.9)
Capital additions of properties	(32.1)	(51.8)
Capital additions of outsourcing assets	(73.4)	(96.6)
Purchases of businesses	(1.9)	(2.3)
	-----	-----
Net cash used for investing activities	(231.7)	(226.4)
	-----	-----
Cash flows from financing activities		
Net reduction in short-term borrowings	-	(.1)
Payments of long-term debt	(30.0)	(200.0)
Financing fees	(15.4)	(.8)
	-----	-----
Net cash used for financing activities	(45.4)	(200.9)
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	24.9	(25.5)
	-----	-----
Decrease in cash and cash equivalents	(70.4)	(336.4)
Cash and cash equivalents, beginning of period	544.0	830.2
	-----	-----
Cash and cash equivalents, end of period	\$473.6	\$493.8
	=====	=====