

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) February 4, 2010

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 February 4, 2010, Unisys Corporation issued a news release to report its financial results for the quarter and year ended December 31, 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 February 4, 2010, of Unisys Corporation

SIGNATURE

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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: February 4, 2010

By: /s/ Janet B. Haugen

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Janet B. Haugen  
Senior Vice President and  
Chief Financial Officer

EXHIBIT INDEX

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Exhibit  
No.

- - - - -

99 News Release, dated February 4, 2010, of Unisys Corporation

Investor Contact:

Niels Christensen, 215-986-6651  
Niels.Christensen@unisys.com

Media Contact:

Jim Kerr, 215-986-5795  
Jim.Kerr@unisys.com

UNISYS ANNOUNCES FOURTH-QUARTER AND FULL-YEAR 2009 FINANCIAL RESULTS

COMPANY REPORTS SIGNIFICANTLY IMPROVED EARNINGS AND CASH FLOW FOR FOURTH QUARTER AND FULL YEAR OF 2009

BLUE BELL, Pa., February 4, 2010 - Unisys Corporation (NYSE: UIS) today reported fourth-quarter 2009 net income of \$114.5 million, or \$2.64 per diluted share. This compared with a fourth-quarter 2008 net loss of \$58.0 million, or a loss of \$1.59 per diluted share, which included a \$99.0 million pretax cost-reduction charge. Revenue in the quarter declined 5 percent to \$1.21 billion compared with revenue of \$1.28 billion in the year-ago quarter. Foreign exchange rates had an approximately 5 percentage-point positive impact on revenue in the quarter.

For the full year of 2009, Unisys reported net income of \$189.3 million, or \$4.75 per diluted share. This compared with a full-year 2008 net loss of \$130.1 million, or a loss of \$3.62 per diluted share, which included \$103.1 million of pretax cost-reduction charges. Revenue in 2009 declined 12 percent to \$4.60 billion compared with revenue of \$5.23 billion in 2008. Foreign currency fluctuations had an approximately 4 percentage-point negative impact on revenue for the full year.

"This was a year of significant progress for Unisys," said Unisys Chairman and CEO Ed Coleman. "I am pleased by the way our team rose to the challenge and executed against the priorities of our turnaround program in 2009. We did this work in a difficult economic environment, and we saw the fruits of our efforts in our results over the past three quarters. Our fourth-quarter profitability and cash flow were particularly strong, driven by a more cost-efficient services business and strong sales of ClearPath systems.

"The Unisys turnaround is not complete by any measure," Coleman said. "While we've taken positive first steps, our goal is to become a consistently and predictably profitable company that generates free cash flow and delivers outstanding customer service in our targeted areas of security; data center transformation, including our server business; end user outsourcing; and application modernization. In 2010 we will focus on continuing to execute against our priorities of concentrating our resources more effectively, sharpening the value propositions for our offerings, improving the cost efficiency of our labor model, and simplifying our operations to reduce overhead."

OVERALL FOURTH-QUARTER HIGHLIGHTS

Revenue in the United States declined 14 percent to \$495 million. Revenue in international markets increased 1 percent to \$715 million. Foreign currency fluctuations had an approximately 9 percentage-point positive impact on international revenue in the quarter.

Unisys reported a fourth-quarter gross profit margin of 28.0 percent, up from 18.6 percent a year ago, reflecting improved cost efficiencies in services delivery and strong sales of ClearPath servers in the current quarter as well as the cost-reduction charge in the year-ago quarter. Reflecting these factors as well as significant reductions in selling, general, and administrative expenses in 2009, the company's operating profit margin increased to 10.8 percent compared with an operating loss of 3.7 percent a year ago.

FOURTH-QUARTER BUSINESS SEGMENT RESULTS

Customer revenue in the company's services segment declined 9 percent compared with the year-ago quarter. Foreign currency fluctuations had an approximately 5 percentage-point positive impact on services revenue in the quarter. Gross profit margin in the services business improved to 18.2 percent compared with 16.9 percent a year ago, while services operating margin improved to 6.4 percent compared with 3.2 percent a year ago.

Services orders showed mid single-digit declines from year-ago levels as growth

in outsourcing orders was offset by declines in systems integration and consulting orders. Services order backlog at December 31, 2009 was \$6.5 billion, up from \$6.1 billion at year-end 2008.

Customer revenue in the company's technology segment increased 19 percent from the fourth quarter of 2008. Foreign currency fluctuations had an approximately 8 percentage-point positive impact on technology revenue in the quarter. Driven by strong sales of higher-margin ClearPath enterprise servers, the company reported a technology gross profit margin of 61.0 percent and an operating profit margin of 31.5 percent in the quarter. These compared with a gross profit margin of 43.7 percent and operating margin of 6.7 percent in the year-ago quarter.

#### CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Unisys generated \$215 million of cash from operations in the quarter compared with \$138 million in the year-ago quarter. Capital expenditures in the fourth quarter of 2009 were \$52 million compared with \$80 million in the year-ago quarter. After capital expenditures, the company generated \$163 million of free cash flow in the quarter compared with free cash flow of \$58 million in the fourth quarter of 2008.

For the full year of 2009, Unisys generated \$397 million of cash from operations compared with \$255 million in the full year of 2008. Capital expenditures for full-year 2009 were \$201 million compared with \$295 million in 2008. After capital expenditures, Unisys generated \$196 million of free cash flow for full-year 2009 compared with \$40 million of free cash usage in 2008.

At December 31, 2009, Unisys reported \$648 million of cash on hand, up from \$544 million at year-end 2008.

#### 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](http://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 approximately 26,000 employees, Unisys serves commercial organizations and government agencies throughout the world. For more information, visit [www.unisys.com](http://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 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 year and before the filing of the Form 10-K 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.: 0204/8946

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		Year	
	Ended December 31		Ended December 31	
	2009	2008	2009	2008
Revenue				
Services	\$1,017.1	\$1,117.4	\$4,036.9	\$4,603.6
Technology	192.4	162.1	560.8	629.6
	1,209.5	1,279.5	4,597.7	5,233.2
Costs and expenses				
Cost of revenue:				
Services	811.7	951.7	3,214.4	3,765.9
Technology	59.6	90.1	246.6	340.6
	871.3	1,041.8	3,461.0	4,106.5
Selling, general and administrative	182.9	255.1	689.2	957.0
Research and development	25.1	30.4	101.9	129.0
	1,079.3	1,327.3	4,252.1	5,192.5
Operating profit (loss)	130.2	(47.8)	345.6	40.7
Interest expense	26.8	20.8	95.2	85.1
Other income (expense), net	(8.8)	(11.7)	(15.8)	(20.1)
Income (loss) before income taxes	94.6	(80.3)	234.6	(64.5)
Provision (benefit) for income taxes	(16.8)	(19.3)	41.6	53.2
Consolidated net income (loss)	111.4	(61.0)	193.0	(117.7)
Net (income) loss attributable to noncontrolling interests	3.1	3.0	(3.7)	(12.4)
Net income (loss) attributable to Unisys Corporation	\$114.5	(\$58.0)	\$189.3	(\$130.1)
Earnings (loss) per share attributable to Unisys Corporation				
Basic	\$ 2.71	(\$ 1.59)	\$ 4.82	(\$ 3.62)
Diluted	\$ 2.64	(\$ 1.59)	\$ 4.75	(\$ 3.62)
Shares used in the per share computations (thousands):				
Basic	42,285	36,520	39,241	35,978
Diluted	43,307	36,520	39,834	35,978

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 December 31, 2009 -----				
Customer revenue Intersegment	\$1,209.5	(\$52.4)	\$1,017.1 1.9	\$192.4 50.5
	-----	-----	-----	-----
Total revenue	\$1,209.5	(\$52.4)	\$1,019.0	\$242.9
	=====	=====	=====	=====
Gross profit percent	28.0%		18.2%	61.0%
	=====		=====	=====
Operating profit percent	10.8%		6.4%	31.5%
	=====		=====	=====
Three Months Ended December 31, 2008 -----				
Customer revenue Intersegment	\$1,279.5	(\$69.8)	\$1,117.4 4.5	\$162.1 65.3
	-----	-----	-----	-----
Total revenue	\$1,279.5	(\$69.8)	\$1,121.9	\$227.4
	=====	=====	=====	=====
Gross profit percent	18.6%		16.9%	43.7%
	=====		=====	=====
Operating profit (loss) percent	(3.7%)		3.2%	6.7%
	=====		=====	=====
Year Ended December 31, 2009 -----				
Customer revenue Intersegment	\$4,597.7	(\$170.8)	\$4,036.9 6.9	\$560.8 163.9
	-----	-----	-----	-----
Total revenue	\$4,597.7	(\$170.8)	\$4,043.8	\$724.7
	=====	=====	=====	=====
Gross profit percent	24.7%		18.8%	49.6%
	=====		=====	=====
Operating profit percent	7.5%		6.2%	12.4%
	=====		=====	=====
Year Ended December 31, 2008 -----				
Customer revenue Intersegment	\$5,233.2	(\$232.0)	\$4,603.6 13.9	\$629.6 218.1
	-----	-----	-----	-----
Total revenue	\$5,233.2	(\$232.0)	\$4,617.5	\$847.7
	=====	=====	=====	=====
Gross profit percent	21.5%		18.1%	43.5%
	=====		=====	=====
Operating profit percent	0.8%		3.0%	4.1%
	=====		=====	=====

UNISYS CORPORATION  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)  
(Millions)

	December 31, 2009	December 31, 2008
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$647.6	\$544.0
Accounts and notes receivable, net	790.7	818.5
Inventories		
Parts and finished equipment	57.5	64.7
Work in process and materials	43.0	70.7
Deferred income taxes	19.9	23.8
Prepaid expense and other current assets	144.7	116.7
	-----	-----
Total	1,703.4	1,638.4
	-----	-----
Properties	1,374.3	1,416.0
Less accumulated depreciation and amortization	1,146.4	1,139.5
	-----	-----
Properties, net	227.9	276.5
	-----	-----
Outsourcing assets, net	277.1	314.9
Marketable software, net	154.9	202.0
Prepaid postretirement assets	-	20.7
Deferred income taxes	180.6	87.6
Goodwill	198.5	189.4
Other long-term assets	214.5	94.6
	-----	-----
Total	\$2,956.9	\$2,824.1
	=====	=====
Liabilities and stockholders' deficit		
Current liabilities		
Current maturities of long-term debt	\$65.8	\$1.5
Accounts payable	307.4	379.2
Other accrued liabilities	1,021.6	1,045.7
	-----	-----
Total	1,394.8	1,426.4
	-----	-----
Long-term debt	845.9	1,059.1
Long-term postretirement liabilities	1,640.6	1,497.0
Other long-term liabilities	347.3	265.4
Commitments and contingencies		
Total stockholders' deficit	(1,271.7)	(1,423.8)
	-----	-----
Total	\$2,956.9	\$2,824.1
	=====	=====

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

	Year Ended December 31	
	2009	2008
<b>Cash flows from operating activities</b>		
Consolidated net income (loss)	\$193.0	(\$117.7)
Add (deduct) items to reconcile consolidated net income (loss) to net cash provided by operating activities:		
Employee stock compensation expense	.7	1.1
Company stock issued for U.S. 401(k) plan	-	41.8
Depreciation and amortization of properties	96.9	105.7
Depreciation and amortization of outsourcing assets	151.0	162.6
Amortization of marketable software	104.6	149.7
Disposals of capital assets	10.8	12.9
Loss on sale of assets	8.8	-
Increase in deferred income taxes, net	(87.9)	(9.9)
Decrease in receivables, net	62.1	186.7
Decrease in inventories	14.0	27.2
Decrease in accounts payable and other accrued liabilities	(70.7)	(110.9)
Increase (decrease) in other liabilities	37.3	(79.1)
Increase in other assets	(121.9)	(119.7)
Other	(1.9)	4.2
	396.8	254.6
<b>Cash flows from investing activities</b>		
Proceeds from investments	404.1	6,208.2
Purchases of investments	(402.8)	(6,190.3)
Collateralized letters of credit	(86.8)	-
Investment in marketable software	(57.6)	(84.5)
Capital additions of properties	(45.9)	(76.9)
Capital additions of outsourcing assets	(97.8)	(133.1)
Purchases of businesses	(1.9)	(6.4)
Proceeds from sale of assets	17.4	-
	(271.3)	(283.0)
<b>Cash flows from financing activities</b>		
Net reduction in short-term borrowings	-	(.1)
Payments of long-term debt	(30.0)	(200.0)
Financing fees	(16.1)	(.8)
	(46.1)	(200.9)
Effect of exchange rate changes on cash and cash equivalents	24.2	(56.9)
Increase (decrease) in cash and cash equivalents	103.6	(286.2)
Cash and cash equivalents, beginning of period	544.0	830.2
Cash and cash equivalents, end of period	\$647.6	\$544.0