

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) January 31, 2012

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.)

801 Lakeview Drive, Suite 100
Blue Bell, Pennsylvania 19422

(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 January 31, 2012, Unisys Corporation issued a news release to report its financial results for the quarter and year ended December 31, 2011. 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.

(d) The following exhibit is being furnished herewith:

99 News Release, dated January 31, 2012, 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: January 31, 2012

By: /s/ Janet B. Haugen

Janet B. Haugen
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit
No.

99 News Release, dated January 31, 2012, of Unisys Corporation

Investor Contact:

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

Media Contact:

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UNISYS ANNOUNCES FOURTH-QUARTER AND FULL-YEAR 2011 FINANCIAL RESULTS; THIRD CONSECUTIVE YEAR OF PROFITABILITY AND POSITIVE FREE CASH FLOW

* Reported full year 2011 diluted EPS from continuing operations of \$2.71 vs. \$3.67 in 2010; Non-GAAP diluted EPS(1) of \$4.43 in 2011 vs. \$3.72 in 2010

* Reported fourth quarter 2011 diluted EPS from continuing operations of \$1.94 vs. \$2.20 in the year ago quarter; Non-GAAP 4Q11 diluted EPS(1) of \$2.08 vs. \$2.21 in 4Q10

* Ended the year with cash exceeding debt by \$355 million compared to \$4 million a year ago; Company announces further debt reduction actions of \$65.5 million

BLUE BELL, Pa., January 31, 2012 - Unisys Corporation (NYSE: UIS) today reported fourth-quarter 2011 net income from continuing operations of \$94.3 million, or \$1.94 per diluted share. The results include a pretax charge of \$7.6 million related to debt reduction. This compared with fourth-quarter 2010 net income from continuing operations of \$95.2 million, or \$2.20 per diluted share, which included \$0.7 million of pretax debt reduction charges. Excluding debt reduction charges, non-GAAP diluted earnings per share in the fourth quarter of 2011 was \$2.08 compared to \$2.21 in the year-ago quarter. Revenue in the fourth quarter of 2011 declined 6 percent to \$985 million compared with \$1.04 billion in the year-ago quarter. About half of the decline was due to lower revenue in the company's U.S. Federal business and the remainder was primarily due to lower third-party equipment sales in the rest of the business. Foreign currency fluctuations had an insignificant impact on year-over-year revenue comparisons in the quarter.

For the full year of 2011, Unisys reported pretax income of \$206.0 million and net income from continuing operations of \$120.5 million, or \$2.71 per diluted share. The results included \$85.2 million of pretax charges related to debt reduction. This compared with full-year 2010 pretax income of \$222.9 million and net income from continuing operations of \$158.9 million, or \$3.67 per diluted share, which included \$2.1 million of pretax debt reduction charges. Excluding debt reduction charges, full-year 2011 non-GAAP pretax income(2) was \$291.2 million and non-GAAP diluted earnings per share was \$4.43 compared to full-year 2010 non-GAAP pretax income(2) of \$225.0 million and non-GAAP diluted earnings per share of \$3.72. Full-year 2011 revenue declined 4 percent to \$3.85 billion compared with full-year 2010 revenue of \$4.02 billion. Excluding the U.S. Federal business, full-year revenue increased 1 percent over full-year 2010 revenue. Foreign currency fluctuations had a three percentage-point positive impact on revenue in the year.

"We closed 2011 with another quarter of progress toward our financial goals," said Unisys Chairman and CEO Ed Coleman. "We increased our pretax profit, further reduced debt, and continued to grow both IT outsourcing and systems integration revenue excluding our U.S. Federal business. We were also pleased with strong double-digit services order growth in the quarter.

"For the full year of 2011, we made good progress against our three-year financial objectives," Coleman said. "Excluding debt reduction charges, we grew our pretax profit by 29 percent. Free cash flow improved by 37 percent to \$183 million. During the year we reduced our debt by \$464 million to \$360 million and today we are announcing steps to further reduce our debt in 2012.

"At the top line, our revenue in 2011 was impacted by a 23 percent decline in our U.S. Federal business. Outside this business we grew our services revenue by 3 percent and achieved a services operating profit margin in our targeted 8 to 10 percent range. In our technology business, while our overall revenue was down due to lower third-party equipment sales, we met our goal of maintaining stable ClearPath revenue.

"In 2012 we look to make continued progress toward our financial goals while further enhancing our market differentiation and delivering service excellence to our customers," Coleman added. "In our U.S. Federal business, while market

conditions remain challenging, we are focused on improving our results in this important market and delivering innovative solutions that help our customers operate more effectively and efficiently."

FOURTH-QUARTER COMPANY AND BUSINESS SEGMENT RESULTS

Revenue from the company's U.S. Federal business declined approximately \$36 million, or about 18 percent, in the quarter, reflecting the ending of the company's contract with the U.S. Transportation Security Administration in November 2010 as well as continued budget challenges in the U.S. Federal market.

The company's profit margins in the fourth quarter of 2011 were impacted by the lower revenue in the U.S. Federal business and a \$9 million year-over-year increase in pension expense. Unisys reported a fourth-quarter 2011 gross profit margin of 28.4 percent, down from 29.8 percent in the year-ago quarter. Operating expenses (selling, general and administrative expenses plus research and development) declined 10 percent year-over-year. Unisys reported fourth-quarter 2011 operating profit of \$121.6 million, or 12.3 percent of revenue, compared to operating profit of \$134.6 million, or 12.9 percent of revenue, in the fourth quarter of 2010.

Fourth-quarter 2011 services revenue declined 3 percent year-over-year, reflecting lower U.S. Federal services revenue. Excluding the U.S. Federal business, services revenue grew 2 percent from the year-ago quarter, driven by continued growth in IT outsourcing and systems integration revenue. Services gross profit margin declined to 20.0 percent compared with 21.9 percent a year ago. Reflecting the impact of lower U.S. Federal revenue, services operating profit margin declined to 7.6 percent compared with 8.0 percent a year ago. Excluding the U.S. Federal business, fourth-quarter 2011 services operating profit margin increased over the prior year and was within the company's targeted 8 to 10 percent range.

Fourth-quarter 2011 services orders showed double-digit growth in the quarter, reflecting substantial order gains for long-term IT outsourcing contracts as well as order gains for systems integration projects. Services backlog at December 31, 2011 was \$5.5 billion, a decrease of 4 percent from December 31, 2010.

Fourth-quarter 2011 technology revenue declined 19 percent in the quarter, driven by lower sales of third-party equipment. Sales of ClearPath software and servers were essentially flat year-over-year. Reflecting the higher mix of ClearPath revenue, technology gross profit margins improved to 65.9 percent compared with 56.5 percent in the year-ago quarter, while technology operating profit margin improved to 37.7 percent compared with 30.1 percent a year ago.

CASH FLOW AND BALANCE SHEET RESULTS

Unisys generated \$159 million of cash from operations in the fourth quarter of 2011 compared with \$187 million in the year-ago quarter. Capital expenditures in the fourth quarter of 2011 were \$33 million compared with \$41 million in the year-ago quarter. The company generated \$126 million of free cash flow(3) in the fourth quarter of 2011 compared with free cash flow of \$146 million in the year-ago quarter.

For the full year of 2011, the company generated \$317 million of cash from operations compared with \$337 million in 2010. Capital expenditures were \$134 million in 2011 compared with \$203 million in 2010. Unisys generated \$183 million of free cash flow(3) in 2011 compared with free cash flow of \$134 million in 2010.

For the full year of 2011, the company reduced its debt by \$464 million, or 56 percent. At December 31, 2011, Unisys reported \$715 million of cash on hand and \$360 million of total debt.

As part of its debt reduction program, Unisys is calling for redemption its 14.25% senior secured notes due September 2015 and a portion of its 12.5% senior notes due January 2016. The \$65.5 million of notes will be redeemed in accordance with the provisions of the notes.

NON-GAAP INFORMATION

Unisys reports its results in accordance with Generally Accepted Accounting Principles (GAAP) in the United States. However, in an effort to provide investors with additional perspective regarding the company's results as determined by GAAP, the company also discusses, in its earnings press release and/or earnings presentation materials, non-GAAP information which management believes provides useful information to investors. Our management uses supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and assess operational alternatives. These non-GAAP measures may include non-GAAP pretax income, non-GAAP earnings per diluted share and free cash flow.

Our non-GAAP measures are not intended to be considered in isolation or as substitutes for results determined in accordance with GAAP and should be read

only in conjunction with our consolidated financial statements prepared in accordance with GAAP. (See GAAP to non-GAAP reconciliations attached.)

(1) (2) Non-GAAP pretax income and non-GAAP earnings per diluted share - As a result of the debt reductions, Unisys recorded pretax charges of \$7.6 million and \$85.2 million, respectively, during the fourth quarter and full year of 2011, and \$0.7 million and \$2.1 million, respectively, during the fourth quarter and full year of 2010. In an effort to provide investors with a perspective on the company's earnings without these charges, they are excluded from the non-GAAP pretax income and earnings per diluted share calculations.

(3) Free cash flow - To better understand the trends in our business, we believe that it is helpful to present free cash flow, which we define as cash flow from operations less capital expenditures. Management believes this measure gives investors an additional perspective on cash flow from operating activities in excess of amounts required for reinvestment.

CONFERENCE CALL

Unisys will hold a conference call today at 5:30 p.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 approximately 23,000 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 drive profitable growth in consulting and systems integration; the company's ability to take on, successfully implement and grow outsourcing operations; market demand for the company's high-end enterprise servers and maintenance on those servers; the potential adverse effects of aggressive competition in the information services and technology marketplace; the company's ability to retain significant clients; the company's ability to effectively anticipate and respond to volatility and rapid technological change in its industry; the adverse effects of global economic conditions; the company's significant pension obligations and potential requirements to make significant cash contributions to its defined benefit pension plans; the success of the company's program to reduce costs, focus its global resources and simplify its business structure; the risks 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 subject it 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 when more than half of the company's revenue is derived from international operations; the company's ability to access capital and credit markets to address its liquidity needs; the potential for intellectual property 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; the business and financial risk in implementing future dispositions or acquisitions; the company's ability to use its U.S. Federal net operating loss carryforwards and other tax attributes; 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. The company assumes no obligation to update any forward-looking

statements.

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RELEASE NO.: 0131/9086

Unisys is a registered trademark of Unisys Corporation. Any 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	
	2011	2010	2011	2010
Revenue				
Services	\$835.3	\$859.7	\$3,354.6	\$3,457.4
Technology	150.0	184.9	499.2	562.2
	-----	-----	-----	-----
	985.3	1,044.6	3,853.8	4,019.6
Costs and expenses				
Cost of revenue:				
Services	662.2	661.3	2,672.8	2,731.8
Technology	42.8	72.2	194.0	216.1
	-----	-----	-----	-----
	705.0	733.5	2,866.8	2,947.9
Selling, general and administrative	139.8	158.4	586.3	617.1
Research and development	18.9	18.1	76.1	78.9
	-----	-----	-----	-----
	863.7	910.0	3,529.2	3,643.9
Operating profit	121.6	134.6	324.6	375.7
Interest expense	11.4	25.0	63.1	101.8
Other income (expense), net	1.1	(6.4)	(55.5)	(51.0)
	-----	-----	-----	-----
Income from continuing operations before income taxes	111.3	103.2	206.0	222.9
Provision for income taxes	12.4	6.1	64.8	58.8
	-----	-----	-----	-----
Consolidated income before discontinued operations	98.9	97.1	141.2	164.1
Income from discontinued operations, net of taxes	-	4.0	-	77.2
	-----	-----	-----	-----
Net income	98.9	101.1	141.2	241.3
Less: Net income attributable to noncontrolling interests	0.6	1.9	7.2	5.2
Less: Preferred stock dividends	4.0	-	13.5	-
	-----	-----	-----	-----
Net income attributable to Unisys Corporation common shareholders	\$94.3	\$99.2	\$120.5	\$236.1
	=====	=====	=====	=====
Amounts attributable to Unisys Corporation common shareholders				
Income from continuing operations, net of tax	\$94.3	\$95.2	\$120.5	\$158.9
Income from discontinued operations, net of tax	-	4.0	-	77.2
	-----	-----	-----	-----
Net income attributable to Unisys Corporation common shareholders	\$94.3	\$99.2	\$120.5	\$236.1
	=====	=====	=====	=====
Earnings per common share attributable to Unisys Corporation				
Basic				
Continuing operations	\$ 2.17	\$ 2.24	\$ 2.79	\$ 3.74
Discontinued operations	.00	.09	.00	1.81

Total	\$ 2.17	\$ 2.33	\$ 2.79	\$ 5.55
	=====	=====	=====	=====
Diluted				
Continuing operations	\$ 1.94	\$ 2.20	\$ 2.71	\$ 3.67
Discontinued operations	.00	.09	.00	1.78
	-----	-----	-----	-----
Total	\$ 1.94	\$ 2.29	\$ 2.71	\$ 5.45
	=====	=====	=====	=====
Shares used in the per share computations (thousands):				
Basic	43,392	42,642	43,145	42,562
Diluted	50,799	43,326	49,478	43,333

UNISYS CORPORATION
SEGMENT RESULTS
(Unaudited)
(Millions)

	Total	Elimi- nations	Services	Technology
	-----	-----	-----	-----
Three Months Ended December 31, 2011 -----				
Customer revenue Intersegment	\$985.3	(\$32.4)	\$835.3 3.6	\$150.0 28.8
	-----	-----	-----	-----
Total revenue	\$985.3	(\$32.4)	\$838.9	\$178.8
	=====	=====	=====	=====
Gross profit percent	28.4%		20.0%	65.9%
	=====		=====	=====
Operating profit percent	12.3%		7.6%	37.7%
	=====		=====	=====
Three Months Ended December 31, 2010 -----				
Customer revenue Intersegment	\$1,044.6	(\$31.7)	\$859.7 2.3	\$184.9 29.4
	-----	-----	-----	-----
Total revenue	\$1,044.6	(\$31.7)	\$862.0	\$214.3
	=====	=====	=====	=====
Gross profit percent	29.8%		21.9%	56.5%
	=====		=====	=====
Operating profit percent	12.9%		8.0%	30.1%
	=====		=====	=====
Year Ended December 31, 2011 -----				
Customer revenue Intersegment	\$3,853.8	(\$102.6)	\$3,354.6 6.3	\$499.2 96.3
	-----	-----	-----	-----
Total revenue	\$3,853.8	(\$102.6)	\$3,360.9	\$595.5
	=====	=====	=====	=====
Gross profit percent	25.6%		20.0%	56.9%
	=====		=====	=====
Operating profit percent	8.4%		6.9%	21.5%
	=====		=====	=====
Year Ended December 31, 2010 -----				
Customer revenue Intersegment	\$4,019.6	(\$116.6)	\$3,457.4 5.9	\$562.2 110.7
	-----	-----	-----	-----
Total revenue	\$4,019.6	(\$116.6)	\$3,463.3	\$672.9
	=====	=====	=====	=====
Gross profit percent	26.7%		20.1%	55.0%
	=====		=====	=====
Operating profit percent	9.3%		6.7%	21.1%
	=====		=====	=====

UNISYS CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Millions)

	December 31, 2011	December 31, 2010
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$714.9	\$828.3
Accounts and notes receivable, net	673.0	789.7
Inventories		
Parts and finished equipment	38.1	44.8
Work in process and materials	26.7	44.1
Deferred income taxes	27.1	40.7
Prepaid expense and other current assets	123.6	127.8
	-----	-----
Total	1,603.4	1,875.4
	-----	-----
Properties	1,257.2	1,339.0
Less accumulated depreciation and amortization	1,065.9	1,119.3
	-----	-----
Properties, net	191.3	219.7
	-----	-----
Outsourcing assets, net	137.9	162.3
Marketable software, net	129.8	143.8
Prepaid postretirement assets	43.9	31.2
Deferred income taxes	181.5	179.6
Goodwill	192.5	197.9
Other long-term assets	131.9	211.0
	-----	-----
Total	\$2,612.2	\$3,020.9
	=====	=====
Liabilities and stockholders' deficit		
Current liabilities		
Current maturities of long-term debt	\$0.9	\$0.8
Accounts payable	241.6	260.7
Deferred revenue	448.1	556.3
Other accrued liabilities	425.5	518.9
	-----	-----
Total	1,116.1	1,336.7
	-----	-----
Long-term debt	358.8	823.2
Long-term postretirement liabilities	2,224.0	1,509.2
Long-term deferred revenue	120.3	149.4
Other long-term liabilities	104.0	136.2
Commitments and contingencies		
Total stockholders' deficit	(1,311.0)	(933.8)
	-----	-----
Total	\$2,612.2	\$3,020.9
	=====	=====

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

	Year Ended December 31	
	2011	2010
Cash flows from operating activities		
Consolidated income before discontinued operations	\$141.2	\$164.1
Income from discontinued operations, net of taxes	-	77.2
Add (deduct) items to reconcile consolidated net income to net cash provided by operating activities:		
Foreign currency transaction loss	-	19.9
Loss on debt extinguishment	85.2	2.1
Employee stock compensation	13.9	9.4
Company stock issued for U.S. 401(k) plan	11.8	-
Depreciation and amortization of properties	66.4	75.8
Depreciation and amortization of outsourcing assets	62.7	111.9
Amortization of marketable software	65.7	62.9
Disposals of capital assets	1.4	9.8
Gain on sale of businesses and assets	(2.2)	(65.5)
Decrease (increase) in deferred income taxes, net	28.6	(34.4)
Decrease (increase) in receivables, net	92.1	(31.9)
Decrease in inventories	22.1	12.4
(Decrease) increase in accounts payable and other accrued liabilities	(214.4)	56.5
Decrease in other liabilities	(50.6)	(38.4)
Increase in other assets	(5.9)	(94.2)
Other	(.8)	(.8)
Net cash provided by operating activities	317.2	336.8
Cash flows from investing activities		
Proceeds from investments	691.2	417.4
Purchases of investments	(688.2)	(416.5)
Restricted deposits	50.7	23.4
Investment in marketable software	(51.7)	(55.8)
Capital additions of properties	(42.2)	(64.1)
Capital additions of outsourcing assets	(40.5)	(83.2)
Net proceeds from sale of businesses and assets	(15.6)	117.2
Net cash used for investing activities	(96.3)	(61.6)
Cash flows from financing activities		
Proceeds from issuance of preferred stock, net of issuance costs	249.7	-
Payments of long-term debt	(555.7)	(92.8)
Dividends paid to noncontrolling interests	(.4)	-
Dividends paid on preferred shares	(12.2)	-
Proceeds from exercise of stock options	1.4	1.4
Financing fees	(2.2)	(.1)
Net cash used for financing activities	(319.4)	(91.5)
Effect of exchange rate changes on cash and cash equivalents	(14.9)	(3.0)
(Decrease) increase in cash and cash equivalents	(113.4)	180.7
Cash and cash equivalents, beginning of period	828.3	647.6
Cash and cash equivalents, end of period	\$714.9	\$828.3

(1)
UNISYS CORPORATION
RECONCILIATION OF SELECTED GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited)
(Millions, except per share data)

	Three Months		Year	
	Ended December 31		Ended December 31	
	-----	-----	-----	-----
	2011	2010	2011	2010
	-----	-----	-----	-----
GAAP net income from continuing operations attributable to Unisys Corporation common shareholders	\$94.3	\$95.2	\$120.5	\$158.9
Debt reduction charges, net of tax	7.6	0.7	85.2	2.1
Non-GAAP net income from continuing operations attributable to Unisys Corporation common shareholders	101.9	95.9	205.7	161.0
Add preferred stock dividends	4.0	0.0	13.5	0.0
Non-GAAP net income from continuing operations attributable to Unisys Corporation for diluted earnings per share	\$105.9	\$95.9	\$219.2	\$161.0
Weighted average shares (thousands)	43,392	42,642	43,145	42,562
Plus incremental shares from assumed conversion of employee stock plans and preferred stock	7,407	684	6,333	771
GAAP adjusted weighted average shares	50,799	43,326	49,478	43,333
Earnings per Share				
GAAP basis				
GAAP net income from continuing operations attributable to Unisys Corporation for diluted earnings per share	\$98.3	\$95.2	\$134.0	\$158.9
Divided by adjusted weighted average shares	50,799	43,326	49,478	43,333
GAAP net income per diluted share from continuing operations	\$ 1.94	\$ 2.20	\$ 2.71	\$ 3.67
Non-GAAP basis				
Non-GAAP net income from continuing operations attributable to Unisys Corporation for diluted earnings per share	\$105.9	\$95.9	\$219.2	\$161.0
Divided by Non-GAAP adjusted weighted average shares	50,799	43,326	49,478	43,333
Non-GAAP net income per diluted share from continuing operations	\$ 2.08	\$ 2.21	\$ 4.43	\$ 3.72

(2)

UNISYS CORPORATION

RECONCILIATION OF GAAP INCOME FROM CONTINUING OPERATIONS BEFORE
INCOME TAXES TO NON-GAAP INCOME FROM CONTINUING OPERATIONS
BEFORE INCOME TAXES
(Unaudited)
(Millions)

	Three Months		Year	
	Ended December 31		Ended December 31	
	2011	2010	2011	2010
GAAP income from continuing operations before income taxes	\$111.3	\$103.2	\$206.0	\$222.9
Debt reduction charges	7.6	0.7	85.2	2.1
Non-GAAP income from continuing operations before income taxes	\$118.9	\$103.9	\$291.2	\$225.0

(3)
 UNISYS CORPORATION
 RECONCILIATION OF GAAP TO NON-GAAP
 (Unaudited)
 (Millions)

FREE CASH FLOW

	Three Months		Year	
	Ended December 31		Ended December 31	
	----- 2011	2010 -----	----- 2011	2010 -----
Cash provided by operations	\$159.5	\$186.8	\$317.2	\$336.8
Additions to marketable software	(14.8)	(14.0)	(51.7)	(55.8)
Additions to properties	(9.3)	(14.4)	(42.2)	(64.1)
Additions to outsourcing assets	(9.2)	(12.8)	(40.5)	(83.2)
	-----		-----	
Free Cash Flow	\$126.2	\$145.6	\$182.8	\$133.7
	=====		=====	