

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) April 14, 2003

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.)

Township Line and Union Meeting Roads,
Blue Bell, Pennsylvania 19424

(Address of Principal Executive Offices) (Zip Code)

(215) 986-4011

(Registrant's telephone number, including area code)

Item 7. Exhibits.

(c) The following exhibit is being furnished herewith:

99 News Release, dated April 14, 2003, of Unisys Corporation

Item 9. Regulation FD Disclosure (Information provided under Item 12 -
Results of Operations and Financial Condition).

The following information is being provided under Item 12 - Results
of Operations and Financial Condition. It is being furnished under Item 9 of
this Form 8-K in accordance with interim guidance issued by the SEC in release
No. 33-8216. Such information, including the Exhibit attached hereto, shall
not be deemed "filed" for purposes of Section 18 of the Securities Exchange
Act of 1934.

On April 14, 2003, Unisys Corporation issued a news release to
report its financial results for the quarter ended March 31, 2003. The
release is furnished as Exhibit 99 hereto.

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: April 14, 2003

By: /s/ Janet B. Haugen

Janet B. Haugen
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit
No.

99 News Release, dated April 14, 2003, of Unisys Corporation.

UNISYS

Media Contact:

Elizabeth Douglass, Unisys, 215-986-6583
Elizabeth.douglass@unisys.com

Investor Contact:

Jim Kerr, Unisys, 215-986-5795
jim.kerr@unisys.com

UNISYS REPORTS 20% GROWTH IN FIRST-QUARTER 2003 EARNINGS PER SHARE OVER YEAR-AGO PERIOD; ORDERS SHOW SUBSTANTIAL GAINS

COMPANY REAFFIRMS OUTLOOK FOR DOUBLE-DIGIT EPS GROWTH FOR FULL-YEAR 2003

BLUE BELL, Pa., April 14, 2003 -- Unisys Corporation (NYSE: UIS) today reported double-digit earnings per share (EPS) growth for the first quarter of 2003, achieving its targeted earnings range for the quarter. The company also reported substantial growth in its first-quarter orders, driven by significant long-term contract signings in business process outsourcing (BPO) and managed infrastructure services.

Unisys reported first-quarter 2003 net income of \$38.5 million, or 12 cents per share, compared to first-quarter 2002 net income of \$32.7 million, or 10 cents per share, an EPS increase of 20% over the first quarter of 2002. Revenue for the first quarter of 2003 was \$1.40 billion, up from \$1.36 billion of revenue a year ago. Currency had a 4 percentage-point positive impact on the company's revenue in the first quarter, as the U.S. dollar weakened against most major currencies worldwide.

COMMENTS FROM CHAIRMAN AND CEO LARRY WEINBACH

"We demonstrated continued solid execution in the first quarter of 2003," said Unisys Chairman and CEO Lawrence A. Weinbach. "Despite a highly uncertain geopolitical environment, we met our earnings and revenue targets for the quarter and achieved double-digit growth in our earnings per share. We achieved this earnings growth even though pension income in the first quarter of 2003 declined to approximately \$6 million from \$38 million in the year-ago quarter.

"Growth in our services business this quarter was driven by strong double-digit growth in outsourcing as we continue to expand our strategic BPO offerings. We saw continued strong demand for our enterprise security services, building on our work with large organizations such as the U.S. Transportation Security Administration and Lloyds TSB in the United Kingdom, to create secure networks. In addition, our technology business delivered a strong profit performance in the first quarter, driven by sales of new ClearPath server models. Sales of our ES7000 family of high-end Intel-based servers showed strong double-digit growth in the quarter as we benefit from our ongoing efforts to market the significant capabilities of these systems to both new and existing clients.

"I was particularly pleased by our new orders in the first quarter," Weinbach said. "We showed substantial double-digit growth in our orders and won a number of significant BPO and managed infrastructure services contracts. Overall, we closed more than \$800 million of long-term services business in the first quarter."

Major services contracts signed during the quarter included:

- * A 10-year business process outsourcing contract to assume processing and administration of 2.4 million life and pensions policies for Royal & SunAlliance in the United Kingdom;
- * A seven-year outsourcing contract with the city of Minneapolis to provide a full range of outsourcing services to manage the city's complete IT infrastructure, ranging from the data center to desktops and mobile devices;
- * A three-year contract extension with the city of Chicago under which Unisys will continue providing a full range of outsourcing services to manage the city's distributed IT infrastructure;
- * A three-year contract with HBOS plc, a leading financial services firm in the United Kingdom, to provide infrastructure support services for some 29,000 employees;
- * A four-year contract with the West Virginia Department of Health and Human

Services to become the new Medicaid fiscal agent for the state; and

* A five-year contract with the Board of Airline Representatives (BARA) in Australia to implement and manage a new baggage reconciliation system at all Australian international airports.

"These client wins, and many others achieved during the quarter, add to our base of annuity services business," Weinbach said. "Our ability to win such large, value-added contracts -- particularly in the current business environment -- speaks to the competitiveness of our offerings and the ability of Unisys people to deliver on client commitments."

OVERALL COMPANY HIGHLIGHTS

Total worldwide orders showed strong double-digit growth in the first quarter, driven by substantial order gains in international markets, primarily Europe. U.S. orders increased slightly in the quarter over the year-ago period. On a business segment basis, services orders showed substantial double-digit gains while technology orders declined in the quarter.

The company's U.S. revenue increased 17% in the first quarter to \$665 million compared to \$570 million in the year-ago period driven primarily by strength in the U.S. Federal government business. Revenue in international markets declined 7% to \$734 million from \$793 million a year ago despite double-digit growth in Japan.

First-quarter 2003 gross profit and operating margins reflected lower pension income in the quarter compared to the first quarter of 2002. The company's overall first-quarter 2003 gross profit margin declined to 27.7% from 28.6% in the year-ago period, while operating profit margins declined to 5.5% from 5.8% in the year-ago quarter. Selling, general, and administrative (SG&A) expenses were approximately flat with first-quarter 2002 levels. SG&A expenses represented 17.4% of revenue in the first quarter of 2003 compared to 18.0% of revenue in the year-ago quarter.

BUSINESS SEGMENT HIGHLIGHTS

Customer revenue in the company's services business increased 6% in the first quarter over the year-ago period. Double-digit growth in outsourcing revenue was offset by slight revenue declines in systems integration and consulting and infrastructure services. Reflecting the lower levels of pension income, gross profit margins in the services business declined 3 percentage points from year-ago levels to 18.7%, and services operating margins declined 2 percentage points from a year ago to 3.1%.

Customer revenue in the company's technology business declined 7% in the first quarter, reflecting lower sales of specialized equipment and enterprise servers. Within enterprise servers, strong growth in Intel-based ES7000 servers was offset by a single-digit revenue decline in ClearPath systems. Reflecting a richer mix of higher-margin ClearPath sales in the quarter, gross margins in the technology business increased 7.5 percentage points from year-ago levels to 50.0%, and technology operating margins increased 3 percentage points from a year ago to 11.1%.

CASH FLOW AND BALANCE SHEET HIGHLIGHTS

Unisys used \$65 million of cash from operations in the first quarter compared to operational cash flow of \$10 million in the year-ago quarter. The change in year-over-year cash from operations primarily reflected lower levels of customer prepayments and payment of 2002 incentive compensation. Cash expenditures for prior restructuring actions were \$30 million in the first quarter of 2003 compared to \$35 million in the first quarter of 2002.

The company spent \$89 million in the first quarter on capital expenditures, including \$58 million invested in revenue-generating projects.

During the quarter Unisys issued \$300 million of 6 7/8% senior notes due March 15, 2010. The company plans to use the proceeds for general corporate purposes. Unisys ended the March 31, 2003 quarter with \$433 million of cash on hand.

BUSINESS OUTLOOK

"We're off to a solid start toward achieving our financial goals for 2003," Weinbach said. "While the global business environment remains highly challenging, we are growing our earnings and revenue while continuing to build our base of multi-year, annuity-based business. For the second quarter of 2003, we look for earnings per share in the 14 - 17 cents range on modest revenue growth. We remain comfortable with our previous expectation for double-digit earnings growth for 2003 overall, with full-year earnings per share in the 77 - 82 cents range."

CONFERENCE CALL

Unisys will hold a conference call today from approximately 9:15 - 10:15 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 services and solutions company. Our people combine expertise in systems integration, outsourcing, infrastructure, server technology and consulting with precision thinking and relentless execution to help clients, in more than 100 countries, quickly and efficiently achieve competitive advantage. 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. 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. The factors that could affect the company's future financial results are discussed more fully in the company's periodic reports as filed with the Securities and Exchange Commission.

###

RELEASE NO.: 0403/8265 (See accompanying financial information)

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
 (Millions, except per share data)

	Three Months Ended March 31	
	2003	2002
Revenue		
Services	\$1,107.0	\$1,049.2
Technology	291.9	313.3
	1,398.9	1,362.5
Costs and expenses		
Cost of revenue:		
Services	882.5	802.4
Technology	129.3	170.8
	1,011.8	973.2
Selling, general and administrative	243.7	245.4
Research and development	66.8	65.1
	1,322.3	1,283.7
Operating income	76.6	78.8
Interest expense	15.7	17.5
Other income (expense), net	(3.4)	(12.4)
Income before income taxes	57.5	48.9
Provision for income taxes	19.0	16.2
Net income	\$38.5	\$32.7
Earnings per share		
Basic	\$.12	\$.10

Diluted	\$.12	\$.10
	=====	=====
Shares used in the per share computations (thousands):		
Basic	327,208	321,469
	=====	=====
Diluted	328,824	323,307
	=====	=====

UNISYS CORPORATION
SEGMENT RESULTS
(Millions)

	Total	Elimi- nations	Services	Technology
	-----	-----	-----	-----
Three Months Ended March 31, 2003 -----				
Customer revenue	\$1,398.9		\$1,107.0	\$291.9
Intersegment		(\$70.0)	5.6	64.4
	-----	-----	-----	-----
Total revenue	\$1,398.9	(\$70.0)	\$1,112.6	\$356.3
	=====	=====	=====	=====
Gross profit percent	27.7%		18.7%	50.0%
	=====		=====	=====
Operating profit percent	5.5%		3.1%	11.1%
	=====		=====	=====
Three Months Ended March 31, 2002 -----				
Customer revenue	\$1,362.5		\$1,049.2	\$313.3
Intersegment		(\$80.7)	11.5	69.2
	-----	-----	-----	-----
Total revenue	\$1,362.5	(\$80.7)	\$1,060.7	\$382.5
	=====	=====	=====	=====
Gross profit percent	28.6%		21.7%	42.5%
	=====		=====	=====
Operating profit percent	5.8%		4.9%	7.7%
	=====		=====	=====

UNISYS CORPORATION
CONSOLIDATED BALANCE SHEETS
(Millions)

	March 31, 2003	December 31, 2002
	-----	-----
Assets		
Current assets		
Cash and cash equivalents	\$433.1	\$301.8
Accounts and notes receivable, net	862.7	955.6
Inventories		
Parts and finished equipment	156.9	165.3
Work in process and materials	133.3	127.5
Deferred income taxes	312.3	311.3
Other current assets	97.4	84.5
	-----	-----
Total	1,995.7	1,946.0
	-----	-----
Properties	1,576.0	1,542.7
Less accumulated depreciation and amortization	958.2	932.9
	-----	-----
Properties, net	617.8	609.8
	-----	-----
Investments at equity	111.8	111.8
Marketable software, net	322.1	311.8
Deferred income taxes	1,476.0	1,476.0
Goodwill	161.7	160.6
Other long-term assets	367.8	365.4
	-----	-----
Total	\$5,052.9	\$4,981.4
	=====	=====
Liabilities and stockholders' equity		
Current liabilities		
Notes payable	\$78.6	\$77.3
Current maturities of long-term debt	2.5	4.4
Accounts payable	434.9	532.5
Other accrued liabilities	1,152.9	1,341.4
Income taxes payable	235.0	228.9
	-----	-----
Total	1,903.9	2,184.5
	-----	-----
Long-term debt	1,046.3	748.0
Accrued pension liabilities	715.1	727.7
Other long-term liabilities	486.0	465.2
Stockholders' equity		
Common stock	3.3	3.3
Accumulated deficit	(635.0)	(673.5)
Other capital	3,775.9	3,763.1
Accumulated other comprehensive loss	(2,242.6)	(2,236.9)
	-----	-----
Stockholders' equity	901.6	856.0
	-----	-----
Total	\$5,052.9	\$4,981.4
	=====	=====

UNISYS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Millions)

	Three Months Ended March 31	
	----- 2003 -----	----- 2002 -----
Cash flows from operating activities		
Net income	\$38.5	\$32.7
Add (deduct) items to reconcile net income to net cash (used for) provided by operating activities:		
Depreciation and amortization of properties	42.2	36.0
Amortization:		
Marketable software	29.7	29.7
Deferred outsourcing contract costs	7.8	3.9
(Increase) in deferred income taxes, net	(1.0)	(1.5)
Decrease in receivables, net	91.9	147.6
Decrease in inventories	2.6	32.2
(Decrease) in accounts payable and other accrued liabilities	(267.8)	(199.1)
Increase (decrease) in income taxes payable	6.1	(5.8)
Increase (decrease) in other liabilities	4.5	(19.4)
(Increase) in other assets	(20.3)	(77.0)
Other	.9	30.3
	-----	-----
Net cash (used for) provided by operating activities	(64.9)	9.6
	-----	-----
Cash flows from investing activities		
Proceeds from investments	1,279.1	701.7
Purchases of investments	(1,292.7)	(699.1)
Investment in marketable software	(40.0)	(36.3)
Capital additions of properties	(49.4)	(39.4)
Purchases of businesses	(.8)	
	-----	-----
Net cash used for investing activities	(103.8)	(73.1)
	-----	-----
Cash flows from financing activities		
Proceeds from issuance of long-term debt	293.3	
Net proceeds from short-term borrowings	1.3	15.9
Proceeds from employee stock plans	6.3	7.4
Payments of long-term debt	(2.4)	(.5)
	-----	-----
Net cash provided by financing activities	298.5	22.8
	-----	-----
Effect of exchange rate changes on cash and cash equivalents	1.5	(1.9)
	-----	-----
Increase (decrease) in cash and cash equivalents	131.3	(42.6)
Cash and cash equivalents, beginning of period	301.8	325.9
	-----	-----
Cash and cash equivalents, end of period	\$433.1	\$283.3
	=====	=====

