

From that Press Release

"FY20 Revenue and Non-GAAP Operating Profit Margin Exceed Stated Company Expectations.

FY20 Adjusted Free Cash Flow Grows Significantly.

Strong Cash Balance and Significant Reduction in Pension Obligations

- 4Q20 revenue up 5.5% YoY and 16.5% sequentially to \$576.9 million
- 4Q20 operating profit margin up 640 bps YoY and 270 bps sequentially to 8.3%
- 4Q20 Non-GAAP operating profit (5) margin up 790 bps YoY and 550 bps sequentially

•FY 2020 operating profit margin of 4.3%, versus 6.2% in 2019; non-GAAP operating profit margin of 7.5%, up 30 bps YoY and above stated company expectations

- FY 2020 ending cash balance of \$898.5 million versus \$538.8 million in prior-year period; pension deficit reduction of ~\$710 million versus YE 2019
- Total Contract Value (3) ("TCV") up 22% YoY in 4Q20 and up 8% YoY for FY 2020"

"The company made \$487.7 million in postretirement contributions during the fourth quarter of 2020, relative to \$27.1 million in the prior-year period.

These contributions reduced the pension deficit and future required cash contributions, but resulted in cash used in operations of \$355.4 million, versus \$125.7 million provided by operations in the prior-year period and free cash flow(10) of \$(390.4) million, relative to \$95.6 million in the prior-year period. The company received tax credits in the prior-year period versus having required tax payments in the current period, which resulted in adjusted free cash flow(11) of \$104.6 million versus \$112.0 million in the prior-year period. Adjusted free cash flow was up \$52.2 million sequentially. At December 31, 2020, the company had \$898.5 million in cash and cash equivalents, versus \$538.8 million at year-end 2019."

Last year Unisys sold the Federal Systems Division and used the proceeds for a number of purposes, including shoring up the Pension Plan.

Additional steps are being taken to reduce the Pension Plan liability and beef up the free cash flow and company Balance sheet for ????????

Speculation on my part asks: is the company positioning itself to be a takeover or merger target or..... possibly be in a position to acquire another smaller business to be able to grow the revenue and bottom lines. Not to be able to grow the YoY revenue has been a major anchor on the business.

Several other actions that have been taken to reduce the Pension Plan liability include:

- **December 2020 - Unisys Completes Lump-Sum, Cash-out Offer for Eligible Former U.S. Associates** <https://www.prnewswire.com/news-releases/unisys-completes-lump-sum-cash-out-offer-for-eligible-former-us-associates-marking-latest-step-to-reduce-pension-exposure-301195750.html>
- **January 2021 - Unisys buys annuity to transfer \$280 million in U.S. pension assets** <https://www.pionline.com/pension-risk-transfer/unisys-buys-annuity-transfer-280-million-us-pension-assets>

Sent to the VIP Club by former Unisys Blue Bell Retirees Group President Al Rollins.