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

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30</th>
<th></th>
<th>Six Months Ended June 30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>$1,208.6</td>
<td>$1,224.5</td>
<td>$2,361.5</td>
<td>$2,400.9</td>
</tr>
<tr>
<td>Technology</td>
<td>167.1</td>
<td>182.8</td>
<td>362.2</td>
<td>394.2</td>
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<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td>1,375.7</td>
<td>1,407.3</td>
<td>2,723.7</td>
<td>2,795.1</td>
</tr>
<tr>
<td>Costs and expenses</td>
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<tr>
<td>Cost of revenue:</td>
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<tr>
<td>Services</td>
<td>992.2</td>
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<td>1,986.1</td>
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<tr>
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<td>108.1</td>
<td>180.8</td>
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<td></td>
<td>1,076.3</td>
<td>1,244.4</td>
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<td>Selling, general and administrative</td>
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<td>282.7</td>
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<td>578.1</td>
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<td>Research and development</td>
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<td>63.9</td>
<td>91.9</td>
<td>139.2</td>
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<td></td>
<td>1,373.2</td>
<td>1,591.0</td>
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<td></td>
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</tr>
<tr>
<td>Operating profit (loss)</td>
<td>2.5</td>
<td>(183.7)</td>
<td>(27.1)</td>
<td>(352.5)</td>
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<tr>
<td>Interest expense</td>
<td>18.7</td>
<td>19.1</td>
<td>37.6</td>
<td>38.9</td>
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<tr>
<td>Other income (expense), net</td>
<td>(8.7)</td>
<td>(0.7)</td>
<td>16.8</td>
<td>152.7</td>
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<td></td>
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<tr>
<td>Loss before income taxes</td>
<td>(24.9)</td>
<td>(203.5)</td>
<td>(47.9)</td>
<td>(238.7)</td>
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<tr>
<td>Provision (benefit) for income taxes</td>
<td>40.6</td>
<td>(8.9)</td>
<td>14.0</td>
<td>(16.2)</td>
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<tr>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Net loss</td>
<td>($65.5)</td>
<td>($194.6)</td>
<td>($61.9)</td>
<td>($222.5)</td>
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<td></td>
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<tr>
<td>Loss per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>($ .19)</td>
<td>($ .57)</td>
<td>($ .18)</td>
<td>($ .65)</td>
</tr>
<tr>
<td>Diluted</td>
<td>($ .19)</td>
<td>($ .57)</td>
<td>($ .18)</td>
<td>($ .65)</td>
</tr>
<tr>
<td>Shares used in the per share computations (thousands):</td>
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<tr>
<td>Basic</td>
<td>348,958</td>
<td>343,414</td>
<td>347,690</td>
<td>342,936</td>
</tr>
<tr>
<td>Diluted</td>
<td>348,958</td>
<td>343,414</td>
<td>347,690</td>
<td>342,936</td>
</tr>
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</table>
## UNISYS CORPORATION
### SEGMENT RESULTS

(Millions)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Eliminations</th>
<th>Services*</th>
<th>Technology*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Three Months Ended</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>June 30, 2007</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Customer revenue</td>
<td>$1,375.7</td>
<td>$1,208.6</td>
<td>$167.1</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>($47.4)</td>
<td>3.6</td>
<td>43.8</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$1,375.7</td>
<td>($47.4)</td>
<td>$1,212.2</td>
<td>$210.9</td>
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<tr>
<td>Gross profit percent</td>
<td>21.8%</td>
<td>17.3%</td>
<td>43.3%</td>
<td></td>
</tr>
<tr>
<td>Operating profit (loss) percent</td>
<td>0.2%</td>
<td>2.5%</td>
<td>(0.6%)</td>
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</tr>
<tr>
<td><strong>Three Months Ended</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>June 30, 2006</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer revenue</td>
<td>$1,407.3</td>
<td>$1,224.5</td>
<td>$182.8</td>
<td></td>
</tr>
<tr>
<td>Intersegment</td>
<td>($53.2)</td>
<td>3.8</td>
<td>49.4</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$1,407.3</td>
<td>($53.2)</td>
<td>$1,228.3</td>
<td>$232.2</td>
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<tr>
<td>Gross profit percent</td>
<td>11.6%</td>
<td>14.3%</td>
<td>37.6%</td>
<td></td>
</tr>
<tr>
<td>Operating loss percent</td>
<td>(13.1%)</td>
<td>(0.9%)</td>
<td>(12.2%)</td>
<td></td>
</tr>
<tr>
<td><strong>Six Months Ended</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>June 30, 2007</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer revenue</td>
<td>$2,723.7</td>
<td>$2,361.5</td>
<td>$362.2</td>
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<tr>
<td>Intersegment</td>
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<td><strong>Total revenue</strong></td>
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<td>($87.5)</td>
<td>$2,369.0</td>
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<tr>
<td>Gross profit percent</td>
<td>20.4%</td>
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<td>43.3%</td>
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<td>Operating profit (loss) percent</td>
<td>(1.0%)</td>
<td>0.8%</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Six Months Ended</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>June 30, 2006</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer revenue</td>
<td>$2,795.1</td>
<td>$2,400.9</td>
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<tr>
<td>Intersegment</td>
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<tr>
<td><strong>Total revenue</strong></td>
<td>$2,795.1</td>
<td>($95.8)</td>
<td>$2,408.1</td>
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<td>Gross profit percent</td>
<td>13.1%</td>
<td>14.7%</td>
<td>39.8%</td>
<td></td>
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<tr>
<td>Operating loss percent</td>
<td>(12.6%)</td>
<td>(0.9%)</td>
<td>(8.7%)</td>
<td></td>
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* Results exclude cost reduction actions
<table>
<thead>
<tr>
<th>Assets</th>
<th>June 30, 2007</th>
<th>December 31, 2006</th>
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<tbody>
<tr>
<td>Current assets</td>
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</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$520.7</td>
<td>$719.3</td>
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<tr>
<td>Accounts and notes receivable, net</td>
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<tr>
<td>Inventories</td>
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<tr>
<td>Parts and finished equipment</td>
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<td>95.0</td>
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<td>Work in process and materials</td>
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<td>81.2</td>
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<tr>
<td>Deferred income taxes</td>
<td>30.0</td>
<td>30.0</td>
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<tr>
<td>Prepaid expense and other current assets</td>
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<td>148.4</td>
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<tr>
<td>Total</td>
<td>1,956.7</td>
<td>2,238.5</td>
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<td>Properties</td>
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<tr>
<td>Less accumulated depreciation and amortization</td>
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<td>892.1</td>
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<tr>
<td>Properties, net</td>
<td>350.9</td>
<td>341.3</td>
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<tr>
<td>Outsourcing assets, net</td>
<td>419.2</td>
<td>401.1</td>
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<tr>
<td>Marketable software, net</td>
<td>286.8</td>
<td>304.3</td>
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<tr>
<td>Prepaid postretirement assets</td>
<td>308.8</td>
<td>250.1</td>
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<tr>
<td>Deferred income taxes</td>
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<td>191.3</td>
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<td>Goodwill</td>
<td>196.8</td>
<td>193.9</td>
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<td>Other long-term assets</td>
<td>121.8</td>
<td>117.4</td>
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<tr>
<td>Total</td>
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<td>$4,037.9</td>
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<tr>
<td>Liabilities and stockholders' equity (deficit)</td>
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<tr>
<td>Current liabilities</td>
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<td>Notes payable</td>
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<td>$1.2</td>
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<td>Current maturities of long-term debt</td>
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<td>1,469.1</td>
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<td>Total</td>
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<td>Long-term debt</td>
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<td>Long-term postretirement liabilities</td>
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<td>667.7</td>
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<td>453.6</td>
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<td>Common stock</td>
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<td>3.5</td>
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<td>Accumulated deficit</td>
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<tr>
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<td>Accumulated other comprehensive loss</td>
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<td>(1,626.0)</td>
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<td>Stockholders' deficit</td>
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<td>(64.2)</td>
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<tr>
<td>Total</td>
<td>$3,832.3</td>
<td>$4,037.9</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>2007</td>
<td>2006</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>------</td>
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</tr>
<tr>
<td>Net loss</td>
<td>($61.9)</td>
<td>($222.5)</td>
</tr>
<tr>
<td>Add (deduct) items to reconcile net loss to net cash used for operating activities:</td>
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<td>Equity loss</td>
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<td>Employee stock compensation expense</td>
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<td>3.2</td>
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<tr>
<td>Company stock issued for U.S. 401(k) plan</td>
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<td>8.9</td>
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<tr>
<td>Depreciation and amortization of properties</td>
<td>56.9</td>
<td>58.5</td>
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<tr>
<td>Depreciation and amortization of outsourcing assets</td>
<td>70.6</td>
<td>66.7</td>
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<tr>
<td>Amortization of marketable software</td>
<td>62.1</td>
<td>66.2</td>
</tr>
<tr>
<td>Gain on sale of assets</td>
<td>(23.1)</td>
<td>(153.2)</td>
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<tr>
<td>Increase in deferred income taxes, net</td>
<td>(41.9)</td>
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<tr>
<td>Decrease in receivables, net</td>
<td>136.0</td>
<td>66.7</td>
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<tr>
<td>(Increase) decrease in inventories</td>
<td>(9.0)</td>
<td>10.2</td>
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<tr>
<td>(Decrease) increase in accounts payable and other accrued liabilities</td>
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<td>8.0</td>
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<tr>
<td>Decrease in other liabilities</td>
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<td>(44.5)</td>
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<tr>
<td>(Increase) decrease in other assets</td>
<td>(39.9)</td>
<td>1.2</td>
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<tr>
<td>Other</td>
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<tr>
<td>Net cash used for operating activities</td>
<td>(81.1)</td>
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</table>

<table>
<thead>
<tr>
<th>Cash flows from investing activities</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from investments</td>
<td>3,942.4</td>
<td>3,729.3</td>
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<tr>
<td>Purchases of investments</td>
<td>(3,941.0)</td>
<td>(3,731.3)</td>
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<tr>
<td>Investment in marketable software</td>
<td>(48.9)</td>
<td>(55.3)</td>
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<tr>
<td>Capital additions of properties</td>
<td>(39.8)</td>
<td>(32.7)</td>
</tr>
<tr>
<td>Capital additions of outsourcing assets</td>
<td>(78.5)</td>
<td>(50.1)</td>
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<tr>
<td>Purchases of businesses</td>
<td>(1.6)</td>
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<tr>
<td>Proceeds from sale of assets</td>
<td>27.7</td>
<td>380.6</td>
</tr>
<tr>
<td>Net cash (used for) provided by investing activities</td>
<td>(139.7)</td>
<td>240.5</td>
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<table>
<thead>
<tr>
<th>Cash flows from financing activities</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net reduction in short-term borrowings</td>
<td>(.6)</td>
<td>(7.4)</td>
</tr>
<tr>
<td>Proceeds from exercise of stock options</td>
<td>11.3</td>
<td>.9</td>
</tr>
<tr>
<td>Payments of long-term debt</td>
<td></td>
<td>(57.9)</td>
</tr>
<tr>
<td>Cost of credit agreement</td>
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<td>(4.6)</td>
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<tr>
<td>Net cash provided by (used for) financing activities</td>
<td>10.7</td>
<td>(69.0)</td>
</tr>
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<table>
<thead>
<tr>
<th>Effect of exchange rate changes on cash and cash equivalents</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of exchange rate changes on cash and cash equivalents</td>
<td>11.5</td>
<td>7.1</td>
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</table>

<table>
<thead>
<tr>
<th>(Decrease) increase in cash and cash equivalents</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Decrease) increase in cash and cash equivalents</td>
<td>(198.6)</td>
<td>12.6</td>
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</table>

<table>
<thead>
<tr>
<th>Cash and cash equivalents, beginning of period</th>
<th>2007</th>
<th>2006</th>
</tr>
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<tbody>
<tr>
<td>Cash and cash equivalents, beginning of period</td>
<td>719.3</td>
<td>642.5</td>
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</table>

<table>
<thead>
<tr>
<th>Cash and cash equivalents, end of period</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents, end of period</td>
<td>$520.7</td>
<td>$655.1</td>
</tr>
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</table>