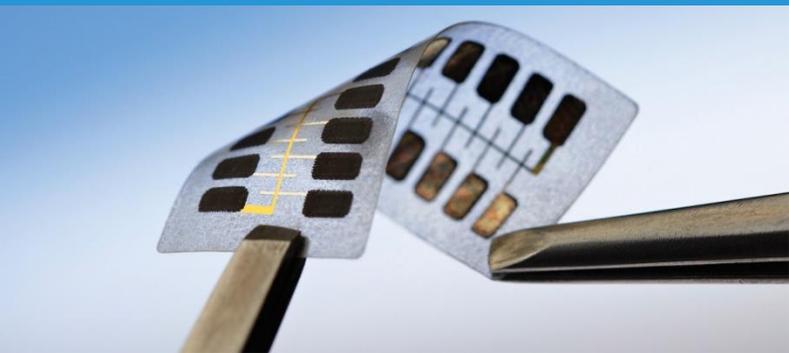




Xerox: A New Beginning



Introduction and Strategic Overview

Jeff Jacobson

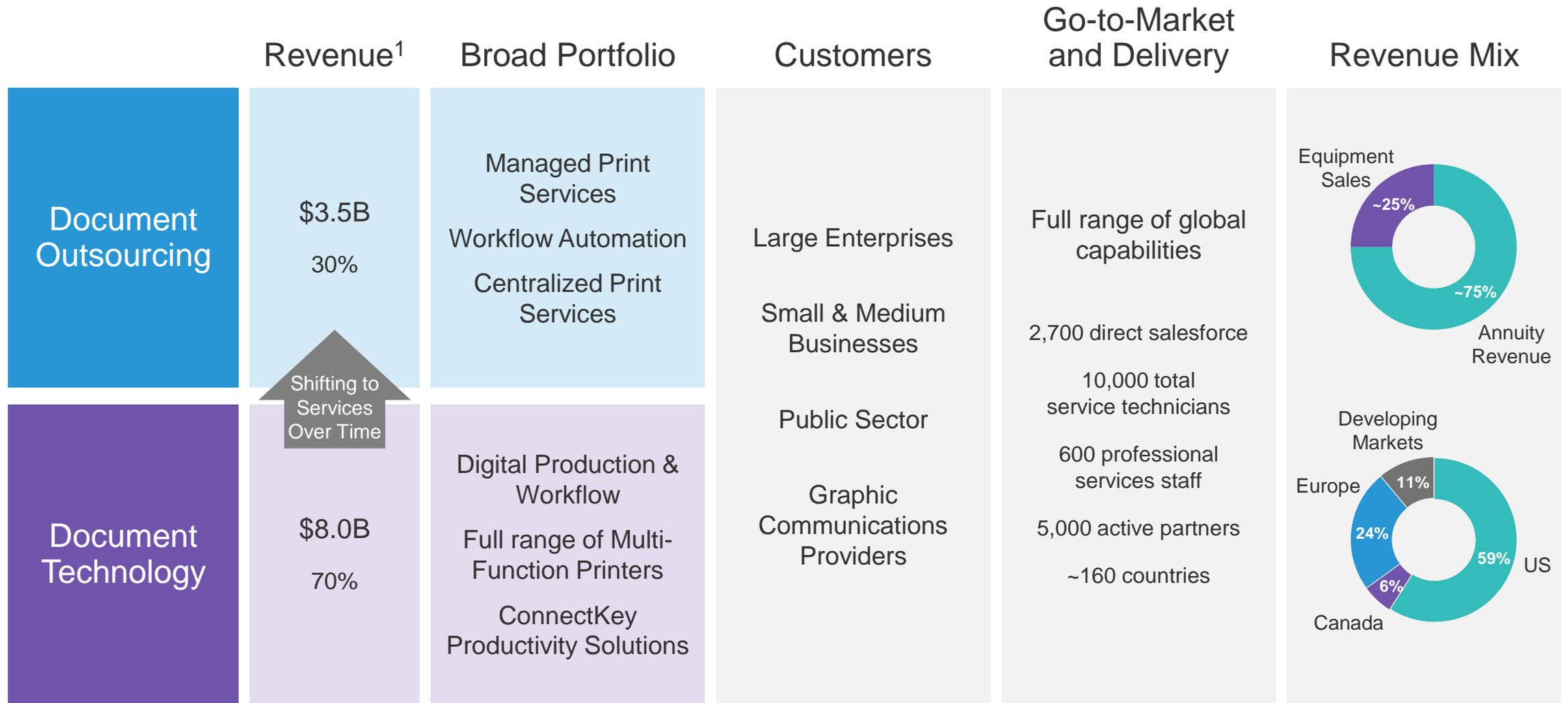


The New Xerox – Well Positioned for the Future

A Attractive Business Model	Significant market opportunity of ~\$85B Bundled contracts model creates “stickiness” with >75% annuity revenue and strong cash flow
B Laser Focus on Cost and Productivity	Track record of strong cost / productivity discipline Accelerating productivity through \$1.5B+ transformation program
C Well Positioned to Capitalize on Areas of Growth	Clear plan to increasing participation in growing market segments Building a leading Market Platform through our largest ever product launch and enhancing and expanding our channel reach
D Balanced Shareholder Return	Committed to investment grade rating profile Strong free cash flow ¹ supports attractive dividend and shareholder returns

We are assembling a high performing team with a blend of our strongest current operators, coupled with highly skilled external hires, driven to exceeding expectations

Xerox at a Glance



4 ¹ FY 2015 revenue on a post-separation basis. Other revenue is included in Document Technology.



Leading Positions in Large Markets with Opportunities for Growth

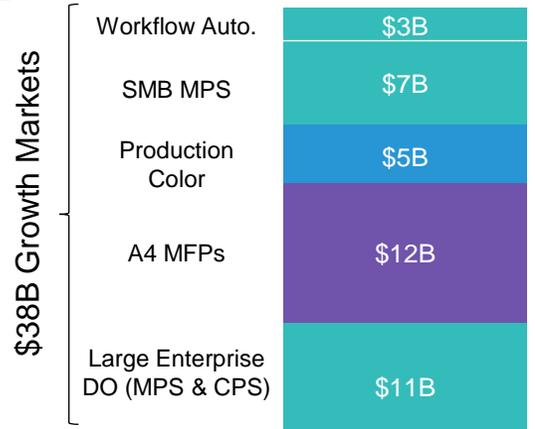
A Attractive Business Model

~\$85B Market¹

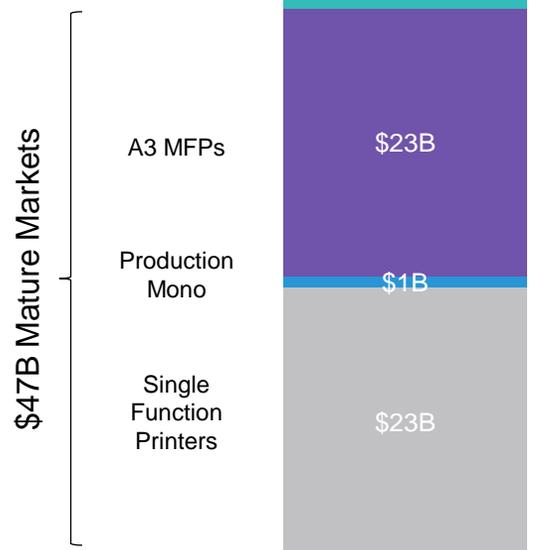
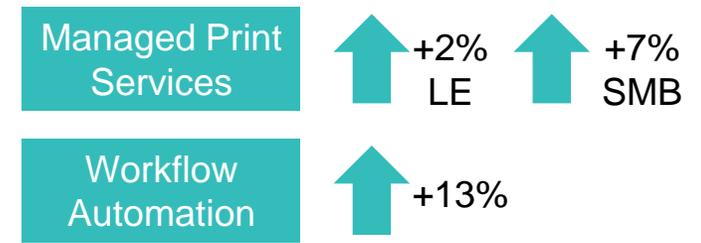
Strengths²

Strategic Growth Areas

Market Growth



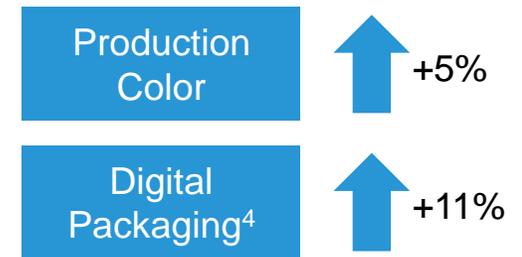
#1 in large enterprise MPS and Centralized Print Services



#1 in A3 MFPs
Broadest Industry Solutions Portfolio³



#1 in production cut sheet (color & mono)



¹ Estimated 2016 total market size excluding Fuji Xerox territories. Source: IDC and Xerox internal analysis.

² A3 MFP and Production positioning based on equipment revenue market share.

³ As recognized by Buyers Laboratory in 2014, 2015 and 2016.

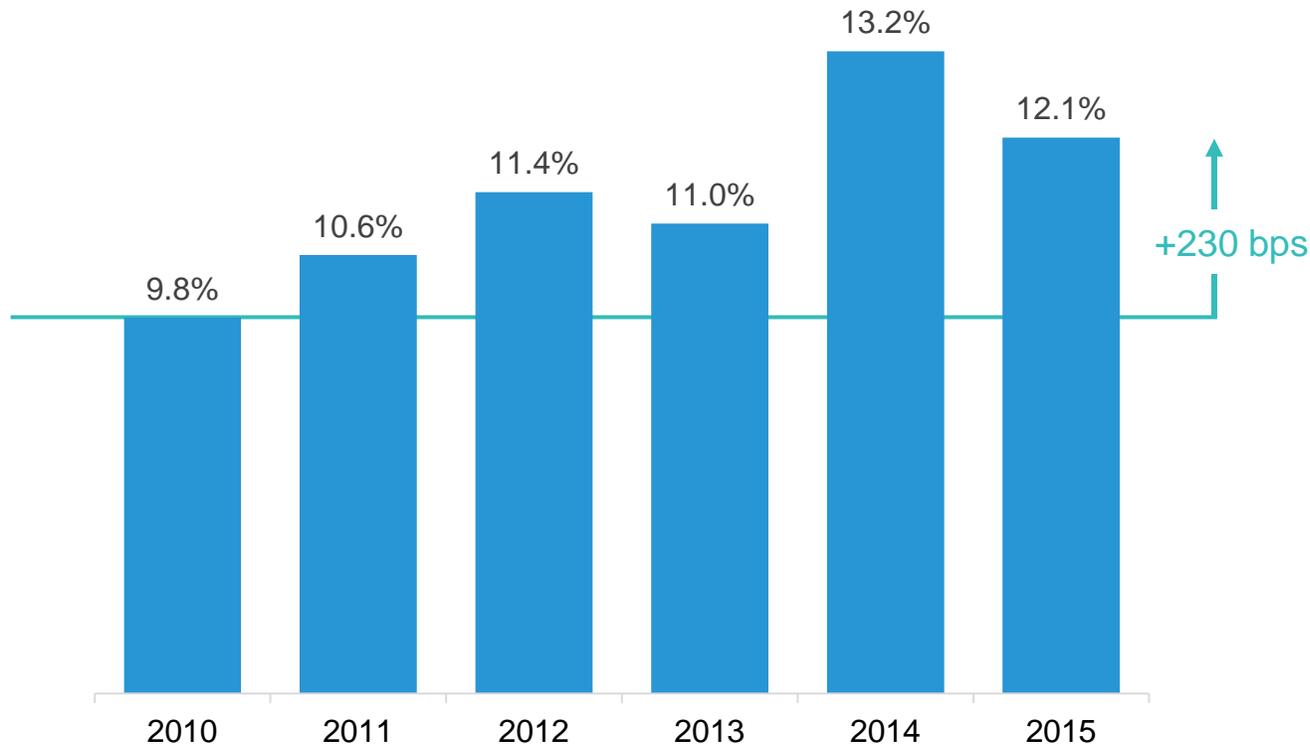
⁴ Digital packaging is a \$0.6B market that is a subset of Production Color.

Note: CAGRs reflect 2016E – 2019E growth. SMB = Small & Medium Business; DO = Document Outsourcing; MFP = Multifunction Printer; MPS = Managed Print Services; LE = Large Enterprise; CPS = Centralized Print Services



Track Record of Strong Margins

Strong, Consistent Margin Improvement¹ (Document Technology + Document Outsourcing)



Operational Excellence

~230 bps
Total margin expansion
(last 5 years)

\$300 – \$350M
Annual productivity savings
(last 3 years)

¹ Reflects the combined historical segment margins for Document Technology and Document Outsourcing businesses. Including retirement-related adjustments, margins in 2013, 2014 and 2015 would be 12.6%, 13.9% and 13.2%, respectively.

Clear Path to Achieving Transformation Program

Sources of Productivity and Cost Savings

Delivery

- MPS delivery
- Technical service
- Remote connectivity

Cost of Production

- Manufacturing
- RD&E and design efficiency

Sales & Contracting

- Sales productivity
- Pricing tools
- Real estate

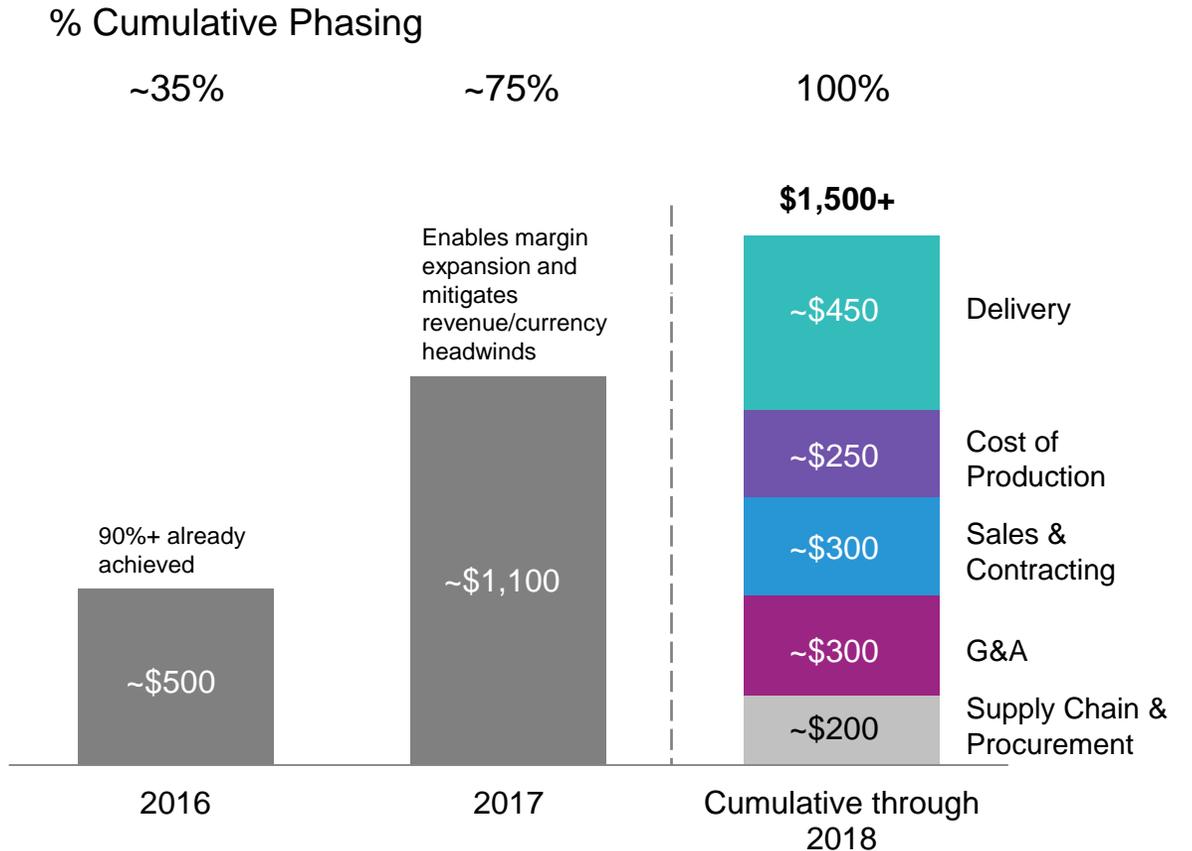
G&A

- IT
- Finance
- Management structure
- Facilities

Supply Chain & Procurement

- Integrated supply chain
- Procurement

Cumulative Gross Productivity & Cost Savings (\$M)



Full transformation benefits recognized in 2018 and beyond, as productivity continues and flow through of new product introductions are realized

Strategy to Improve Revenue Trajectory

C Well Positioned to Capitalize on Areas of Growth

<p>Document Outsourcing</p> 	<p>Managed Print Services</p>	<p>Gain share in SMB through channel partner recruitment Increase dedicated new logo sales coverage</p>
	<p>Workflow Automation</p>	<p>Invest in professional services offering and grow managed workflow solutions (i.e., industries and horizontals)</p>
<p>Connected Office Solutions</p> 	<p>A4 MFPs</p>	<p>Increase share with strengthened product portfolio and expanded distribution capacity</p>
<p>Graphic Communications & High-End Production</p> 	<p>Production Color</p>	<p>Build upon leadership in color cut sheet while investing to capture growth in inkjet</p>
	<p>Digital Packaging</p>	<p>Bring extensive digital print & workflow expertise to the market</p>

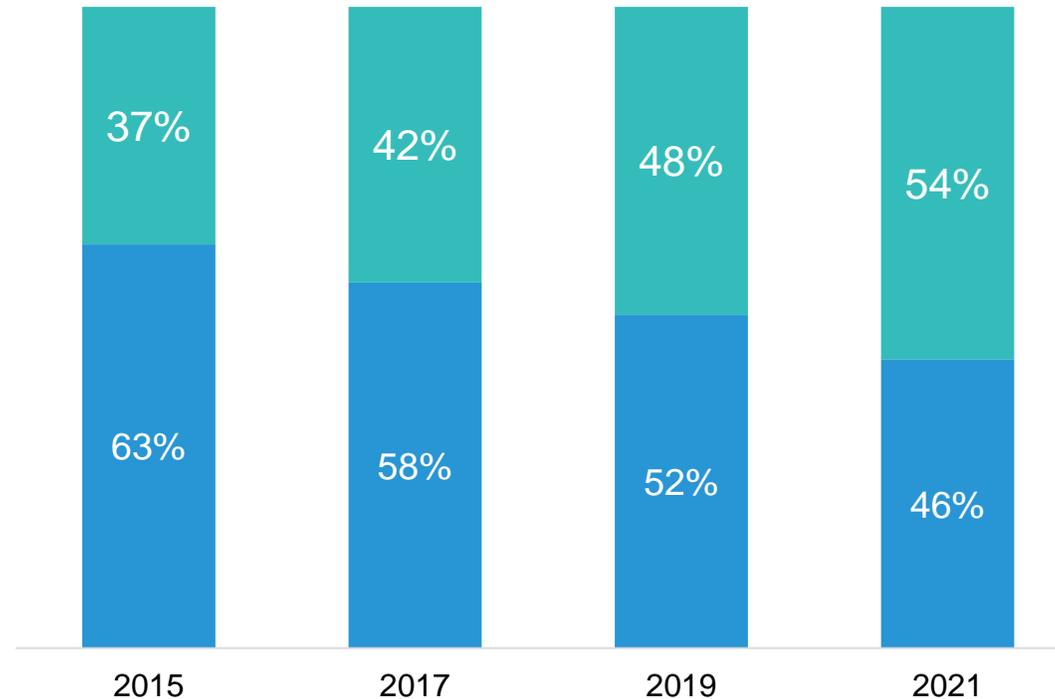
Shifting Revenue Mix Towards Growth

C Well Positioned to Capitalize on Areas of Growth

Strategic Growth Areas

- Expanding Leadership in DO with Enterprise strength and expanding SMB offerings
- Increased SMB coverage with Multi-Brand Dealers and continued Global Imaging acquisitions
- A4 Share Gain with strengthened portfolio and increased distribution capacity
- Gain Share in Digital Color Production through continued innovation and growth in new markets

Revenue Mix Shift



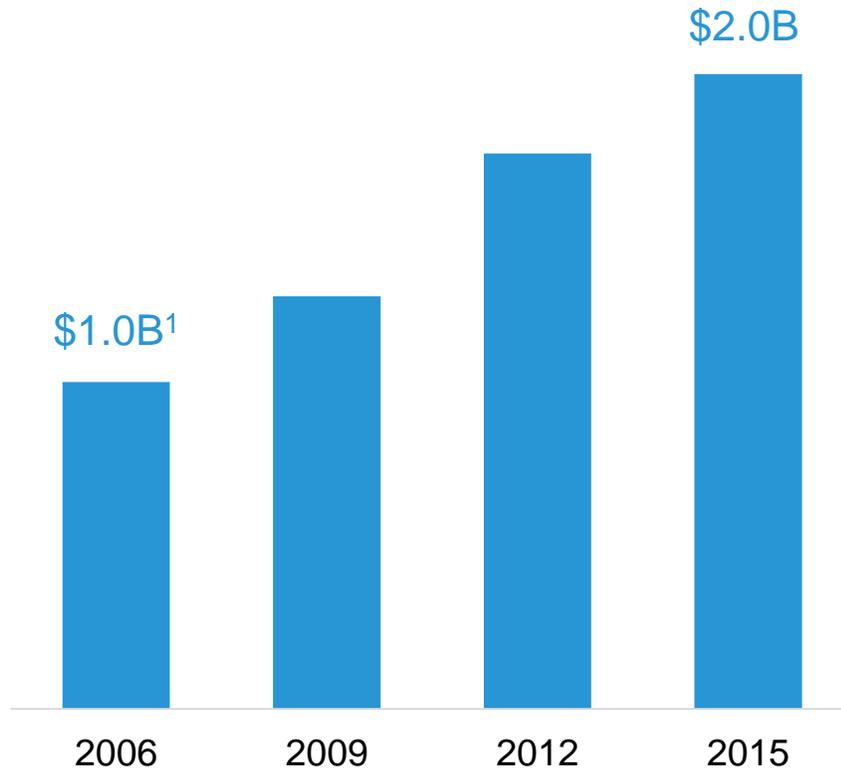
- | | |
|------------------------------|-------|
| Growth Markets | CAGR |
| • A4 MFPs | +3% |
| • Large Enterprise MPS | +2% |
| • Production Color | +5% |
| • SMB MPS | +7% |
| • Workflow Automation | +13% |
| Mature Markets | CAGR |
| • A3 MFPs | (5%) |
| • Centralized Print Services | (0%) |
| • Production Mono | (11%) |
| • Single-Function Printers | (8%) |

Improves revenue mix ~3 points each year



Proven Growth Model with Distribution Acquisitions

Global Imaging Systems Revenue



Summary

- In 2007, Xerox acquired Global Imaging Systems (GIS), a leading U.S. distributor of business technology solutions
 - GIS companies sell and service a full range of document management solutions
 - Founded in 1994, GIS has expanded by acquiring strong local multi-brand distributors and now operates across 40 states
- GIS revenue has doubled since being acquired; ~2/3 through additional acquisitions
- Strong acquisition integration model and business case realization
- Continuing to pursue high quality acquisitions

Distribution acquisitions support growth strategies in MPS, A4 and A3

Target Financial Model

D Balanced Shareholder Return

Revenue Outlook	Trajectory to outperform market trend
Operating Margin ¹	Expanding to 12.5% - 14.5% target
Leverage Profile	Maintain investment grade rating
Dividend Policy	Attractive dividend; expected to grow with earnings and free cash flow ¹
Capital Allocation	Strong return of capital through dividends, share repurchases, strategic organic investments and targeted M&A



Today's Discussion



Jeff Jacobson
Chief Executive Officer

Introduction and Strategic Overview



Kevin Warren
Chief Commercial Officer

Innovation and Portfolio Strength



Mike Feldman
President, North America

Document Outsourcing Opportunity



Leslie Varon
Chief Financial Officer

Financial Overview