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): December 7, 2016

XEROX CORPORATION
(Exact name of registrant as specified in its charter)

New York	001-04471	16-0468020
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

P. O. Box 4505
45 Glover Avenue
Norwalk, Connecticut
06856-4505
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (203) 968-3000

Not Applicable
(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 (see General Instruction A.2. below):

☐ 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 7.01. Regulation FD Disclosure.

On December 7, 2016 Registrant held its annual Investor Conference in New York City and is furnishing to the Securities and Exchange Commission as exhibits to this Report under Item 7.01 of Form 8-K the following: a copy of the Investor Conference press release (Exhibit 99.1), a copy of the Investor Conference presentation (Exhibit 99.2) and a copy of Registrant's preliminary estimates of its financial results from continuing operations, excluding income taxes and equity income, subsequent to the classification of Conduent Incorporated as a discontinued operation upon Conduent's separation from Xerox expected to occur as of December 31, 2016 (Exhibit 99.3). The press release was issued prior to commencement of the Investor Conference.

Exhibit 99.2 to this Report contains certain financial measures that are considered "non-GAAP financial measures" as defined in the SEC rules. Exhibit 99.2 to this Report also contains the reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles, as well as the reasons why Registrant's management believes that presentation of the non-GAAP financial measures provides useful information to investors regarding Registrant's results of operations and, to the extent material, a statement disclosing any other additional purposes for which Registrant's management uses the non-GAAP financial measures.

The information contained in Item 7.01 of this Report and in Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 to this Report shall not be deemed "filed" with the Commission for purposes of Section 18 of the Exchange Act of 1934, as amended, or otherwise subject to the liability of that section.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Registrant's press release dated December 7, 2016 regarding Investor Conference
99.2	Registrant's Investor Conference presentation dated December 7, 2016
99.3	Registrant's preliminary estimates of its financial results from continuing operations, excluding income taxes and equity income, subsequent to the classification of Conduent Incorporated as a discontinued operation upon Conduent's separation from Xerox expected to occur as of December 31, 2016

Forward Looking Statements

This Current Report on Form 8-K and any exhibits to this Current Report may contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “will,” “should” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations, including with respect to the proposed separation of the Business Process Outsourcing (“BPO”) business from the Document Technology and Document Outsourcing business, the expected timetable for completing the separation, the future financial and operating performance of each business, the strategic and competitive advantages of each business, future opportunities for each business and the expected amount of cost reductions that may be realized in the cost transformation program, and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the United States and in the foreign countries in which we do business; changes in foreign currency exchange rates; our ability to successfully develop new products, technologies and service offerings and to protect our intellectual property rights; the risk that multi-year contracts with governmental entities could be terminated prior to the end of the contract term and that civil or criminal penalties and administrative sanctions could be imposed on us if we fail to comply with the terms of such contracts and applicable law; the risk that our bids do not accurately estimate the resources and costs required to implement and service very complex, multi-year governmental and commercial contracts, often in advance of the final determination of the full scope and design of such contracts or as a result of the scope of such contracts being changed during the life of such contracts; the risk that subcontractors, software vendors and utility and network providers will not perform in a timely, quality manner; service interruptions; actions of competitors and our ability to promptly and effectively react to changing technologies and customer expectations; our ability to obtain adequate pricing for our products and services and to maintain and improve cost efficiency of operations, including savings from restructuring actions and the relocation of our service delivery centers; the risk that individually identifiable information of customers, clients and employees could be inadvertently disclosed or disclosed as a result of a breach of our security systems; the risk in the hiring and retention of qualified personnel; the risk that unexpected costs will be incurred; our ability to recover capital investments; the risk that our Services business could be adversely affected if we are unsuccessful in managing the start-up of new contracts; the collectability of our receivables for unbilled services associated with very large, multi-year contracts; reliance on third parties, including subcontractors, for manufacturing of products and provision of services; our ability to expand equipment placements; interest rates, cost of borrowing and access to credit markets; the risk that our products may not comply with applicable worldwide regulatory requirements, particularly environmental regulations and directives; the outcome of litigation and regulatory proceedings to which we may be a party; the possibility that the proposed separation of the BPO business from the Document Technology and Document Outsourcing business will not be consummated within the anticipated time period or at all, including as the result of regulatory, market or other factors; the potential for disruption to our business in connection with the proposed separation; the potential that BPO and Document Technology and Document Outsourcing do not realize all of the expected benefits of the separation; and other factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 2016 and our 2015 Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”). Such factors also include, but are not limited to, the factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section and other sections of the Conduent Incorporated Form 10 Registration Statement, as amended, filed with the SEC. Xerox assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly authorized this Report to be signed on its behalf by the undersigned duly authorized.

Date: December 7, 2016

XEROX CORPORATION

By: ***/s/ Douglas H. Marshall***
Douglas H. Marshall
Assistant Secretary

EXHIBIT INDEX

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Exhibit 99.1

News from Xerox

For Immediate Release

Xerox Corporation
45 Glover Avenue
P.O. Box 4505
Norwalk, CT 06856-4505

Tel +1-203-968-3000

Xerox Outlines Strategy at Investor Conference

Leader in an $85 billion market with focus on driving continued strong cash flow, margin expansion, and improving revenue trajectory

NEW YORK, Dec. 7, 2016 – Xerox (NYSE: XRX) today will hold an Investor Conference to provide details on its business strategy and long-term financial model as a standalone company. Xerox expects to complete the separation of Conduent Incorporated on Dec. 31, 2016.

“Today, we unveil the new Xerox, a company dedicated to helping our customers innovate how they communicate, connect and work to drive greater productivity,” said Jeff Jacobson, CEO of Xerox following the separation. “Our strategy builds on our solid financial foundation to drive strong cash generation and margin expansion while improving our revenue trajectory over the long term. We remain committed to delivering attractive, balanced returns for our shareholders.”

Delivering on the New Xerox

During the conference, Xerox will outline actions to position itself for continued leadership in the digital print technology market and to drive strong shareholder returns that include:

- **Accelerated productivity and cost initiatives:** The company continues to drive its three-year strategic transformation program to deliver at least $1.5 billion in productivity gains and cost savings for the standalone entity. The program will further accelerate Xerox’s operational excellence and cost competitiveness.

- **Renewed focus on growth markets:** Xerox will invest in areas of strength and growth such as document outsourcing and color production, and will execute strategies to increase its participation in underpenetrated markets, including small- and medium-sized businesses. As a result, the company will shift its revenue mix toward growing markets to increasingly offset declines in mature areas.

- **Game-changing global product launch and market expansion:** Further solidifying its market leadership and supporting its revenue objectives, Xerox is gearing up for the largest new product launch in its history. The launch will enhance its connected office portfolio with secure, smart multifunction devices with high performance apps, on-the-go print capabilities and cloud-connectivity. It will also support channel expansion, particularly in the $20 billion multi-brand reseller space, by providing partners a broader set of products, solutions and vertically integrated tools, technology and service delivery processes.

- **Ongoing commitment to shareholder returns:** With a leadership position in equipment revenue and the stability of a largely annuity-based business and cash flow, the new Xerox will be well positioned to deliver attractive, balanced shareholder returns. Demonstrating its ongoing commitment to shareholders, Xerox announced an expected annualized per share dividend of $0.25 after the separation.

Target Financial Model

At the event, Xerox will highlight the company's compelling investment proposition and long-term financial goals. The new Xerox expects to:

- Expand operating margins to be in the range of 12.5 – 14.5 percent in the near term by delivering at least $1.5 billion cumulative gross productivity and cost savings by 2018 from its strategic transformation program;
- Increase contribution from strategic growth areas to 50 percent of total company revenue by 2020 and to outperform the market over the long term;
- Continue to generate robust free cash flow supported by annuity-driven revenues;
- Maintain a strong balance sheet and investment grade rating;
- Provide a strong return of capital through dividends and share repurchases along with targeted M&A.

The company will provide guidance for fiscal year 2017 at its fourth quarter 2016 earnings announcement in late January.

Webcast Information

A live audio webcast of today's event along with relevant presentation materials will be available at https://www.news.xerox.com/investors at 9 a.m. ET. A replay of the webcast can be found following the presentation at the same link.

About Xerox

Xerox is helping change the way the world works. By applying our expertise in imaging, business process, analytics, automation and user-centric insights, we engineer the flow of work to provide greater productivity, efficiency and personalization. Our employees create meaningful innovations and provide business process services, printing equipment, software and solutions that make a real difference for our clients and their customers in 180 countries. On January 29, 2016, Xerox announced its plans to separate into two independent, publicly traded companies – Xerox Corporation, which will be comprised of the company's Document Technology and Document Outsourcing businesses, and Conduent Incorporated, a business process services company. Learn more at www.xerox.com.

Non-GAAP Measures

This release refers to the following non-GAAP financial measures:

- Operating margin, which includes equity in net income of unconsolidated affiliates and excludes the following items - Non-service retirement related costs; Restructuring and related costs; Amortization of intangible assets; Separation costs; and Other expense, net.
- Free cash flow, which is cash flow from operations less capital expenditures including internal use software.

Refer to the “Non-GAAP Financial Measures” section of the Xerox Investor Day Presentation for a further discussion of these non-GAAP measures and their reconciliation to the reported GAAP measure.

Forward-Looking Statements

This release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “will,” “should” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations, including with respect to the proposed separation of the Business Process Outsourcing (“BPO”) business from the Document Technology and Document Outsourcing business, the expected timetable for completing the separation, the future financial and operating performance of each business, the strategic and competitive advantages of each business, future opportunities for each business and the expected amount of cost reductions that may be realized in the cost transformation program, and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the United States and in the foreign countries in which we do business; changes in foreign currency exchange rates; our ability to successfully develop new products, technologies and service offerings and to protect our intellectual property rights; the risk that multi-year contracts with governmental entities could be terminated prior to the end of the contract term and that civil or criminal penalties and administrative sanctions could be imposed on us if we fail to comply with the terms of such contracts and applicable law; the risk that our bids do not accurately estimate the resources and costs required to implement and service very complex, multi-year governmental and commercial contracts, often in advance of the final determination of the full scope and design of such contracts or as a result of the scope of such contracts being changed during the life of such contracts; the risk that subcontractors, software vendors and utility and network providers will not perform in a timely, quality manner; service interruptions; actions of competitors and our ability to promptly and effectively react to changing technologies and customer expectations; our ability to obtain adequate pricing for our products and services and to maintain and improve cost efficiency of operations, including savings from restructuring actions and the relocation of our service delivery centers; the risk that individually identifiable information of customers, clients and employees could be inadvertently disclosed or disclosed as a result of a breach of our security systems; the risk in the hiring and retention of qualified personnel; the risk that unexpected costs will be incurred; our ability to recover capital investments; the risk that our Services business could be adversely affected if we are unsuccessful in managing the start-up of new contracts; the collectability of our receivables for unbilled services associated with very large, multi-year contracts; reliance on third parties, including subcontractors, for manufacturing of products and provision of services; our ability to expand equipment placements; interest rates, cost of borrowing and access to credit markets; the risk that our products may not comply with applicable worldwide regulatory requirements, particularly environmental regulations and directives; the outcome of litigation and regulatory proceedings to which we may be a party; the possibility that the proposed separation of the BPO business from the Document Technology and Document Outsourcing business will not be consummated within the anticipated time period or at all, including as the result of regulatory, market or other factors; the potential for disruption to our business in connection with the proposed separation; the potential that BPO and Document Technology and Document Outsourcing do not realize all of the expected benefits of the separation; and other factors that are set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other sections of our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 2016, and our 2015 Annual Report on Form 10-K filed with the SEC. Such factors also include, but are not limited to, the factors that are set forth in the "Risk Factors" section, the "Legal Proceedings" section and other sections of the Conduent Incorporated Form 10 Registration Statement, as amended, filed with the SEC. Xerox assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

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Note: To receive RSS news feeds, visit https://www.news.xerox.com. For open commentary, industry perspectives and views visit http://twitter.com/xerox, http://www.linkedin.com/company/xerox, http://simplifywork.blogs.xerox.com, http://www.facebook.com/XeroxCorp, http://www.youtube.com/XeroxCorp.

Exhibit 99.2

Xerox: A New Beginning

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Introduction and Strategic Overview

Jeff Jacobson

The New Xerox – Well Positioned for the Future

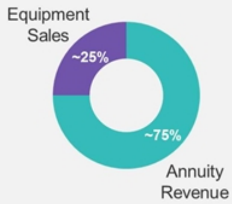
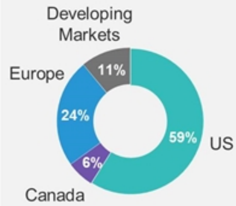
A	Attractive Business Model	Significant market opportunity of ~$85B Bundled contracts model creates “stickiness” with >75% annuity revenue and strong cash flow
B	Laser Focus on Cost and Productivity	Track record of strong cost / productivity discipline Accelerating productivity through $1.5B+ transformation 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

[1] Free Cash Flow: see Non-GAAP Financial Measures.

Xerox at a Glance

Ⓐ Attractive Business Model

	Revenue[1]	Broad Portfolio	Customers	Go-to-Market and Delivery	Revenue Mix
Document Outsourcing	$3.5B 30%	Managed Print Services Workflow Automation Centralized Print Services	Large Enterprises Small & Medium Businesses Public Sector Graphic Communications Providers	Full range of global capabilities 2,700 direct salesforce 10,000 total service technicians 600 professional services staff 5,000 active partners ~160 countries	 
Document Technology	$8.0B 70%	Digital Production & Workflow Full range of Multi-Function Printers ConnectKey Productivity Solutions			

Shifting to Services Over Time

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

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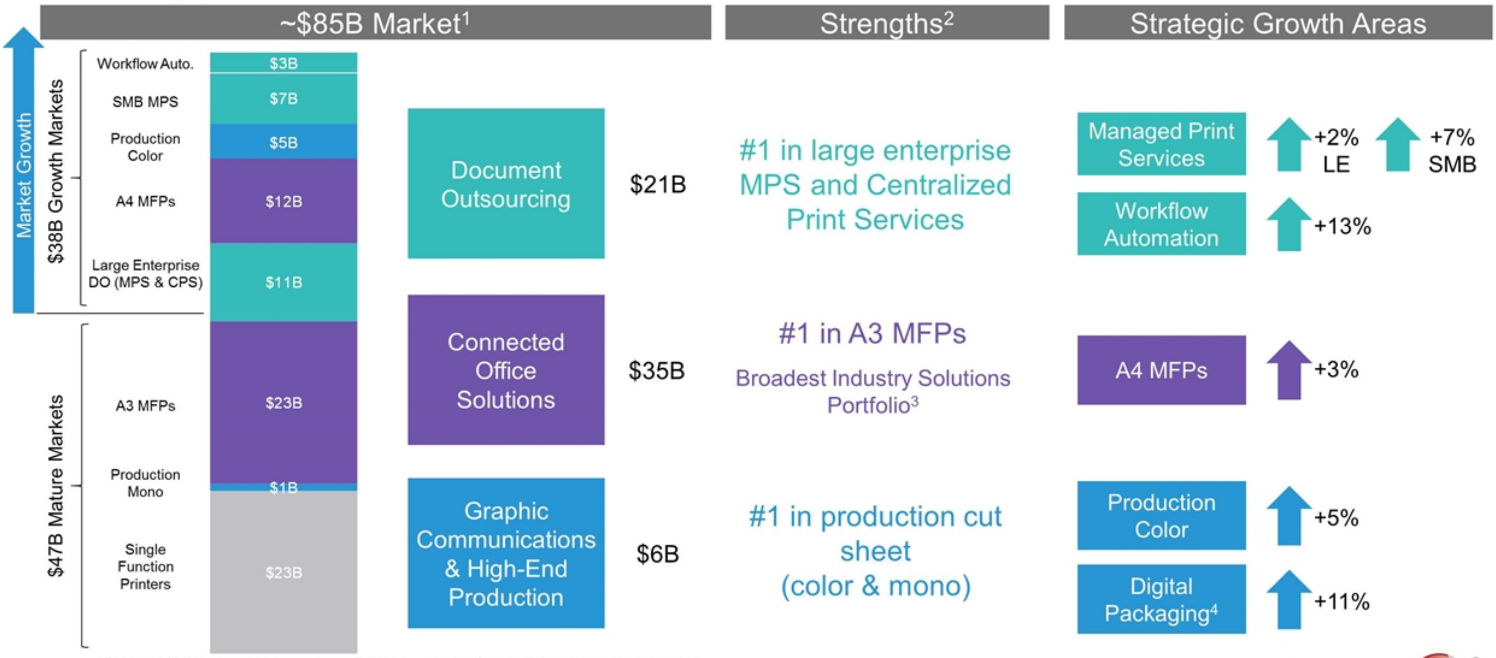
Leading Positions in Large Markets with Opportunities for Growth

Ⓐ Attractive Business Model



[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

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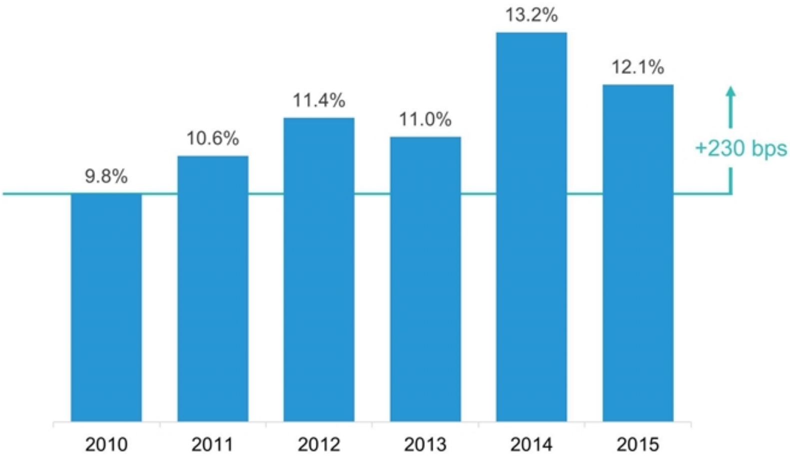
Track Record of Strong Margins

B Laser Focus on Cost and Productivity

Strong, Consistent Margin Improvement[1]

(Document Technology + Document Outsourcing)



Operational Excellence

~230 bps

Total margin expansion
(last 5 years)

$300 – $350M

Annual productivity savings
(last 3 years)

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[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

B Laser Focus on Cost and Productivity

Sources of Productivity and Cost Savings

Delivery
- MPS delivery
- Technical service
- Remote connectivity

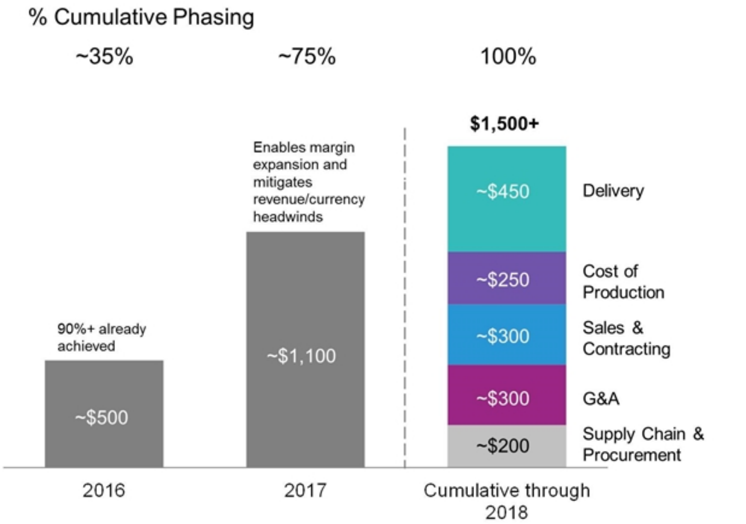
Cost of Production
- Manufacturing
- RD&E and design efficiency

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

Note: There is approximately $300 to $350M in traditional ongoing productivity included in gross productivity. MPS = Managed Print Services

Strategy to Improve Revenue Trajectory

C Well Positioned to Capitalize on Areas of Growth

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

Note: SMB = Small & Medium Business; MFP = Multifunction Printer

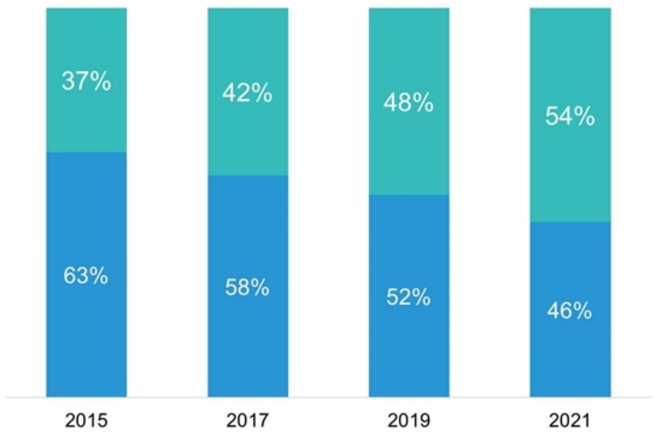
Shifting Revenue Mix Towards Growth

Ⓒ 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

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

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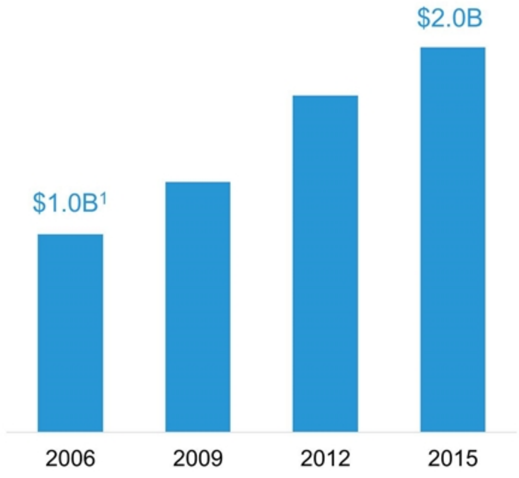
Proven Growth Model with Distribution Acquisitions

C Well Positioned to Capitalize on Areas of Growth

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

[1]Revenue is pre-acquisition.
Note: MPS = Managed Print Services

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

[1] Operating Margin and Free Cash Flow: see Non-GAAP Financial Measures.

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

Innovation and Portfolio Strength

Kevin Warren

Four Strategic Growth Planks

1. 
Strengthening our Connected Office Portfolio

2. 
Increasing Participation in SMB and the Mid-Market

3. 
Growing in Graphic Communications and High-End Production

4. 
Expanding Market Leadership in Document Outsourcing

Major Shifts in the Office Workplace

Work is moving from a physical location to a virtual and multi-dimensional workplace

Xerox Vision

The Connected and Intelligent Workplace

- Mobile access and remote collaboration
- Secure interaction to and from the cloud
- User experience consistent with consumer devices
- Smart, automated workflow
- Customizable application interface and user profiles

Xerox Connected Office for The Intelligent Workplace

One family of products and solutions

Largest launch in Xerox history coming in 2017

Differentiated Xerox Connected Office Portfolio	
Mobility	MPS ready
Tablet-like interface	Secure Workflow
Unified platform	Improved cost structure

29 new products
Xerox® ConnectKey® Technology

Industry's largest solutions enabled portfolio with consistent user experience from the simplest A4 device to the most robust A3 MFP

Aggressive focus on expanded routes to market with robust portfolio

Note: MPS = Managed Print Services; MFP = Multifunction Printer

Strengthening Xerox's Position in the Connected Office

A3 Multifunction Printers		
Market Opportunity	Market Growth	Xerox Share
$23B maturing market	-5% CAGR '16-19	22% rank # 1

Defend and expand our leadership

A4 Multifunction Printers		
Market Opportunity	Market Growth	Xerox Share
$12B growing market	+3% CAGR '16-19	6% rank # 9

Gain share in the areas of market growth

Competitive Differentiators

- Platform Driven Portfolio & MPS Ready Technology
- Newly enabled Vertical Solutions and Applications
- Benchmark Cost Competitiveness
- Channel-ready platform and expanding SMB reach

Source: 2016 CSI market forecast, IDC and Internal Xerox estimates. 2015 market share is based on equipment revenue share.
Note: MFP = Multifunction Printer; MPS = Managed Print Services; SMB = Small & Medium Business

Independent Multi-brand Dealer Market Opportunity

75%+ of SMB market serviced by indirect channels

U.S. Example

Total Dealer Pool

~2,500 independent office equipment dealers across the country

Untapped Dealer Pool

~300 dealers with $5M-$10M rev.

~200 dealers with >$10M rev.

Playbook

- Rapid Recruitment
- Continue targeted acquisitions
- Capture share of wallet

Recruit & Activate

2017 footprint growth engines:

- New and differentiated office portfolio
- Channel Managed Print Services
- Partner-centric infrastructure and marketing support
- Building channel expertise including top talent recruitment

Note: SMB = Small & Medium Business

Increasing Participation in SMB and the Mid-Market

SMB Office Market Size and Growth			
Non-Services	Basic Print Services	Managed Print Services	A4*
$34B ↓(9)%	$10B ↑7%	$7B ↑7%	$12B ↑3%

*A4 is total market including SMB and Large Enterprise

- Recruit & activate to grow our footprint in multi-brand dealer channel among the 750 large dealers WW
- Acquire and integrate multi-brand channel via Global Imaging Systems and European Channels
- Become preferred channel partner through investment in talent, infrastructure and partner programs
- SMB-focused portfolio and MPS support and demand generation

Tremendous opportunity to more aggressively target the **$20B** worldwide multi-brand dealer market

Source: 2016 CSI market forecast, IDC and Internal Xerox estimates
Note: CAGRs reflect 2016E-2019E growth. SMB = Small & Medium Business; MPS = Managed Print Services

Xerox Value Proposition Attracts Strong and Established Multi-Brand Dealers

Usherwood Office Technology

- Founded in 1976
- Leading regional provider in the Northeast
- Services 7,000 clients across five states

"We chose to engage Xerox for three reasons: the power of their brand, the breadth of their product line, and their increasing commitment to the channel approach."

Lou Usherwood
CEO, Usherwood Office Technology

Virginia Business Systems

- Founded in 1954
- Leading dealership
- 11 locations in Eastern Pennsylvania and Central Virginia

"As a top tier dealership, we have access to any number of manufacturers and we wanted to partner with the best, and Xerox is one of them…We are excited about the product line and about the potential in the areas where Xerox has done very well."

Jim Dotter
President, Virginia Business Systems

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Growing in Graphic Communications & High-End Production Color

Well Positioned for Leadership and Growth		
Color Market Opportunity	Color Market Growth	Xerox Color Share
$5B	+5% CAGR '16-19	29% rank # 1 in color documents

Capitalize on the Color Digital market growth opportunity

Conversion to digital: only **3%** of **50 trillion** pages are digital; conversion and inkjet technology drive color digital market growth

Color CF Inkjet: attractive with a **$1.7B** market and **10%** CAGR

Target Areas for Growth

Leading in color cut sheet

- Continuous innovation: xerographic and inkjet technologies
- Award-winning color cut sheet: expanded portfolio with 5 new products in 2017

Brenva™ HD Inkjet Press

Xerox® iGen®

Capture new markets

- CF inkjet: capture higher value page migration
- Expanded capabilities: through extensions to Rialto and Trivor in 2017
- Digital packaging: bring our digital know-how to the market growing at +11% CAGR

Rialto 900 Roll to Cut Sheet

Trivor 2400 SED Continuous Feed

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Source: Internal Xerox CSI estimates; Smithers-Pira 2016. 2015 market share is based on equipment revenue share.
Note: CF = Continuous Feed

Innovation at Xerox enables our #1 market share position for 27 consecutive quarters

RD&E Spending	Research Talent
~$1B across Xerox and Fuji Xerox	**World-Class** including Palo Alto Research Centre

2015 Patent Awards	2015 Patent Filings
>1,500 U.S. Xerox and Fuji Xerox	**>40%** were software, solutions and analytics

Breakthroughs in digital printing and the intelligent office to drive growth

High-end digital printing for documents and beyond	• iGen folding carton • Inkjet CF • Cross-media marketing	• Inkjet for packaging • Direct to object printing
Improving the productivity of work	• Managed print services • Workflow automation	• Automated workflow discovery • Predictive analytics

Creating new markets with digital technologies

Printed electronics | Augmented reality | Intelligent assistants | Digital workplace

Printed smart tags with analytics & real time multimedia

Market Share Source: Xerox Analysis of IDC Data; reflects equipment revenue share.
Note: CF = Continuous Feed

An Example of Xerox Innovation

More can be viewed during the Innovation Solutions Exhibit

Four Strategic Growth Planks

1

Strengthening our Connected Office Portfolio

2

Increasing Participation in SMB and the Mid-Market

3

Growing in Graphic Communications and High-End Production

4

Expanding Market Leadership in Document Outsourcing

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Document Outsourcing Opportunity

Mike Feldman

Introduction to Document Outsourcing

Industry Leader with Unparalleled Capabilities

#1 Player in a $21B Market

- Market share leader
- Considered the industry leader across major analyst firms

IDC Analyze the Future
InfoTrends
Gartner
quocirca

Broadest Range of Solutions

- Workplace Solutions
- Business Process Solutions
- Communications & Marketing Solutions

Innovative Next Generation Strategy

- Next-generation Managed Print Services strategy:

  Assess & Optimize → Secure & Integrate → Automate & Simplify

- Continuous improvement

The Most Comprehensive Portfolio for Digital Transformation

Reporting and Analytics

Assessments and Consulting

Xerox Document Outsourcing Solutions

Healthcare | Education | Government | Banking | Insurance | Manufacturing | Retail | Legal

Workplace Solutions ⟷ Business Process Solutions ⟷ Communications & Marketing Solutions

Workplace Solutions

- Managed Print
- Personal & Office Productivity
- Content Management
- Records Management

Business Process Solutions

- Business Process & Workflow Automation
- Document & Data Transaction Processing
- Transactional Print & Mail
- Digital Mailroom

Communications & Marketing Solutions

- Document Publishing
- Collateral Management
- Demand Generation
- Product Information Management
- Multichannel Communications

Capabilities

Security | Mobility | Sustainability | Imaging | Creative | Translation | ePublishing

Technology

Xerox ConnectKey Devices	Non-Xerox Devices	Capture and ECM Software	Digital Alternatives Software	Xerox Production Devices	XMPIE Cross-Media Publishing Software	FreeFlow® Production Workflow Software

Global Service Delivery

Note: ECM = Enterprise Content Management

Expanding Market Leadership in Document Outsourcing

Market Opportunity

Document Outsourcing

Market Size	Industry Recognition	MPS Market Share Leader
$21B	#1 Rated by IDC, Gartner, Quocirca & Infotrends	24% Next closest competitor at 14%

Large Enterprises

Market Size	Growth
MPS $6B	+2%
CPS $5B	flat

SMBs

Market Size	Growth
MPS $7B	+7%

Workflow Automation

Market Size	Growth
$3B	+13%

Source: IDC and Internal Xerox estimates for 2016
Note: CAGRs reflect 2016E – 2019E growth. MPS = Managed Print Services; CPS = Centralized Print Services; SMB = Small & Medium Business

Strengthening Leadership in Large Enterprise MPS and CPS

Opportunity

Market Size
MPS $6B
CPS $5B
Large Enterprise Market

Sales Force
~1,800
Direct Sales Reps

Customer Base
96B+
Pages managed annually

Digital Transformation
8
Industries served through our workflow solutions

Capturing Large Enterprise Growth

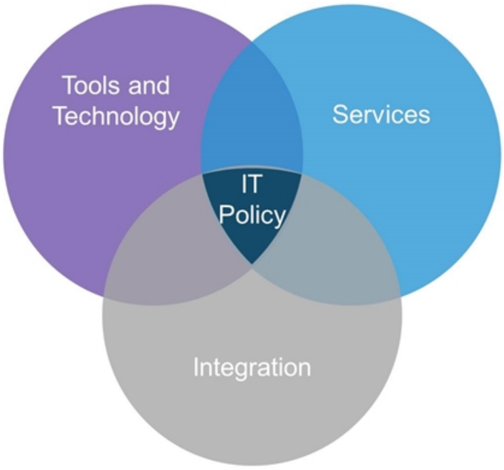
- Clear leader in large enterprise with differentiated solutions and unmatched global delivery capabilities
- Best-in-class sales management process and tools with sales coverage aligned by industry
- Building our professional services capabilities, with over 100 dedicated consultants
- Investing in dedicated new business sales coverage

Source: IDC and Internal Xerox estimates for 2016
Note: MPS = Managed Print Services; CPS = Centralized Print Services

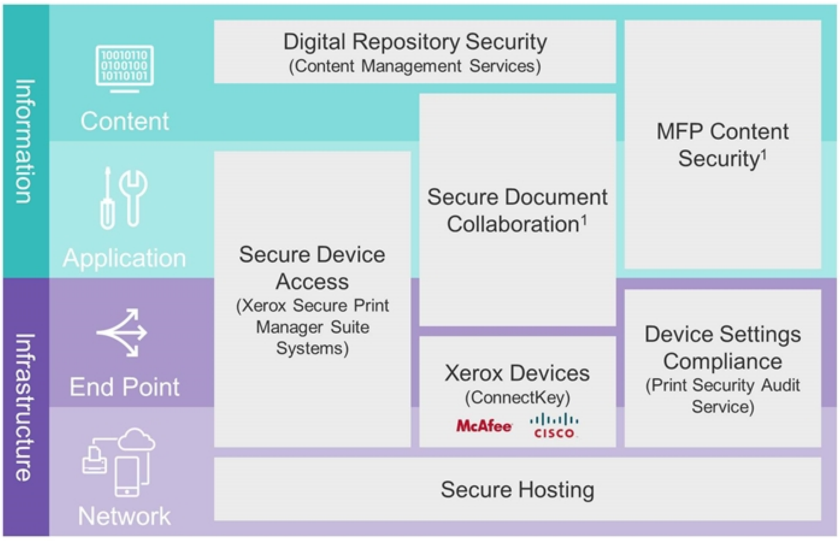
Client Security is at the Core of Our Strategy

Security Approach

Comprehensive suite of security solutions which we integrate into our client's security infrastructure



Broad Range of Capabilities



[1] Currently in pilot phase.
Note: MFP = Multifunction Printer

Xerox Wins USDA Contract for Estimated $110M over 10 Years

USDA
United States Department of Agriculture

Xerox Solution

- Managed Print Services deployment across 3,000+ USDA sites globally
- Installation of up to 16,000 ConnectKey-enabled secure printers and multifunction devices
- Ongoing service and support including help desks, maintenance, analytics and reporting services

Benefits for the USDA

Modernized operations	Improved security
Access to detailed analytics	Reduced spending
Simplified infrastructure	Freed-up vital IT resources

Implications for Xerox

- All new business to Xerox; competitive A4 product knock-out
  - Leveraged new A4 products, demonstrating new product competitiveness and innovation
- Clear competitive advantage from Xerox's unique portfolio strength and breadth
  - Best-in-class security capability
  - Customer-specific solutions enabled through ConnectKey software platform
- Xerox uniquely positioned to support large scope and scale required by the USDA

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Channel Partners will Drive Xerox Growth in SMB MPS Market

Delivering Growth, Creating Value

Market Size

$7B

SMB Market

Potential Customers

~1M

SMB companies in our target markets

Growth Enablers

- New A4 products
- BPS to MPS conversions
- Security features

Served by Partners

75%

of SMB market is served by indirect channels

Differentiated Service Offerings

Broad portfolio

Addresses full spectrum of SMB needs

Unparalleled support for partners

Only OEM with vertically integrated tools, technology, delivery and support

Expanding channel programs

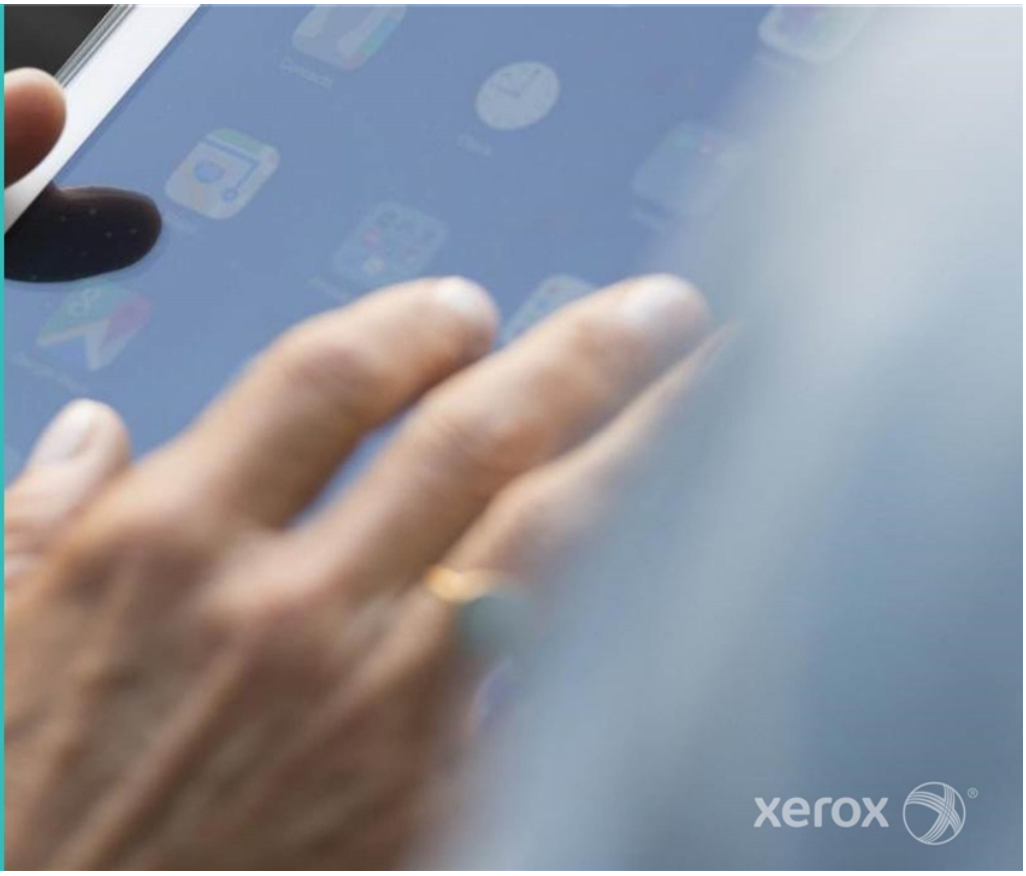
MPS programs to include Office Equipment Dealer and IT / VAR channels

Source: IDC and Internal Xerox estimates for 2016

Note: CAGRs reflect 2016E – 2019E growth. MPS = Managed Print Services; BPS = Basic Print Services; SMB = Small & Medium Business; OEM = Original Equipment Manufacturers; VAR = Value Added Reseller

Xerox Equips Partners to Offer a Complete Service to SMB Customers

Pinnacle
complete office solutions



Broad Range of Workflow Solutions

Workflow Automation is a $3B market expected to grow at 13% annually

Automate and Simplify

Secure and Integrate

Assess and Optimize

Personal & Office Productivity Solutions	Industry Workflow Solutions	Managed Workflow Services
Help knowledge workers automate and simplify their personal and office work experience	Help organizations automate and simplify key industry specialized business processes	Help enterprises automate and simplify the flow of information into high volume business processes
• Online and offline content access across all devices • Team collaboration tools (file sharing, edit tracking, real time work) • Enabling ad-hoc workflows	• Vertical and horizontal process automation solutions • Digitally transforming business processes • Mobile and cloud enabled with process analytics	• Hardcopy and electronic capture • Intelligent indexing, data extraction and processing • Offsite large volume scanning
Customer-Managed	Customer-Managed	Xerox-Managed

Note: CAGR reflects 2016E – 2019E growth.

Xerox is Well-Positioned to Grow in Document Outsourcing

- Attractive market with material growth opportunities
- Leading position in the market by a substantial margin
- Broadest portfolio of solutions, addressing the full set of customer and partner needs
- Next generation strategy to capitalize on digital transformation of businesses

Segment	Large Enterprises[1]	SMBs	Workflow Automation
Opportunity	$11B / +1%	$7B / +7%	$3B / +13%
Strategy	• Further enhance go-to-market • Leverage global delivery capability • Continue innovating best-in-class security and workflow solutions	• Recruit channel partners • Broadest portfolio and MPS tool set • Deploy business development programs	• Develop market leading solutions to boost efficiency and reduce costs • Expand professional services offering • Grow Managed Workflow Solutions, including personal productivity, industry and horizontal solutions

[1] Includes $6B MPS market growing at 2% and $5B CPS market that is flat.
Note: CAGR reflects 2016E – 2019E growth. MPS = Managed Print Services; SMB = Small & Medium Business

Financial Overview

Leslie Varon

Xerox Investment Proposition

Global Market Leader	Attractive Market Opportunities	Disciplined Operator	Strong Annuity-Driven Cash Flow	Sustainable Shareholder Returns
Strong global brand #1 share in key segments	Positioned for growth in DO, SMB, A4 and High-End color Largest ever product launch starting in 2017, supporting channel expansion	Consistent, double digit operating margins[1] $1.5B+ strategic transformation underway	Annuity >75% of revenue Capital-light business model	Strong free cash flow[1] Attractive return to shareholders

Value creation driven by strong underlying cash flow generation, margin expansion and improving longer-term revenue trajectory

[1] Operating Margin and Free Cash Flow: see Non-GAAP Financial Measures.
Note: DO = Document Outsourcing; SMB = Small & Medium Business

Global Leader with a Strong, Diverse Business Profile

Financial Profile (FY'15)

$11.5B
Revenue

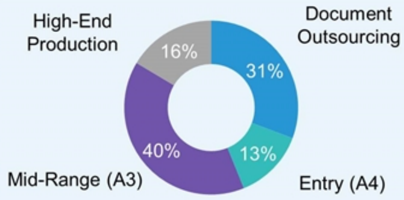
12.7%
Operating Margin[1]

$1,055M
Operating Cash Flow

Annuity-Based Model

>75%
of revenue annuity-based

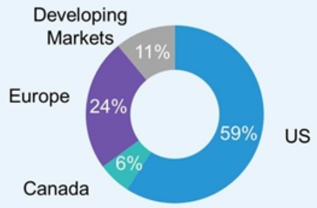
Offering Mix[2]



Strategic Growth Mix

37%
Strategic Growth Areas

Geographic Mix



2015 Fuji Xerox[3] revenue $9.9B

[1] Operating Margin: see Non-GAAP Financial Measures.
[2] Excludes Other revenue.
[3] Fuji Xerox operates in Japan, China, Australia, New Zealand, Vietnam and other areas of the Pacific Rim.

Strong Annuity Driven Business Model

Revenue

>75% annuity;
predictable, recurring revenue

- Signings and install growth drive MIF and market share
- Historic 5% equipment price declines comprehended/offset by productivity
- Page volumes – stable decline
- Increasing portion of revenues in Strategic Growth Areas will improve revenue trajectory
- Majority of supplies revenue in bundled contracts

Profitability

Operating Margin[1] 12%+
for past 3 years

- 3-year Strategic Transformation program to deliver $1.5B+ in gross productivity savings, supports:
  - Margin expansion
  - Modest growth investments
- Annuity streams drive margin; equipment margin positive (outside Entry products)
- Transaction currency driven primarily by Yen/Euro/USD

Cash Flow

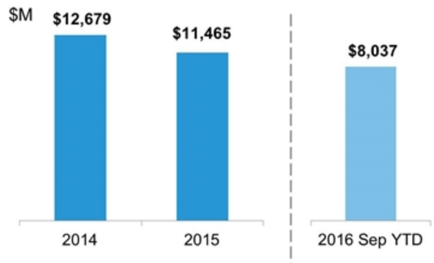
High visibility to
Free Cash Flow[1]

- Strong, stable annuity revenue drives cash flow
- Strategic Transformation and modest growth investments drive improved profitability and cash flow
- Capital-light business model – CAPEX less than 2% revenue
- Restructuring and pension impacts moderate over time

[1] Operating Margin and Free Cash Flow: see Non-GAAP Financial Measures.
Note: MIF = Machines in Field; CAPEX = Capital Expenditures (including Internal Use Software)

Historical Performance

Revenue



	2014	2015	2016 Sep YTD
% Y-o-Y Decline at CC[1]	(3.9%)	(4.6%)	(3.7%)
Translation Currency	- pts	(5) pts	(2) pts

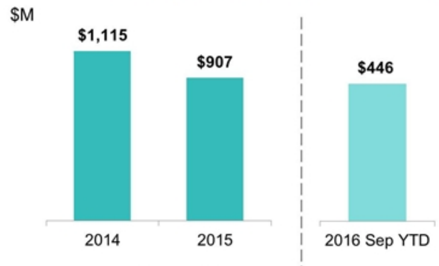
- Moderating revenue declines
- Strong dollar has pressured revenue

Operating Profit[1]

	2014	2015	2016 Sep YTD
% Operating Margin[1]	13.3%	12.7%	11.9%
Transaction Currency	1.1 pts	(0.1) pts	(0.5) pts

- Q4 operating margin[1] seasonally stronger
- Expect 2016 operating margin[1] to be 12% - 12.5%

Free Cash Flow[1]



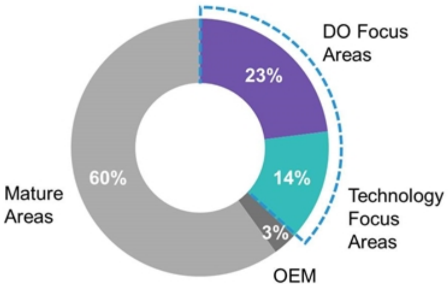
	2014	2015	2016 Sep YTD
Free Cash Flow[1] % Net Income	113%	110%	116%

- Q4 cash flow seasonally stronger
- 2016 impacted by higher restructuring and separation payments

[1] Operating Profit and Margin, Constant Currency (CC) and Free Cash Flow: see Non-GAAP Financial Measures.

Growing Portion of Revenues in Strategic Growth Areas Will Improve Revenue Trajectory

Strategic Growth Areas: ~$4.2B, ~37% of revenue[1]



Growing Markets

Document Outsourcing focus areas	
– Large Enterprise MPS	+2%
– SMB MPS	+7%
– Workflow Automation	+13%

Technology focus areas	
– Production Color (includes Inkjet growing at +10%)	+5%
– A4 MFPs	+3%

Positive Mix Shift Over Time

2016 Performance - Sep YTD

↑2% YOY growth at CC[2]

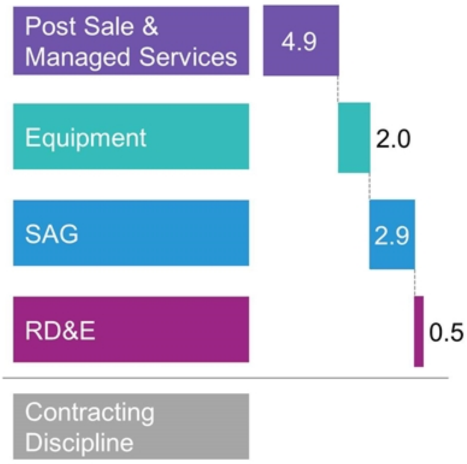
+2 pts Shifted YOY

Expect ~3 pts of annual revenue shift to Strategic Growth Areas

[1] FY 2015 strategic growth areas revenue.
[2] Constant Currency (CC): see Non-GAAP Financial Measures.
Note: CAGR reflects 2016E – 2019E growth. DO = Document Outsourcing; OEM = Original Equipment Manufacturer; MPS = Managed Print Services; SMB = Small & Medium Business; MFP = Multifunction Printer

Strategic Transformation Will Drive Profit Growth

~$10B Addressable Cost Base



Key Productivity Levers	Examples of Initiatives
Delivery (~$450M)	Consolidating MPS delivery and Technical Service under one organizational structure
Cost of Production (~$250M)	Capturing supplier productivity and reducing manufacturing footprint
G&A (~$300M)	Reducing complexity / 30% reduction in management layers
Supply Chain & Procurement (~$200M)	Integrating supply chain under one global function
Sales & Contracting (~$300M)	Introducing new pricing optimization tools

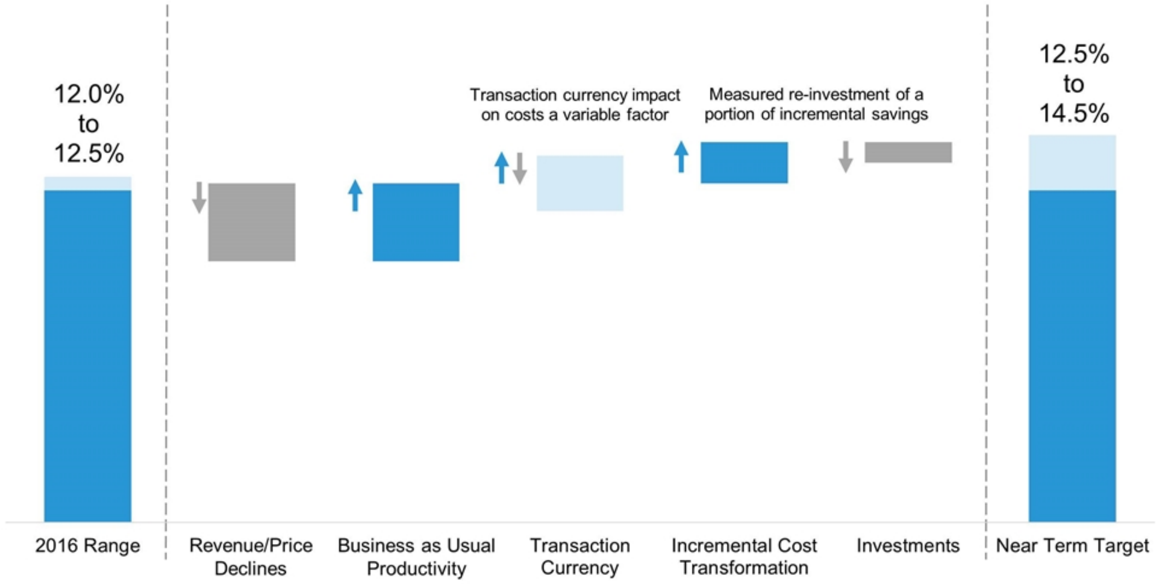
$1.5B+ cumulative gross productivity by 2018

Note: There is approximately $300 to $350M in traditional ongoing productivity included in gross productivity. MPS = Managed Print Services

We Are Off To a Fast Start

	Objective	Actions to Transform Our Business
Supply Chain & Procurement	Improve supply chain efficiency and reduce procurement spend	• Outsourcing consumables distribution to third party • Combining equipment and parts warehouses • Benchmarking supplier capabilities, competitiveness and re-bidding/re-contracting major spend categories
Sales & Back Office	De-layer organization and streamline back-office support	• Shifting primary organizational axis to geography (North America, International) – Maintaining local customer focus while reducing matrix management • Optimizing sales incentives and performance management • Consolidating back-office support functions • Rationalizing real estate portfolio
Delivery	Improve Field Service and Managed Print Services delivery and productivity	• Workflow automation to increase remote solve rates • Optimizing field resource footprint and tools to ensure more productive on-site dispatches • Leveraging existing near/right-shoring initiatives

Strategic Transformation Enables Operating Margin[1] Expansion



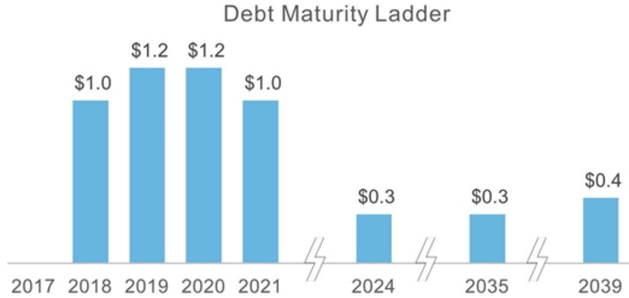
[1] Operating Margin: see Non-GAAP Financial Measures.

Investment Grade Capital Structure

Investment Grade Profile

- Manage balance sheet to maintain an investment grade profile; optimal for business model which includes customer financing
  - Majority of pro forma debt supports customer finance assets (at 7:1 leverage)
  - Manageable schedule of debt maturities well matched to financing contract lengths
  - Core leverage managed to maintain investment grade rating; incremental debt repayment planned
- Maintain a substantial liquidity position
- Generate significant free cash flow[1] in support of capital deployment objectives

Illustrative Debt[2] ($B)



[1] Free Cash Flow: see Non-GAAP Financial Measures.

[2] Reflects use of proceeds from Conduent distribution and some cash on hand to repay $2B of debt ($1B term loan and $1B public bonds due Q1 2017).

Attractive Captive Financing Business

Finance Assets and Debt

Maintain 7:1 debt to equity leverage ratio on our finance assets

(in billions)	2016 Pro forma Finance Assets	2016 Pro forma Debt
Financing	$ 4.3	$ 3.8
Core	-	1.5
Total Xerox	$ 4.3	~$ 5.3

Pro forma assumes:

- Finance assets/debt as of Q3 2016 with financing debt calculated as 7/8ths of finance assets
- $2.0B core debt reduction coming from ~$1.8B Conduent distribution and $0.2B cash on hand

Customer Financing is a Business Strength

- Differentiates and enhances Xerox's value proposition
- Facilitates customer acquisition of Xerox technology
- Generates profitable revenue
- Enables control of assets
- Focuses on disciplined credit processes to ensure low bad debt (<2% of finance receivables)
- Creates diverse customer, industry and geographic mix through global reach and broad product portfolio

Note: Pro forma debt reflects the transfer of Conduent capital lease obligations of $50M.

Strong and Sustainable Cash Flow Generation

Illustrative Cash Flow ($M)

(based on 2015)

Pre-tax Income	**$924**
Non-Cash Add-backs[1]	540
Restructuring Payments	(79)
Pension Payments	(301)
Working Capital, net[2]	(95)
Change in Finance Assets[3]	33
Other[4]	33
Operating Cash Flow (OCF)	**$1,055**
(−) CAPEX[5]	148
Free Cash Flow (FCF)[6]	**$907**

Cash Flow Drivers

- Profit expansion over time from margin expansion and improving revenue trajectory
- Transformation efficiencies provide modest benefit to working capital
- Near-term restructuring payments higher to facilitate strategic transformation / normalize after 2018
- Pension contributions moderate after 2018
- Separation payments substantially complete in 2017
- Finance assets a modest source of cash
- CAPEX[5] less than 2% of revenue

Track record of strong cash generation driven by annuity business model

[1] Non-Cash Add-backs include depreciation & amortization excluding equipment on operating lease, provisions, stock-based compensation, pension expense, restructuring charges and gain on sales of businesses and assets.
[2] Working Capital, net includes accounts receivable, collections of deferred proceeds from sales of receivables, accrued compensation and accounts payable and inventory.
[3] Includes equipment on operating leases and its related depreciation, finance receivables and collections on beneficial interest from sales of finance receivables.
[4] Includes other current and long-term assets and liabilities, derivative assets and liabilities, other operating, net and taxes.
[5] Capital Expenditures including Internal Use Software.
[6] Free Cash Flow: see Non-GAAP Financial Measures.

Capital Allocation Priorities

We will apply a disciplined return on investment approach when deploying our cash flow

Leverage	Committed to maintaining investment grade credit rating
Targeted Investments	Continue capital-light business model with targeted CAPEX[1] (less than 2% of revenue) Selectively pursue M&A in targeted growth areas to improve portfolio mix and drive profit expansion
Return of Capital	Initial dividend of $0.25 per share on an annualized basis Modest share repurchase (after 2017) based on relative returns evaluation

Target >50% of Free Cash Flow[2] returned through dividends and share repurchases over time

[1] Capital Expenditures including Internal Use Software.
[2] Free Cash Flow: see Non-GAAP Financial Measures.

Xerox Dividend Policy

Xerox has a track record of attractive and increasing dividends

– 16% CAGR over last 4 years

Post-split dividend of 6.25 cents per share ($0.25 annualized) is anticipated beginning with the dividend payable April 2017

Expect future dividend increases driven by EPS and free cash flow[1] growth

Committed to a strong dividend policy supported by our annuity driven cash flow

[1] Free Cash Flow: see Non-GAAP Financial Measures

Future Performance Expectations

	2017	2018	2019+
Revenue Trajectory (at CC[1])	In-line with 2016, equipment revenue begins to improve in 2H from product launches	Improves driven by new products & Strategic Growth Areas acceleration	Sustained improvement driven by new products and Strategic Growth Areas
Operating Margin[1]	Modest expansion from 2016	Continued strong and expanding	
Operating Cash Flow	Return to normalized operating cash flow of $900M+ by 2019		

[1] Constant Currency (CC) and Operating Margin: see Non-GAAP Financial Measures.
Note: Operating margin assumes neutral transaction currency in 2018 and 2019. Normalized operating cash flow assumes ~$100M restructuring payments and ~$250M pension contributions.

Xerox Investment Proposition

Global Market Leader	Attractive Market Opportunities	Disciplined Operator	Strong Annuity-Driven Cash Flow	Sustainable Shareholder Returns
Strong global brand #1 share in key segments	Positioned for growth in DO, SMB, A4 and High-End color Largest ever product launch starting in 2017, supporting channel expansion	Consistent, double digit operating margins[1] $1.5B+ strategic transformation underway	Annuity >75% of revenue Capital-light business model	Strong free cash flow[1] Attractive return to shareholders

Value creation driven by strong underlying cash flow generation, margin expansion and improving longer-term revenue trajectory

[1] Operating Margin and Free Cash Flow: see Non-GAAP Financial Measures.
Note: DO = Document Outsourcing; SMB = Small & Medium Business

Q&A Session

Jeff Jacobson
Kevin Warren
Mike Feldman
Leslie Varon

The New Xerox – Well Positioned for the Future

Attractive Business Model	Significant market opportunity of ~$85B Bundled contracts model creates “stickiness” with >75% annuity revenue and strong cash flow
Laser Focus on Cost and Productivity	Track record of strong cost / productivity discipline Accelerating productivity through $1.5B+ transformation program
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
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

[1] Free Cash Flow: see Non-GAAP Financial Measures.



Xerox: A New Beginning



Non-GAAP Financial Measures

Non-GAAP Financial Measures

"Operating Income/Margin": We calculate and utilize operating income and margin earnings measures by adjusting our pre-tax income and margin amounts to include equity in net income of unconsolidated affiliates and exclude the items noted below:

Non-service retirement related costs: Our defined benefit pension and retiree health costs include several elements impacted by changes in plan assets and obligations that are primarily driven by changes in the debt and equity markets as well as those that are predominantly legacy in nature and related to employees who are no longer providing service to the Company (e.g. retirees and ex-employees). These elements include (i) interest cost, (ii) expected return on plan assets, (iii) amortized actuarial gains/losses and (iv) the impacts of any plan settlements/curtailments. Accordingly, we consider these elements of our periodic retirement plan costs to be outside the operational performance of the business or legacy costs and not necessarily indicative of current or future cash flow requirements. Adjusted operating income/margin will continue to include the elements of our retirement costs related to current employee service (service cost and amortization of prior service cost) as well as the cost of our defined contribution plans.

Restructuring and related costs: Restructuring and related costs include restructuring and asset impairment charges as well as costs associated with our Strategic Transformation program beyond those normally included in restructuring and asset impairment charges. Restructuring consists of costs primarily related to severance and benefits paid to employees pursuant to formal restructuring and workforce reduction plans. Asset impairment includes costs incurred for those assets sold, abandoned or made obsolete as a result of our restructuring actions, exiting from a business or other strategic business changes. Additional costs for our Strategic Transformation program are primarily related to the implementation of strategic actions and initiatives and include third-party professional service costs as well as one-time incremental costs. All of these costs can vary significantly in terms of amount and frequency based on the nature of the actions as well as the changing needs of the business. Accordingly, due to that significant variability, we will exclude these charges since we do not believe they provide meaningful insight into our current or past operating performance nor do we believe they are reflective of our expected future operating expenses as such charges are expected to yield future benefits and savings with respect to our operational performance.

Amortization of intangible assets: The amortization of intangible assets is driven by our acquisition activity which can vary in size, nature and timing as compared to other companies within our industry and from period to period. The use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well. Amortization of intangible assets will recur in future periods.

Separation costs: Separation costs are expenses incurred in connection with Xerox's expected separation into two independent, publicly traded companies. Separation costs are primarily for third-party investment banking, accounting, legal, consulting and other similar types of services related to the separation transaction as well as costs associated with the operational separation of the two companies, such as those related to human resources, brand management, real estate and information management to the extent not capitalized. Separation costs also include the costs associated with bonuses and restricted stock grants awarded to employees for retention through the separation as well as incremental income tax expense related to the reorganization of legal entities and operations in order to effect the legal separation of the Company. These costs are incremental to normal operating charges and are being incurred solely as a result of the separation transaction. Accordingly, we are excluding these expenses from our adjusted earnings measures in order to evaluate our performance on a comparable basis.

Other expense, net: Other expenses, net is primarily comprised of non-financing interest expense and also includes certain other non-operating costs and expenses. We exclude these amounts in order to evaluate our current and past operating performance and to better understand the expected future trends in our business.

As noted, Operating Income/Margin also includes equity in net income of unconsolidated affiliates. Equity in net income of affiliates primarily reflects our 25% share of Fuji Xerox net income. We include this amount in our measure of operating income and margin as Fuji Xerox is our primary intermediary to the Asia/Pacific market for the distribution of Xerox products and services.

Non-GAAP Financial Measures

"Constant Currency": To better understand trends in our business, we believe that it is helpful to adjust revenue to exclude the impact of changes in the translation of foreign currencies into U.S. dollars. We refer to this adjusted revenue as "constant currency." In 2016 we revised our calculation of the currency impact on revenue growth, or constant currency revenue growth, to include the currency impacts from the developing market countries (Latin America, Brazil, Middle East, India, Eurasia and Central-Eastern Europe), which had been previously excluded from the calculation. As a result of economic changes in these markets over the past few years, we currently manage our exchange risk in our developing market countries in a similar manner to the exchange risk in our developed market countries, and therefore, the exclusion of the developing market countries from the calculation of the currency effect is no longer warranted. Management believes the constant currency measure provides investors an additional perspective on revenue trends. Currency impact can be determined as the difference between actual growth rates and constant currency growth rates.

"Free Cash Flow": To better understand trends in our business, we believe that it is helpful to adjust cash flows from continuing operations to exclude amounts for capital expenditures including internal use software. Management believes this measure gives investors an additional perspective on cash flow from operating activities in excess of amounts required for reinvestment. It provides a measure of our ability to fund acquisitions, dividends and share repurchase. It is also used to measure our yield on market capitalization.

Management believes that all of these non-GAAP financial measures provide an additional means of analyzing the current period's results against the corresponding prior period's results. However, these non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company's reported results prepared in accordance with GAAP. Our non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and make operating decisions. These non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Compensation of our executives is based in part on the performance of our business based on these non-GAAP measures.

A reconciliation of these non-GAAP financial measures and the most directly comparable measures calculated and presented in accordance with GAAP are set forth on the following slides.

Non-GAAP Financial Measures

Segment / Margin Pro Forma Reconciliation:

	Year Ended December 31, 2013			Year Ended December 31, 2014			Year Ended December 31, 2015			Nine Months Ended September 30, 2016		
(in millions)	Revenue	Profit	Margin	Revenue	Profit	Margin	Revenue	Profit	Margin	Revenue	Profit	Margin
Document Technology Reported	$ 8,908	$ 964	10.8%	$ 8,358	$ 1,149	13.7%	$ 7,365	$ 879	11.9%	$ 5,017	$ 601	12.0%
Adjustments:												
Document Outsourcing	3,318	377		3,366	396		3,265	411		2,423	300	
Document Technology and Document Outsourcing	$ 12,226	$ 1,341	11.0%	$ 11,724	$ 1,545	13.2%	$ 10,630	$ 1,290	12.1%	$ 7,440	$ 901	12.1%
Non-service retirement-related costs	-	203		-	79		-	116		-	112	
Adjusted Pro Forma Basis	$ 12,226	$ 1,544	12.6%	$ 11,724	$ 1,624	13.9%	$ 10,630	$ 1,406	13.2%	$ 7,440	$ 1,013	13.6%

	Year Ended December 31, 2010			Year Ended December 31, 2011			Year Ended December 31, 2012		
(in millions)	Revenue	Profit	Margin	Revenue	Profit	Margin	Revenue	Profit	Margin
Document Technology Reported	$ 10,349	$ 1,085	10.5%	$ 10,259	$ 1,140	11.1%	$ 9,462	$ 1,065	11.3%
Adjustment:									
Document Outsourcing	3,297	256		3,584	331		3,210	375	
Document Technology and Document Outsourcing	$ 13,646	$ 1,341	9.8%	$ 13,843	$ 1,471	10.6%	$ 12,672	$ 1,440	11.4%

Non-GAAP Financial Measures

Operating Income / Margin Reconciliation:

(in millions)	Year Ended December 31, 2014			Year Ended December 31, 2015			Nine Months Ended September 30, 2016		
	Pre-tax Income	Revenue	Margin	Pre-tax Income	Revenue	Margin	Pre-tax Income	Revenue	Margin
Reported[1]	**$ 1,090**	**$ 12,679**	**8.6%**	**$ 924**	**$ 11,465**	**8.1%**	**$ 348**	**$ 8,037**	**4.3%**
Adjustments:									
Non-service retirement-related costs	79			116			112		
Restructuring and related costs - Xerox	106			27			172		
Amortization of intangible assets	65			60			44		
Separation costs	-			-			41		
Equity in net income of unconsolidated affiliates	160			135			98		
Other expenses, net	186			195			143		
Adjusted Operating Income / Margin	**$ 1,686**	**$ 12,679**	**13.3%**	**$ 1,457**	**$ 11,465**	**12.7%**	**$ 958**	**$ 8,037**	**11.9%**

[1] Xerox post separation pre-tax income and revenue from continuing operations.

Non-GAAP Financial Measures

Free Cash Flow

(in millions)	Year Ended December 31, 2014	Year Ended December 31, 2015	Nine Months Ended September 30, 2016
Cash Flow from Operations[1]	**$ 1,291**	**$ 1,055**	**$ 545**
Less: CAPEX (includes internal use software)	(176)	(148)	(99)
Free Cash Flow	**$ 1,115**	**$ 907**	**$ 446**

[1] Xerox post separation cash flow from continuing operations.

Forward Looking Statement

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “will,” “should” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations, including with respect to the proposed separation of the Business Process Outsourcing ("BPO") business from the Document Technology and Document Outsourcing business, the expected timetable for completing the separation, the future financial and operating performance of each business, the strategic and competitive advantages of each business, future opportunities for each business and the expected amount of cost reductions that may be realized in the cost transformation program, and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the United States and in the foreign countries in which we do business; changes in foreign currency exchange rates; our ability to successfully develop new products, technologies and service offerings and to protect our intellectual property rights; the risk that multi-year contracts with governmental entities could be terminated prior to the end of the contract term and that civil or criminal penalties and administrative sanctions could be imposed on us if we fail to comply with the terms of such contracts and applicable law; the risk that our bids do not accurately estimate the resources and costs required to implement and service very complex, multi-year governmental and commercial contracts, often in advance of the final determination of the full scope and design of such contracts or as a result of the scope of such contracts being changed during the life of such contracts; the risk that subcontractors, software vendors and utility and network providers will not perform in a timely, quality manner; service interruptions; actions of competitors and our ability to promptly and effectively react to changing technologies and customer expectations; our ability to obtain adequate pricing for our products and services and to maintain and improve cost efficiency of operations, including savings from restructuring actions and the relocation of our service delivery centers; the risk that individually identifiable information of customers, clients and employees could be inadvertently disclosed or disclosed as a result of a breach of our security systems; the risk in the hiring and retention of qualified personnel; the risk that unexpected costs will be incurred; our ability to recover capital investments; the risk that our Services business could be adversely affected if we are unsuccessful in managing the start-up of new contracts; the collectability of our receivables for unbilled services associated with very large, multi-year contracts; reliance on third parties, including subcontractors, for manufacturing of products and provision of services; our ability to expand equipment placements; interest rates, cost of borrowing and access to credit markets; the risk that our products may not comply with applicable worldwide regulatory requirements, particularly environmental regulations and directives; the outcome of litigation and regulatory proceedings to which we may be a party; the possibility that the proposed separation of the BPO business from the Document Technology and Document Outsourcing business will not be consummated within the anticipated time period or at all, including as the result of regulatory, market or other factors; the potential for disruption to our business in connection with the proposed separation; the potential that BPO and Document Technology and Document Outsourcing do not realize all of the expected benefits of the separation; and other factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 2016 and our 2015 Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”). Such factors also include, but are not limited to, the factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section and other sections of the Conduent Incorporated Form 10 Registration Statement, as amended, filed with the SEC. Xerox assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

The Xerox financial information provided in these slides are preliminary estimates of Xerox’s continuing operations financial results post the classification of Conduent Incorporated as a discontinued operation upon its separation as of December 31, 2016. See Exhibit 99.3 to this Form 8-K for a reconciliation of these amounts to Xerox reported results.

The information provided in these supporting schedules are preliminary estimates of Xerox's financial results from continuing operations excluding income taxes and equity income subsequent to the classification of Conduent Incorporated as a discontinued operation upon its separation expected to occur as of December 31, 2016. This preliminary information is not a complete or comprehensive statement of Xerox's continuing operations financial results on a revised basis and the final financial presentation of results may differ from those provided herein due to the completion of our financial closing procedures, application of final adjustments and review by our independent auditor PricewaterhouseCoopers LLP. In addition, this information may also be impacted by other developments that may arise between now and the time the financial results are required to be finalized in connection with the filing of our Form 10-K for 2016, and those differences may be material. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or performed any procedures with respect to the preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. We do not expect to update, publicly or otherwise, the following preliminary results, other than through the release of actual results when finalized.

	Nine Months Ended September 30, 2016 (Unaudited)				
(in millions)	Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 12,878	$ (4,894)	$ 53	**(A)**	$ 8,037
Costs and Expenses					
Cost of sales	1,988	—	(31)	**(A)**	1,957
Cost of outsourcing, maintenance and rentals	6,839	(4,079)	56	**(A)**	2,816
Related party cost of services	—	(28)	28	**(A)**	—
Cost of financing	97	—	—		97
Research, development and engineering expenses	388	(25)	—		363
Selling, administrative and general expenses	2,571	(517)	2	**(B)**	2,056
Restructuring and related costs	229	(57)	—		172
Amortization of intangible assets	244	(200)	—		44
Separation costs	75	(34)	—		41
Related Party Interest	—	(30)	30	**(C)**	—
Other expenses, net	168	(10)	(15)	**(D)**	143
Total Costs and Expenses	12,599	(4,980)	70		7,689
Income (Loss) before Income Taxes & Equity Income	$ 279	$ 86	$ (17)		$ 348

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(1) *Reflects financial information included in Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.*

(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*

(B) *Amount primarily reflects adjustments related to corporate costs as well as rounding adjustments.*

(C) *Amount reflects adjustment for related-party interest.*

(D) *Amount reflects adjustment for interest on $1.0 billion Senior Unsecured Term Facility that is required to be repaid upon separation.*

(in millions)	Three Months Ended March 31, 2016 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,281	$ (1,685)	$ 19	**(A)**	$ 2,615
Costs and Expenses					
Cost of sales	624	—	(10)	**(A)**	614
Cost of outsourcing, maintenance and rentals	2,344	(1,412)	18	**(A)**	950
Related party cost of services	—	(9)	9	**(A)**	—
Cost of financing	33	—	—		33
Research, development and engineering expenses	134	(10)	2	**(B)**	126
Selling, administrative and general expenses	882	(183)	2	**(B)**	701
Restructuring and related costs	126	(26)	—		100
Amortization of intangible assets	89	(75)	—		14
Separation costs	8	(3)	—		5
Related Party Interest	—	(10)	10	**(C)**	—
Other expenses, net	57	(11)	(2)	**(D)**	44
Total Costs and Expenses	4,297	(1,739)	29		2,587
(Loss) Income before Income Taxes & Equity Income	$ (16)	$ 54	$ (10)		$ 28

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(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*
(D) *Amount reflects adjustment for interest on $1.0 billion Senior Unsecured Term Facility that is required to be repaid upon separation.*

(in millions)	Three Months Ended June 30, 2016 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,385	$ (1,613)	$ 21	**(A)**	$ 2,793
Costs and Expenses					
Cost of sales	707	—	(11)	**(A)**	696
Cost of outsourcing, maintenance and rentals	2,279	(1,348)	22	**(A)**	953
Related party cost of services	—	(10)	10	**(A)**	—
Cost of financing	32	—	—		32
Research, development and engineering expenses	128	(8)	(1)	**(B)**	119
Selling, administrative and general expenses	862	(170)	(1)	**(B)**	691
Restructuring and related costs	71	(23)	(1)	**(B)**	47
Amortization of intangible assets	78	(62)	—		16
Separation costs	28	(16)	1	**(B)**	13
Related Party Interest	—	(10)	10	**(C)**	—
Other expenses, net	55	—	(8)	**(D)**	47
Total Costs and Expenses	4,240	(1,647)	21		2,614
Income before Income Taxes & Equity Income	$ 145	$ 34	$ —		$ 179

(1) *Reflects financial information derived from Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.*
(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*
(D) *Amount reflects adjustment for interest on $1.0 billion Senior Unsecured Term Facility that is required to be repaid upon separation.*

(in millions)	Three Months Ended September 30, 2016 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,212	$ (1,596)	$ 13	**(A)**	$ 2,629
Costs and Expenses					
Cost of sales	657	—	(10)	**(A)**	647
Cost of outsourcing, maintenance and rentals	2,216	(1,319)	16	**(A)**	913
Related party cost of services	—	(9)	9	**(A)**	—
Cost of financing	32	—	—		32
Research, development and engineering expenses	126	(7)	(1)	**(B)**	118
Selling, administrative and general expenses	827	(164)	1	**(B)**	664
Restructuring and related costs	32	(8)	1	**(B)**	25
Amortization of intangible assets	77	(63)	—		14
Separation costs	39	(15)	(1)	**(B)**	23
Related Party Interest	—	(10)	10	**(C)**	—
Other expenses, net	56	1	(5)	**(D)**	52
Total Costs and Expenses	4,062	(1,594)	20		2,488
Income (Loss) before Income Taxes & Equity Income	$ 150	$ (2)	$ (7)		$ 141

(1) *Reflects financial information included in Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.*
(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*
(D) *Amount reflects adjustment for interest on $1.0 billion Senior Unsecured Term Facility that is required to be repaid upon separation.*

(in millions)	Year Ended December 31, 2015 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 18,045	$ (6,662)	$ 82	**(A)**	$ 11,465
Costs and Expenses					
Cost of sales	2,961	—	(39)	**(A)**	2,922
Cost of outsourcing, maintenance and rentals	9,691	(5,937)	77	**(A)**	3,831
Related party cost of services	—	(40)	40	**(A)**	—
Cost of financing	130	—	—		130
Research, development and engineering expenses	563	(52)	—		511
Selling, administrative and general expenses	3,559	(699)	5	**(B)**	2,865
Restructuring and related costs	186	(159)	—		27
Amortization of intangible assets	310	(250)	—		60
Related Party Interest	—	(61)	61	**(C)**	—
Other expenses, net	233	(38)	—		195
Total Costs and Expenses	17,633	(7,236)	144		10,541
Income (Loss) before Income Taxes & Equity Income	$ 412	$ 574	$ (62)		$ 924

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(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amount primarily reflects adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(in millions)	Three Months Ended March 31, 2015 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,469	$ (1,678)	$ 16	**(A)**	$ 2,807
Costs and Expenses					
Cost of sales	674	—	(10)	**(A)**	664
Cost of outsourcing, maintenance and rentals	2,368	(1,411)	19	**(A)**	976
Related party cost of services	—	(9)	9	**(A)**	—
Cost of financing	33	—	—		33
Research, development and engineering expenses	141	(12)	1	**(B)**	130
Selling, administrative and general expenses	915	(179)	2	**(B)**	738
Restructuring and related costs	14	(3)	—		11
Amortization of intangible assets	77	(61)	—		16
Related Party Interest	—	(21)	21	**(C)**	—
Other expenses, net	46	(2)	—		44
Total Costs and Expenses	4,268	(1,698)	42		2,612
Income (Loss) before Income Taxes & Equity Income	$ 201	$ 20	$ (26)		$ 195

(1) Reflects financial information included in Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.
(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(in millions)	Three Months Ended June 30, 2015 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,590	$ (1,683)	$ 19	**(A)**	$ 2,926
Costs and Expenses					
Cost of sales	776	—	(10)	**(A)**	766
Cost of outsourcing, maintenance and rentals	2,356	(1,422)	20	**(A)**	954
Related party cost of services	—	(10)	10	**(A)**	—
Cost of financing	32	—	—		32
Research, development and engineering expenses	142	(15)	—		127
Selling, administrative and general expenses	906	(173)	1	**(B)**	734
Restructuring and related costs	157	(148)	—		9
Amortization of intangible assets	79	(64)	—		15
Related Party Interest	—	(15)	15	**(C)**	—
Other expenses, net	68	(8)	—		60
Total Costs and Expenses	4,516	(1,855)	36		2,697
Income (Loss) before Income Taxes & Equity Income	$ 74	$ 172	$ (17)		$ 229

(1) Reflects financial information derived from Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.
(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amount primarily reflects adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(in millions)	Three Months Ended September 30, 2015 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,333	$ (1,571)	$ 24	**(A)**	$ 2,786
Costs and Expenses					
Cost of sales	721	—	(9)	**(A)**	712
Cost of outsourcing, maintenance and rentals	2,592	(1,672)	17	**(A)**	937
Related party cost of services	—	(10)	10	**(A)**	—
Cost of financing	33	—	—		33
Research, development and engineering expenses	135	(12)	3	**(B)**	126
Selling, administrative and general expenses	855	(170)	(7)	**(B)**	678
Restructuring and related costs	20	(9)	—		11
Amortization of intangible assets	77	(62)	—		15
Related Party Interest	—	(14)	14	**(C)**	—
Other expenses, net	73	(12)	—		61
Total Costs and Expenses	4,506	(1,961)	28		2,573
(Loss) Income before Income Taxes & Equity Income	$ (173)	$ 390	$ (4)		$ 213

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(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(in millions)	Three Months Ended December 31, 2015 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 4,653	$ (1,730)	$ 23	**(A)**	$ 2,946
Costs and Expenses					
Cost of sales	790	—	(10)	**(A)**	780
Cost of outsourcing, maintenance and rentals	2,375	(1,432)	21	**(A)**	964
Related party cost of services	—	(11)	11	**(A)**	—
Cost of financing	32	—	—		32
Research, development and engineering expenses	145	(13)	(4)	**(B)**	128
Selling, administrative and general expenses	883	(177)	9	**(B)**	715
Restructuring and related costs	(5)	1	—		(4)
Amortization of intangible assets	77	(63)	—		14
Related Party Interest	—	(11)	11	**(C)**	—
Other expenses, net	46	(16)	—		30
Total Costs and Expenses	4,343	(1,722)	38		2,659
Income (Loss) before Income Taxes & Equity Income	$ 310	$ (8)	$ (15)		$ 287

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(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amounts primarily reflect adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(in millions)	Year Ended December 31, 2014 (Unaudited) Historical Xerox Corporation (As Reported)	Discontinued Operation - Conduent, Incorporated(1)	Adjustments	Notes	Xerox Corporation - Continuing Operations
Total Revenues	$ 19,540	$ (6,938)	$ 77	**(A)**	$ 12,679
Costs and Expenses					
Cost of sales	3,269	—	(42)	**(A)**	3,227
Cost of outsourcing, maintenance and rentals	9,885	(5,758)	75	**(A)**	4,202
Related party cost of services	—	(42)	42	**(A)**	—
Cost of financing	140	—	—		140
Research, development and engineering expenses	577	(46)	—		531
Selling, administrative and general expenses	3,788	(659)	4	**(B)**	3,133
Restructuring and related costs	128	(21)	(1)	**(B)**	106
Amortization of intangible assets	315	(250)	—		65
Related Party Interest	—	(107)	107	**(C)**	—
Other expenses, net	232	(45)	(2)	**(B)**	185
Total Costs and Expenses	18,334	(6,928)	183		11,589
Income (Loss) before Income Taxes & Equity Income	$ 1,206	$ (10)	$ (106)		$ 1,090

(1) *Reflects financial information included in Conduent Form 10 financial statements, as amended, and Conduent Form 10-Q for third quarter 2016.*
(A) *Amounts reflect adjustments related to intercompany revenues and purchases.*
(B) *Amount primarily reflects adjustments related to corporate costs as well as rounding adjustments.*
(C) *Amount reflects adjustment for related-party interest.*

(Unaudited, in millions)	Nine Months Ended September 30, 2016	Year Ended December 31, 2015	2014
Cash Flows from Operating Activities:			
Net income	$ 378	$ 492	$ 1,036
Adjustments required to reconcile net income to cash flows from operating activities:			
Loss (gain) from discontinued operations, net of tax	14	351	(26)
Depreciation and amortization	426	590	639
Provision for receivables	39	54	50
Provision for inventory	21	30	26
Net gain on sales of businesses and assets	(19)	(43)	(49)
Undistributed equity in net income of unconsolidated affiliates	(64)	(79)	(91)
Stock-based compensation	31	27	63
Restructuring and asset impairment charges	154	27	107
Payments for restructurings	(83)	(79)	(110)
Defined benefit pension cost	108	141	74
Contributions to defined benefit pension plans	(102)	(301)	(269)
Increase in accounts receivable and billed portion of finance receivables	(173)	(128)	(392)
Collections of deferred proceeds from sales of receivables	191	259	434
Increase in inventories	(104)	(101)	(22)
Increase in equipment on operating leases	(204)	(291)	(283)
Decrease (increase) in finance receivables	138	(8)	(10)
Collections on beneficial interest from sales of finance receivables	20	46	79
Decrease in other current and long-term assets	29	15	9
(Decrease) increase in accounts payable and accrued compensation	(236)	(125)	54
Decrease in other current and long-term liabilities	(56)	(45)	(121)
Net change in income tax assets and liabilities	(173)	271	183
Net change in derivative assets and liabilities	—	(37)	(14)
Other operating, net	210	(11)	(76)
Net cash provided by operating activities of continuing operations	545	1,055	1,291
CAPEX (including internal use software)	(99)	(148)	(176)
Free Cash Flow	$ 446	$ 907	$ 1,115