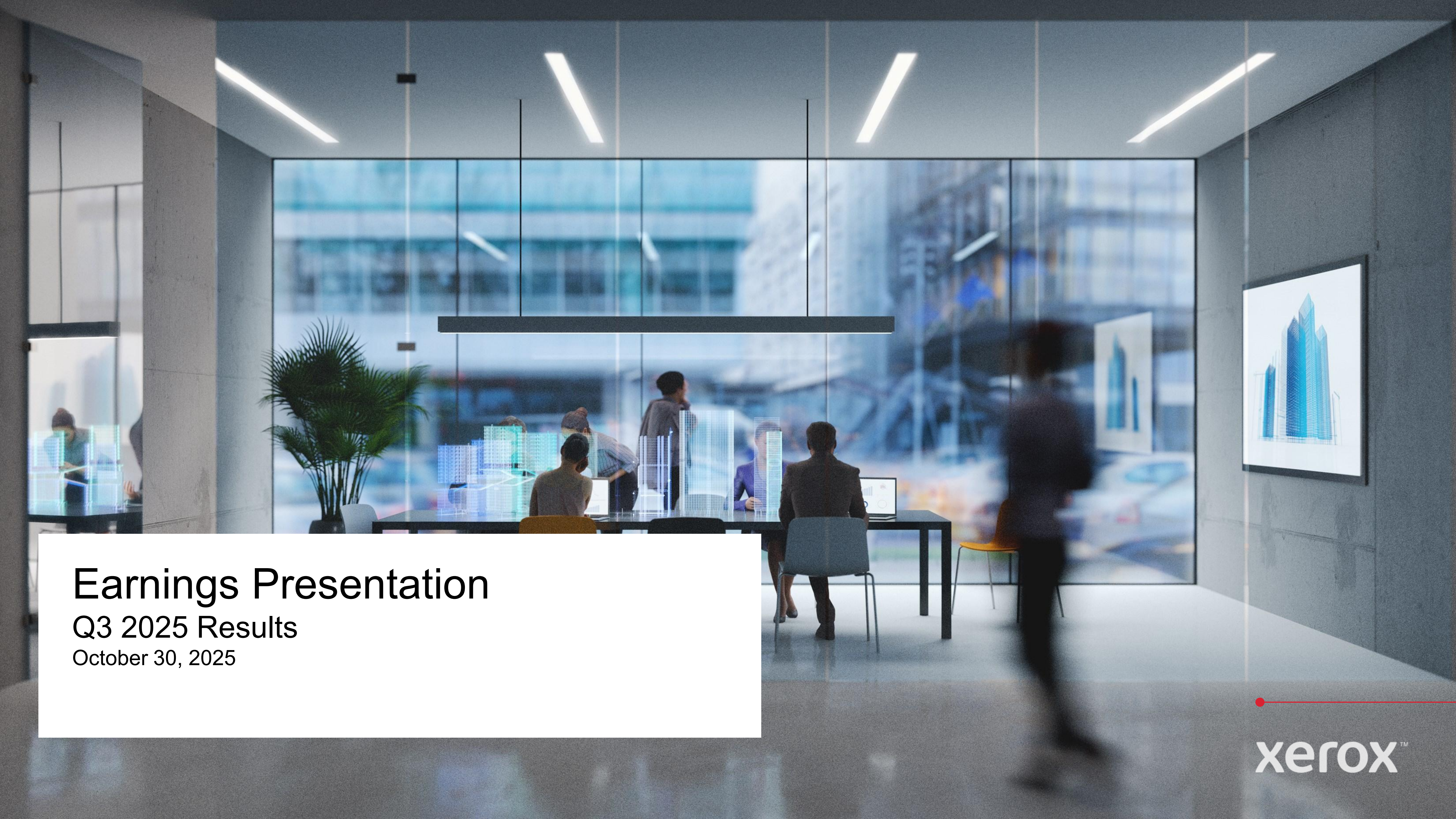

Earnings Presentation

Q3 2025 Results

October 30, 2025

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Forward-Looking Statements

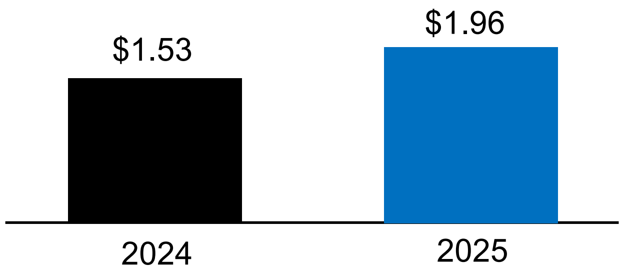
This presentation and other written or oral statements made from time to time by management contain “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995 and involve certain risks and uncertainties. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “will”, “would”, “could”, “can”, “should”, “targeting”, “projecting”, “driving”, “future”, “plan”, “predict”, “may” and similar expressions are intended to identify forward-looking statements. The Company’s actual results may differ significantly from the results discussed in the forward-looking statements. These statements reflect management’s current beliefs and assumptions and are subject to a number of other factors that may cause actual results to differ materially.

Such factors include but are not limited to: applicable market conditions; global macroeconomic conditions, including inflation, slower growth or recession, delays or disruptions in the global supply chain, higher interest rates, and wars and other conflicts, including the current conflict between Russia and Ukraine; our ability to succeed in a competitive environment, including by developing new products and service offerings and preserving our existing products and market share as well as repositioning our business in the face of customer preference, technological, and other change, such as evolving return-to-office and hybrid working trends; failure of our customers, vendors, and logistics partners to perform their contractual obligations to us; our ability to attract, train, and retain key personnel; execution risks around our Reinvention; the risk of breaches of our security systems due to cyber, malware, or other intentional attacks that could expose us to liability, litigation, regulatory action or damage our reputation; our ability to obtain adequate pricing for our products and services and to maintain and improve our cost structure; changes in economic and political conditions, licensing requirements, and tax laws in the United States and in the foreign countries in which we do business; 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; interest rates, cost of capital, and access to credit markets; risks related to our indebtedness; the imposition of new or incremental trade protection measures such as tariffs and import or export restrictions; funding requirements associated with our employee pension and retiree health benefit plans; changes in foreign currency exchange rates; the risk that we may be subject to new or heightened regulatory or operation risks as a result of our, or third parties,’ use or anticipated use of artificial intelligence technologies; the risk that our operations and products may not comply with applicable worldwide regulatory requirements, particularly environmental regulations and directives and anti-corruption laws; the outcome of litigation and regulatory proceedings to which we may be a party; laws, regulations, international agreements and other initiatives to limit greenhouse gas emissions or relating to climate change, as well as the physical effects of climate change; our ability to successfully integrate the Lexmark business and realize the anticipated benefits thereof, including expected synergies; and other factors that are set forth from time to time in the Company’s Securities and Exchange Commission filings, including the combined Annual Report on Form 10-K of Xerox Holdings and Xerox Corporation.

These forward-looking statements speak only as of the date hereof or of the date to which they refer, and the Company assumes no obligation to update or revise any forward-looking statements as a result of new information or future events or developments, except as required by law.

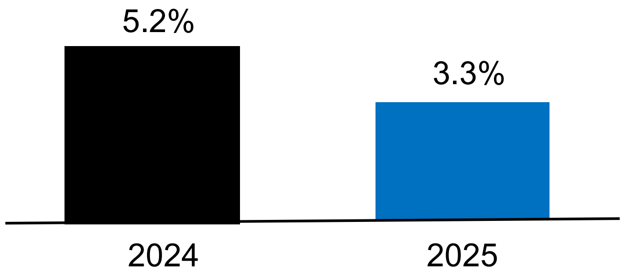
Q3 2025 Key Financial Measures

Revenue ($B)

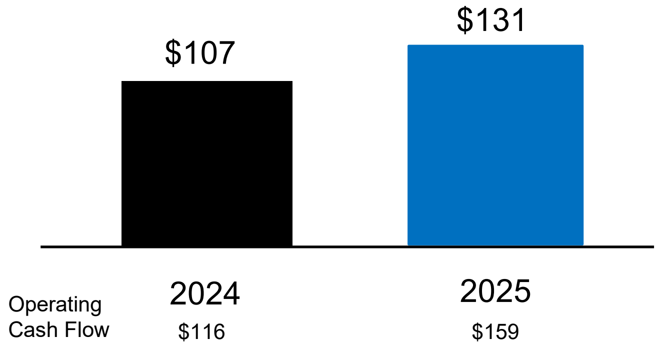


2025 % Change: 28.3% @ AC, 27.0% @ CC[1];
Pro Forma[1] (PF) % change: (7.8)% @ AC

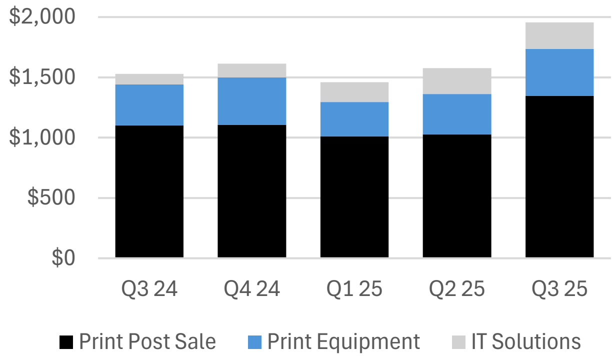
Adj[1] Operating Margin



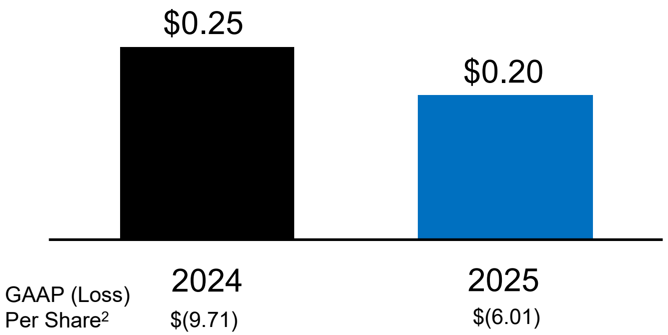
Free Cash Flow[1] ($M)



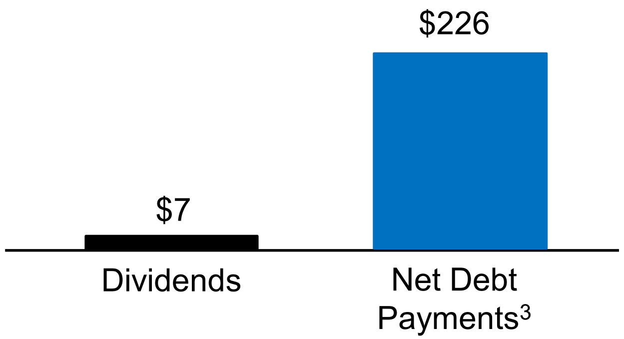
Revenue Trend ($M)



Adj[1] Earnings Per Share



Debt and Dividend Activity ($M)



[1] Adjusted measures, Pro Forma Measures, Free Cash Flow and Constant Currency (CC): see Non-GAAP Financial Measures. [2] Q3 2025 GAAP (Loss) per share includes an inventory-related purchase accounting adjustment, related to the recent acquisition of Lexmark, of $85 million ($102 million pre-tax) or $0.67 per diluted share. In addition, third quarter 2025 includes a tax expense charge of $467 million, or $3.68 per diluted share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. Q3 2024 GAAP (Loss) per share included an after-tax non-cash goodwill impairment charge of approximately $1.0 billion, or $8.16 per share and a tax expense charge of $161 million, or $1.29 per share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. [3] Reflects debt payments following the 7/1/2025 close of the Lexmark acquisition, net of $100 million of new borrowings.

Strategic Priorities for 2025

Execute Reinvention

- **Commercial Optimization.** Strengthen the core business through continued route-to-market and offering optimization, expanded Partner relationships and greater penetration of IT Solutions & Digital Services across Xerox's Print client base
- **Operational Simplification.** Global Business Services to drive structural cost improvements and higher service quality through continued technology-enabled productivity enhancements, outsourcing optimization, and process standardization

Realize Benefits of Acquisitions

- Increase the share of clients' technology spend with enhanced IT Solutions offerings
- Expand reach of new solutions through penetration of combined customer base
- Begin realizing Lexmark acquisition-related revenue, cost and working capital synergies through the execution of a comprehensive integration plan

Balance Sheet Strength

- Optimize free cash flow[1] generation through working capital efficiencies and the expansion of the forward flow finance receivables funding program
- Prioritize the reduction of debt while continuing to return cash to shareholders via dividend

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

Reinvention: Path to Revenue Stabilization and Improved Profits

Reinvention Through Integration: Key Near-term Workstreams

Operational Simplification

- Leverage Xerox's Reinvention program to integrate Lexmark, combining best-in-class capabilities while consolidating corporate functions and global support operations
- Assess mix of global capability centers to optimize labor spend
- Simplify and standardize enterprise platforms, consolidating tools, vendors & infrastructure to reduce cost and complexity

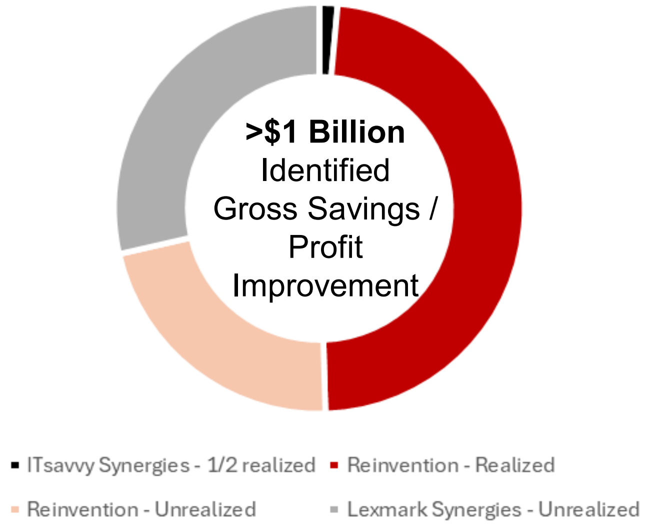
Commercial Optimization

- Unify Managed Print Services platforms to reduce cost-to-serve and strengthen competitive positioning in print services
- Improve Print margins by scaling Lexmark's A3 manufacturing and expand Production portfolio through new OEM relationships
- Optimize regional and channel distribution, leveraging Lexmark's partner network and indirect channel expertise

Growth

- Expand Xerox-branded offerings into APAC via Lexmark's established channel footprint
- Accelerate A4 Color portfolio growth in Print
- Cross-sell Xerox products and offerings into the Lexmark customer base

Estimated Savings / Synergies

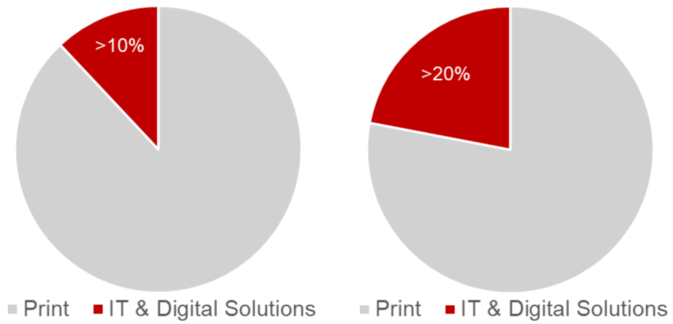


- Half of total expected savings and profit improvement opportunities have yet to be realized

Revenue Mix Shift

LTM[1] Mix (Pro Forma[2])

Targeted Mix



Drivers of IT & Digital Solutions Revenue

- Organic growth opportunities through cross-sales of IT and Digital Solutions into legacy Xerox and Lexmark Print clients
- Select inorganic tuck-in acquisitions of Digital and IT Solutions businesses capable of adding the talent, products, solutions or geographic breath

 [1] As of 9/30/2025. [2] Pro Forma Measures: see Non-GAAP Financial Measures

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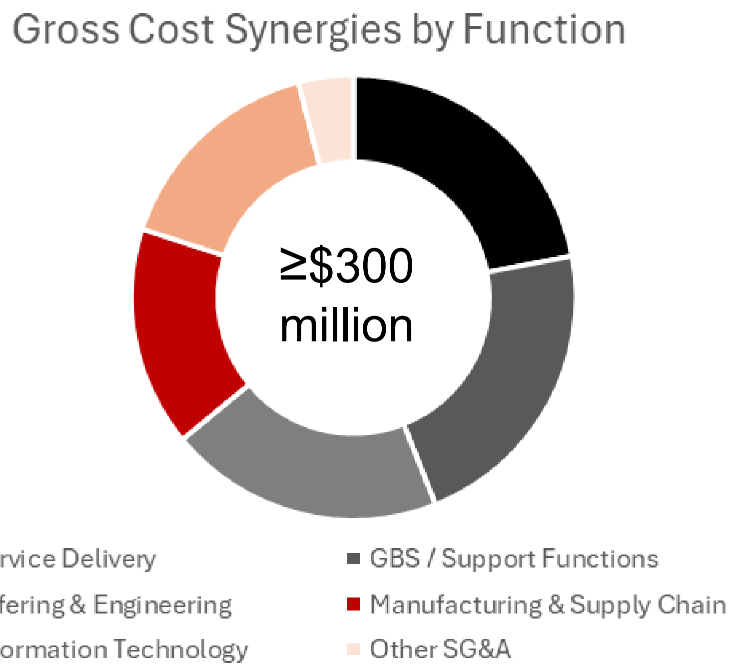
Lexmark Synergies and Implementation Timeline

Expected Gross Cost Synergies



Expected Phasing of Synergy Realization

$ in millions	Cumulative Run-Rate Gross Cost Synergies	In-Year Cost to Achieve	Key Milestones
2025	>$125 *Previous: $100 - $125*	~$70 *Previous: $50 - $75*	• Initial elimination of duplicative overhead • Rationalization of third party spend
2026	$200-$250 *Previous: $175 - $225*	~$50 *Previous: $25 - $50*	• Supply Chain and R&D optimization • Go-to-market realignment • Cost absorption through enhanced scale
2027	≥$300 *Previous: >$250*	<$25 *Previous: <$25*	• Real Estate consolidation • IT infrastructure simplification • Optimized MPS delivery structure

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Frequently Asked Questions

Demand Update

When do you expect demand conditions to normalize?

Throughout the quarter, we observed continued delays in purchasing decisions among clients, particularly those reliant on federal, state and local government funding. General economic uncertainty also caused delays in purchases among our commercial client base and distributors. However, page volume trends remain consistent and branded supplies usage is in line with expectations, both of which indicate unchanged demand for printed pages. Therefore, we expect delayed equipment purchases to materialize in future periods when tariff policies and government funding decisions become clearer, and the macroeconomic environment is more stable. Given the uncertainty associated with the timing of a more stable economic outlook, including the effects of the ongoing government shutdown, we are reducing full year revenue guidance to account for expected continued delays in purchasing behavior in the fourth quarter.

Integration Progress

How is the integration with Lexmark progressing?

The Lexmark integration is progressing well, as we leverage the people, processes and technology acquired from Lexmark to unlock planned and incremental synergies and drive operational improvements across the combined companies. During the third quarter, the decision was made to adopt Lexmark's existing technology stack. Xerox's Global Business Services (GBS) organization moved swiftly to adopt practices from Lexmark's matured, optimized GBS organization, such as the inclusion of sales operations and the development of a centralized data architecture within GBS. During the third quarter, workshops and strategy sessions were held across key functions responsible for executing our synergy targets. Through the coordinated efforts of legacy Xerox and Lexmark leaders, an additional $50 million of incremental synergy opportunities were uncovered, some of which are expected to be realized in 2026. Integration and synergy workstreams are being handled by the same program management office responsible for delivering more than $500 million of Reinvention savings. To-date, 16 integration workstreams with more than 100 initiatives have been assigned to a cross functional team of several hundred individuals.

Guidance / Outlook

What are revenue and profit expectations for fiscal years 2025 and 2026?

We lowered our 2025 revenue outlook to reflect a larger-than-expected impact from macroeconomic uncertainty on the equipment purchasing decisions of our clients, including, most recently, uncertainty around the timing of the reopening of the government. We now expect revenue to grow 13% year-over-year, in constant currency[1] and adj[1] operating income margin of ~3.5% reflecting lower sales and slower-than-expected roll out of price increases targeted at offsetting increases in product costs and tariffs. The uneven macroeconomic environment has not changed our outlook for revenue growth rates in 2026, as delays in equipment purchases are expected to materialize in future sales as tariff policies and government funding decisions become clearer. In addition, through our Integration work, we now expect to realize gross cost savings of between $250 and $300 million in 2026 from Integration synergies and Reinvention initiatives. These expected savings will be partially offset by declines in finance-receivable related profits and increases in product costs and tariffs, net of price increases.

[1] Adjusted Measures: see Non-GAAP Financial Measures.

Financial Results Summary

(in millions, except per share data)

P&L Measures	Q3 2025	B/(W) YOY	% Chg YOY	PF[3] % Chg YOY
Print & Other	1,739	297		
IT Solutions	226	140		
Intersegment elimination[1]	(4)	(4)		
Revenue	$1,961	$433	28% AC/ 27% CC[3]	(8)% AC
Print & Other	64	(39)		
IT Solutions	18	18		
Corporate Other[2]	(17)	6		
Op. Income – Adj[3]	65	(15)	(19)%	
Other Exp., net – Adj[3]	85	(52)	(158)%	
Net (Loss)[4]	(760)	445	NM	
Net Income – Adj[3]	27	(7)	(21)%	
GAAP (Loss) per Share[4]	(6.01)	3.70	NM	
Earnings per Share – Adj[3]	0.20	(0.05)	(20)%	

P&L Ratios	Q3 2025	B/(W) YOY	PF[3] B/(W) YOY
Gross Margin – Adj[3]	28.9%	(350) bps	(380) bps
RD&E %	3.8%	(90) bps	
SAG %	24.3%	(10) bps	
Operating Margin – Adj[3]	3.3%	(190) bps	(370) bps
Tax Rate – Adj[3]	235.0%	NM	

[1] Reflects primarily IT hardware, software solutions & services sold by the IT Solutions segment to the Print and Other segment.[2] Corporate Other reflects certain G&A expenses primarily related to corporate functions that are not allocated to reportable segments.[3] Adj Measures, Pro Forma Measures and Constant Currency (CC): see Non-GAAP Financial Measures. Q3 2025 adj. tax rate reflects a deferred tax asset valuation allowance of $467 million. [4] Q3 2025 GAAP (Loss) per share includes an inventory-related purchase accounting adjustment, related to the Lexmark acquisition, of $85 million ($102 million pre-tax) or $0.67 per share. Q3 2025 also includes a tax expense charge of $467 million, or $3.68 per diluted share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. Q3 2024 GAAP (Loss) per share included an after-tax non-cash goodwill impairment charge of approximately $1.0 billion, or $8.16 per share and a tax expense charge of $161 million, or $1.29 per share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability.

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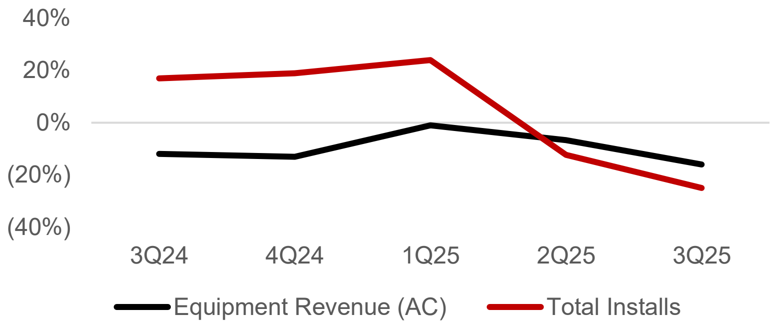
Print & Other Segment Results

(in millions)	Q3 2025	B/(W) YOY	% Chg YOY AC	% Chg YOY CC[1]	PF[1] % Chg YOY AC
Equipment	383	44	13.0%	12.1%	(16.4)%
Post Sale	1,356	253	22.9%	21.5%	(7.7)%
Total Revenue	$1,739	$297	20.6%	19.0%	(9.8)%
Impacts to YoY change in Total Segment Revenue					
Reductions in non-strategic revenue					~(1.7)%
Other Reinvention items					~(1.8)%
Gross Profit – Adj[1,2]	522	41	8.5%	7.6%	(20.4)%
Margin	30.0%	(330) bps			(440) bps
Segment Profit	64	(39)	(37.9)%	(37.3)%	(61.7)%
Margin	3.7%	(340) bps			(520) bps

Total Installs vs Equipment Revenue YOY[3]



Q3 Installs & Equipment Revenue B/(W) YOY[3]

	Color	B&W	Total Installs	Revenue (AC)
Entry	(33)%	(27)%	(28)%	
Mid-Range	7%	(15)%	2%	
High-End	(31)%	(97)%	(40)%	
Total	**(22)%**	**(26)%**	**(25)%**	**(16)%**

[1] Adjusted Measures, Pro Forma Measures and Constant Currency (CC): see Non-GAAP Financial Measures. [2] Gross margin adjustments consist of an inventory-related purchase accounting adjustment, related to the acquisition of Lexmark, of $102 million, a fixed asset purchase accounting adjustment of $16 million, and inventory-related impacts associated with the exit of certain Production Print manufacturing operations of $3 million in Q3 2025. [3] Q3 2025 installs and revenue shown on a pro forma basis. Q2 2025 and prior represents legacy Xerox.

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IT Solutions Segment Results

(in millions)	Q3 2025	B/(W) YOY	% Chg YOY AC	% Chg YOY CC[1]	PF[1] % Chg YOY AC
Products	165	110	200.0%	197.6%	10.7%
Services	57	26	83.9%	85.0%	9.6%
Intersegment revenue[2]	4	4	NM	NM	NM
Total Revenue	$226	$140	162.8%	161.3%	12.4%
Impacts to Y/Y change in Total Segment Revenue					
Acquisition of ITsavvy					~148%
Gross Profit	44	30	214.3%	213.0%	29.4%
Margin	19.5%	320 bps			260 bps
Segment Profit	18	18	NM	NM	350.0%
Margin	8.1%	810 bps			610 bps

IT Solutions: Key Performance Indicators / Trends

- **Pro forma Gross Billings grew 27% YOY:**
  - Double-digit pro forma growth in Infrastructure & Networking equipment and software
  - Double-digit pro forma growth in PC's
  - Double-digit pro forma growth in Advanced Solutions
- **Strong Orders and Print Cross-sale Activity**
  - Q3 2025 pro forma Gross Bookings increased 11% YOY
  - YTD >150 IT Solutions deals, with more than $50 million of signings value, sourced from legacy Xerox Print clients

[1] Constant Currency (CC) and Pro Forma Measures: see Non-GAAP Financial Measures. [2] Reflects revenue, primarily IT hardware, software solutions and services, sold by the IT Solutions segment to the Print and Other segment.

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Cash Flow

(in millions)	Q3 2025	Q3 2024
Pre-tax Loss	($300)	(1,087)
Non-Cash Add-Backs[1]	313	150
Non-Cash Goodwill Impairment, Net of Tax	-	1,015
Restructuring Payments	(8)	(11)
Pension Contributions	(56)	(56)
Working Capital, net[2]	19	7
Change in Finance Assets[3]	90	69
Other[4]	101	29
Net cash provided by Operations	159	116
Net cash used in Investing	(725)	(7)
Net cash provided by (used in) Financing	118	(74)
Ending Cash, Cash Equivalents and Restricted Cash[5]	535	590
Free Cash Flow[6]	131	107

[1] Non-cash add-backs include depreciation & amortization (including equipment on operating lease), provisions, stock-based compensation, non-service retirement-related costs, restructuring and asset impairment charges and gain on sales of businesses and assets (as applicable). [2] Working Capital, net includes accounts receivable, accounts payable and inventory. [3] Includes equipment on operating leases (excluding its related depreciation) and finance receivables. [4] Includes other current and long-term assets and liabilities, accrued compensation, derivative assets and liabilities, other operating, net, distributions from net income of unconsolidated affiliates and changes in cash tax liabilities. [5] Includes restricted cash of $56 million in Q3 2025 and $69 million in Q3 2024. [6] Free Cash Flow: see Non-GAAP Financial Measures.

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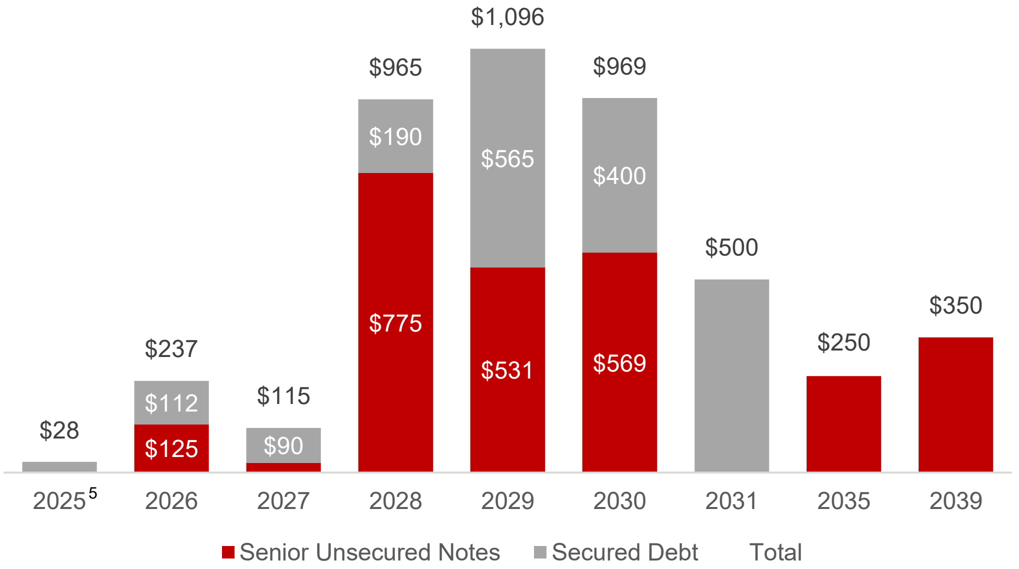
Capital Structure

Debt and Cash

(in billions)	Q3 2025	Q2 2025
Total Debt[1]	$(4.4)	$(3.9)
Less: Financing Allocated Debt	$1.6	$1.6
Core Debt	$(2.8)	$(2.3)
Less: Cash[2]	$0.5	$1.0
Net Core Debt	$(2.3)	$(1.3)
Total Debt to TTM Adj.[3] EBITDA	6.1x[4]	7.6x
Net Core Debt to TTM Adj.[3] EBITDA	3.1x[4]	2.5x

Q3 Principal Debt Maturity Ladder [1] ($M)



- Remaining $298 million of 2025 Sr Unsecured Bonds paid in August 2025
- Total Debt Leverage falls from 7.6x at Q2 2025 to 6.1x
- ~$380 million of scheduled debt maturities remain through December 2027

[1] 2028 figure includes $100 million of ABL draw as of 9/30/25. [2] Cash, cash equivalents and restricted cash. [3] Adjusted Measures: see Non-GAAP Financial Measures. [4] Combined Pro Forma EBITDA for Xerox and Lexmark. [5] 2025 excludes $41 million October prepayment of Term Loan B required from the Q3 sale of finance receivables.

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Guidance (Includes Lexmark)

2025 Guidance

	Previous	Current
Revenue growth	**16-17% growth in CC[1]**	**13% growth in CC[1]**
Lexmark contribution	*~$1 bn, net of interco*	*~$950m, net of interco*
Adj[1] Operating Income Margin	**~4.5%**	**~3.5%**
Lexmark contribution	*$100-110m*	*$100-110m*
Free Cash Flow[1]	**~$250m**	**~$150m**

Guidance further assumes the following:

- Continued macroeconomic volatility reflecting tariffs and other government policy-related uncertainties
- Moderate realization of expected Lexmark-related cost synergies in 2025

2026: Latest Expectations

Revenue

- Legacy Xerox Print to perform in line with the broader Print market
- Legacy Lexmark revenue flat to down low single digits YoY
- IT Solutions growth to exceed that of market

Adjusted[1] Operating Income

- Consolidation of Lexmark to add an incremental ~50 basis points to gross margin y/y, all else equal
- Between $250 and $300 million of gross cost reductions, inclusive of synergies and Reinvention savings
- $60 million headwind from a reduction in finance-related gross profit, reflecting the intentional decline of the finance receivable portfolio
- ~$100 million increase in tariffs and other product costs, partially offset by price increases and tariff mitigation

Other

- ~$290 million of interest expense, net

Free Cash Flow[1]

- ~$400 million of forward flow benefits

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

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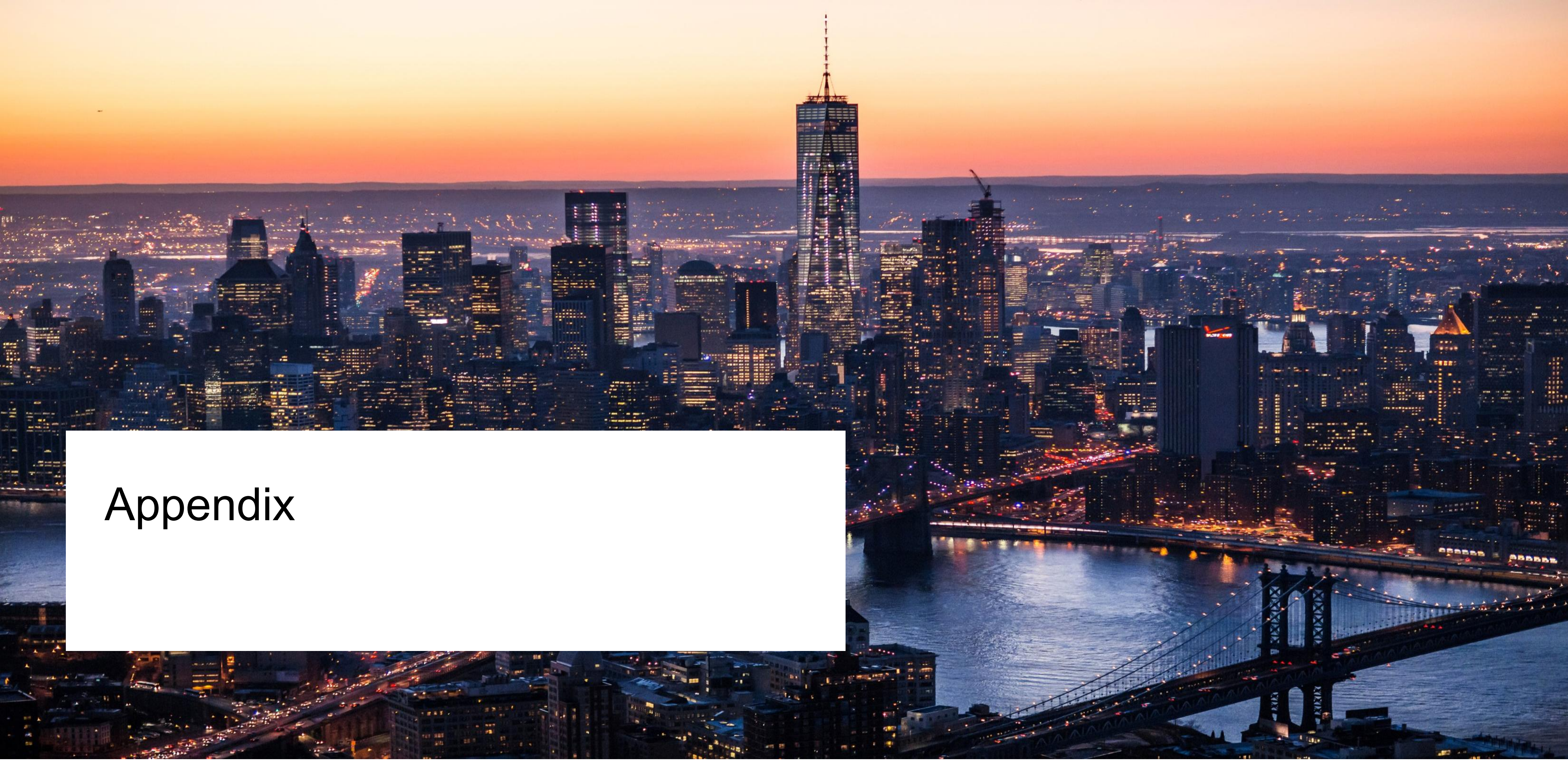

Appendix

Operating Trends

(in millions, except EPS)	2023 FY	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1	2025 Q2	2025 Q3
Total Revenue	$6,886	$1,502	$1,578	$1,528	$1,613	$6,221	$1,457	$1,576	$1,961
% Change	*(3.1)%*	*(12.4)%*	*(10.0)%*	*(7.5)%*	*(8.6)%*	*(9.7)%*	*(3.0)%*	*(0.1)%*	*28.3%*
CC[1] % Change	*(3.3)%*	*(13.2)%*	*(9.6)%*	*(7.3)%*	*(8.0)%*	*(9.5)%*	*(1.1)%*	*(1.1)%*	*27.0%*
Adj[1] Operating Margin	5.6%	2.2%	5.4%	5.2%	6.4%	4.9%	1.5%	3.7%	3.3%
GAAP (Loss) EPS[2]	($0.09)	($0.94)	$0.11	($9.71)	($0.20)	($10.75)	($0.75)	($0.87)	($6.01)
Adj[1] EPS (Loss)[3]	$1.82	$0.06	$0.29	$0.25	$0.36	$0.97	($0.06)	($0.64)	$0.20
Operating Cash Flow	$686	($79)	$123	$116	$351	$511	($89)	($11)	$159
Free Cash Flow[1]	$649	($89)	$115	$107	$334	$467	($109)	($30)	$131

[1] Adjusted measures, Free Cash Flow, and Constant Currency (CC): see Non-GAAP Financial Measures. [2] FY 2023 includes a net after-tax PARC donation charge of $92 million, or $0.58 per share, and an after-tax Restructuring and related costs, net charge of $78 million, or $0.52 per share. FY 2024 GAAP Loss per share includes a Q1 after-tax Reinvention-related charge of $100 million, or $0.81 per share, primarily related to the exit of certain Production Print manufacturing operations and geographic simplification; Q2 $23 million ($17 million after-tax), or $0.14 per share, of insurance proceeds from a legal settlement; Q3 after-tax non-cash goodwill impairment charge of approximately $1.0 billion, or $8.17 per share; Q4 after-tax write-off of intangibles of $28 million, or $0.22 per share and a $15 million after-tax Reinvention and transaction-related costs, or $0.12 per share. FY 2024 EPS also includes a Q3 tax expense charge of $161 million, or $1.30 per share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. Q1 2025 GAAP (Loss) per share includes a charge to tax expense related to the establishment of $59 million in valuation allowances, or $0.47 per share, and $14 million after-tax financing-related charges, or $0.11 per share, related to our recently completed debt offering. Q2 2025 GAAP (Loss) per share includes $22 million ($17 million after-tax) of financing-related charges, net, or $0.13 per share related to recently completed borrowings in support of the Lexmark acquisition financing, repayment of existing borrowings, and general corporate purposes; and $28 million of tax expense, or $0.22 per share, related to interest expense that was not deductible according to tax guidelines in place as of 6/30/25. Q3 2025 GAAP (Loss) per share includes an inventory-related purchase accounting adjustment, related to acquisition of Lexmark, of $85 million ($102 million pre-tax) or $0.67 per diluted share. In addition, third quarter 2025 includes a tax expense charge of $467 million, or $3.68 per diluted share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. [3] 2023 includes a share repurchase of $544 million from Carl Icahn and Affiliates

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Non-GAAP Financial Measures

We have reported our financial results in accordance with generally accepted accounting principles (GAAP). In addition, we have discussed our financial results using the non-GAAP measures described below. We believe these non-GAAP measures allow investors to better understand the trends in our business and to better understand and compare our results. 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. Accordingly, we believe it is necessary to adjust several reported amounts, determined in accordance with GAAP, to exclude the effects of certain items as well as their related income tax effects.

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 Condensed Consolidated Financial Statements prepared in accordance with GAAP.

A reconciliation of the estimated post-acquisition impact on Adjusted Net Income and EPS, Adjusted Operating Income and Margin, and Free Cash Flow to the closest GAAP financial measures, Net Income (loss), EPS, Pre-tax Margin, and Operating Cash Flow, is not provided. GAAP measures for those periods are not available without unreasonable effort, in part as the timing of synergies and costs to achieve synergies related to the acquisitions are not available at this time.

- Adjusted Net Income and EPS (Restructuring and related costs, net, Amortization of intangible assets, and other discrete, unusual or infrequent items);
- Adjusted Operating Income and Margin (Costs and expenses noted above as adjustments for our Adjusted Net Income and EPS measure, as well as amounts included in Other expenses, net, which are primarily non-financing interest expense and certain other non-operating costs and expenses, and other discrete, unusual or infrequent items);
- Free Cash Flow (Capital expenditures).

Reconciliations of the non-GAAP financial measures below to the most directly comparable financial measures calculated and presented in accordance with GAAP are set forth below.

Adjusted Earnings Measures
- Adjusted Net Income and Earnings per share (Adjusted EPS)
- Adjusted Effective Tax Rate

The above measures were adjusted for the following items:

- <u>Restructuring and related costs, net</u>: Restructuring and related costs, net include restructuring and asset impairment charges as well as costs associated with our transformation programs 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 transformation programs 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.

- <u>Amortization of intangible assets</u>: 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

- <u>Non-service retirement-related costs</u>: 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 current service to the Company (e.g. retirees and ex-employees). These elements include (i) interest cost, (ii) expected return on plan assets, (iii) amortization of prior plan amendments, (iv) amortized actuarial gains/losses and (v) 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. This approach is consistent with the classification of these costs as non-operating in Other expenses, net. Adjusted earnings will continue to include the service cost elements of our retirement costs, which is related to current employee service as well as the cost of our defined contribution plans.

- <u>Transaction and related costs, net</u>: Transaction and related costs, net are costs and expenses primarily associated with certain major or significant strategic M&A projects. These costs are primarily for third-party legal, accounting,

Non-GAAP Financial Measures

- consulting and other similar type professional services as well as potential legal settlements that may arise in connection with those M&A transactions. These costs are considered incremental to our normal operating charges and were incurred or are expected to be incurred solely as a result of the planned transactions. Accordingly, we are excluding these expenses from our Adjusted Earnings Measures in order to evaluate our performance on a comparable basis.

- Discrete, unusual or infrequent items: We exclude these item(s), when applicable, given their discrete, unusual or infrequent nature and their impact on the comparability of our results for the period to prior periods and future expected trends.

  - Goodwill impairment charge
  - Inventory-related impact - exit of certain Production Print manufacturing operations
  - Reinvention-related costs
  - Lexmark – settlement of pre-existing employment agreements
  - Lexmark – inventory-related purchase accounting adjustment
  - Lexmark – fixed asset-related purchase accounting adjustment
  - Lexmark acquisition financing – escrow interest, net
  - PARC donation – income tax
  - Deferred tax valuation allowance
  - Divestitures
  - Loss (gain) on early extinguishment of debt
  - Tax indemnification – Conduent
  - Income tax on goodwill impairment
  - Income tax on PARC donation
  - Commitment fee expense

Adjusted Operating Income and Margin
We calculate and utilize adjusted operating income and margin measures by adjusting our reported pre-tax income (loss) and margin amounts. In addition to the costs and expenses noted as adjustments for our adjusted earnings measures, adjusted operating income and margin also exclude the remaining amounts included in Other expenses, net, which are primarily non-financing interest expense and 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.

Adjusted Gross Profit and Margin
We calculate non-GAAP gross Profit and Margin by excluding the inventory impact related to the exit of certain Production Print manufacturing operations, included in Cost of services, maintenance and rentals.

Adjusted EBITDA
Earnings before interest, taxes, depreciation and amortization adjusted for additional items, when applicable, given their discrete, unusual or infrequent nature and their impact on comparability of our results for the period to prior periods and future expected trends.

Adjusted Other Expenses, net
Other expenses, net adjusted to exclude non-service retirement-related costs as well as additional items, when applicable, given their discrete, unusual or infrequent nature and their impact on comparability of our results for the period to prior periods and future expected trends.

Constant Currency (CC)
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.” This impact is calculated by translating current period activity in local currency using the comparable prior year period's currency translation rate. This impact is calculated for all countries where the functional currency is not the U.S. dollar. 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 operating cash flows by subtracting amounts related to capital expenditures. 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 and pay dividends.

Adjusted Net Income (Loss) and EPS Reconciliation

(in millions, except per share amounts)	FY-23 Net Income	FY-23 EPS	Q1-24 Net (Loss) Income	Q1-24 EPS	Q2-24 Net Income	Q2-24 EPS	Q3-24 Net (Loss) Income	Q3-24 EPS	Q4-24 Net (Loss) Income	Q4-24 EPS	FY-24 Net (Loss) Income	FY-24 EPS	Q1-25 Net (Loss)	Q1-25 EPS	Q2-25 Net (Loss)	Q2-25 EPS	Q3-25 Net (Loss)	Q3-25 EPS
Reported (1)	$ 1	$ (0.09)	$ (113)	$ (0.94)	$ 18	$ 0.11	$ (1,205)	$ (9.71)	$ (21)	$ (0.20)	$ (1,321)	$ (10.75)	$ (90)	$ (0.75)	$ (106)	$ (0.87)	$ (760)	$ (6.01)
Goodwill impairment	-		-		-		1,058		-		1,058		-		-		-	
PARC donation	132		-		-		-		-		-		-		-		-	
Inventory-related impact - exit of certain Production Print manufacturing operations (2)	-		36		8		-		7		51		7		10		3	
Restructuring and related costs, net	167		39		12		56		5		112		(1)		10		59	
Amortization of intangible assets	43		10		10		10		43		73		10		10		30	
Divestitures	-		54		(3)		-		(4)		47		(4)		-		-	
Non-service retirement-related costs	19		23		26		25		6		80		18		19		20	
Transaction and related costs, net	-		-		(23)		(15)		7		(31)		3		6		23	
Tax indemnification - Conduent	(7)		-		-		-		-		-		-		-		-	
Loss (gain) on early extinguishment of debt	10		(3)		-		-		1		(2)		-		4		-	
Reinvention-related costs	-		-		-		-		12		12		6		3		3	
Commitment fee expense (3)	-		-		-		-		-		-		18		4		-	
Income tax on goodwill impairment (4)	-		-		-		(43)		-		(43)		-		-		-	
Income tax on PARC donation (4)	(40)		-		-		-		-		-		9		-		11	
Deferred tax asset valuation allowance	-		-		-		161		8		169		50		-		467	
Lexmark - settlement of pre-existing employment agreements	-		-		-		-		-		-		-		-		24	
Lexmark - inventory-related purchase accounting adjustment (5)	-		-		-		-		-		-		-		-		102	
Lexmark - fixed asset-related purchase accounting adjustment	-		-		-		-		-		-		-		-		16	
Lexmark acquisition financing - escrow interest, net (6)	-		-		-		-		-		-		-		12		-	
Income tax on adjustments (4)	(38)		(35)		(7)		(13)		(15)		(70)		(30)		(49)		29	
Adjusted	$ 287	$ 1.82	$ 11	$ 0.06	$ 41	$ 0.29	$ 34	$ 0.25	$ 49	$ 0.36	$ 135	$ 0.97	$ (4)	$ (0.06)	$ (77)	$ (0.64)	$ 27	$ 0.20
Dividends on preferred stock used in adjusted EPS calculation (7)		$ 14		$ 4		$ 3		$ 4		$ 3		$ 14		$ 4		$ 3		$ 4
Weighted average shares for adjusted EPS (6)		151		125		126		126		127		126		125		126		129

(1) Q3 2025 GAAP (Loss) per share includes an inventory-related purchase accounting adjustment, related to the acquisition of Lexmark, of $85 million ($102 million pre-tax) or $0.67 per diluted share. In addition, third quarter 2025 includes a tax expense charge of $467 million, or $3.68 per diluted share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. Q2 2025 GAAP (Loss) per share includes $22 million ($17 million after-tax) of interest and financing-related charges, net, or $0.13 per share related to recently completed borrowings in support of the Lexmark acquisition financing, repayment of existing borrowings, and general corporate purposes; and $28 million of tax expense, or $0.22 per share, related to interest expense that was not deductible according to tax guidelines in place as of 6/30/25. Q1 2025 GAAP (Loss) per share includes a charge to tax expense related to the establishment of $59 million in valuation allowances, or $0.47 per share, and $14 million after-tax financing-related charges, or $0.11 per share, related to our recently completed debt offering. Full-year 2024 Net (Loss) and Diluted (Loss) per Share, include the following: Q1 2024 $129 million pre-tax ($100 million after-tax) Reinvention-related charge, or $0.81 per share, primarily related to the exit of certain Production Print manufacturing operations and geographic simplification; Q2 2024 GAAP $23 million ($17 million after-tax), or $0.14 per share, of insurance proceeds from a legal settlement; Q3 2024 pre-tax non-cash goodwill impairment charge of approximately $1.1 billion (approximately $1.0 billion after-tax), or $8.17 per share; Q4 2024 $37 million pre-tax ($28 million after-tax) write-off of intangibles, or $0.22 per share, and $19 million of pre-tax ($15 million after-tax) Reinvention-related and acquisition charges, or $0.12 per share. Full year 2024 also includes a Q3 2024 tax expense charge of $161 million, or $1.30 per share, related to the establishment of a valuation allowance against certain deferred tax assets to reflect their realizability. This adjustment was excluded due to its unique nature and significant impact which is not considered part of our core operations. Full year 2023 Net Income and Diluted (Loss) per Share includes a net pre-tax PARC donation charge of $132 million ($92 million after-tax), or $0.58 per share, and a $104 million pre-tax Restructuring and related costs, net charge ($78 million after-tax), or $0.52 per share, related to the Reinvention-related workforce reduction.

(2) Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.

(3) Primarily reflects fees associated with the recently completed private offering of $400 million in aggregate principal amount of 10.25% Senior Secured First Lien Notes and $400 million aggregate principal amount of 13.5% Senior Secured Second Lien Notes Due in 2031.

(4) Refer to Adjusted Effective Tax Rate Reconciliation.

(5) Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.

(6) Reflects net interest expense on net proceeds received from debt issuances which were placed in escrow to fund the Lexmark Acquisition.

(7) For those periods that include the preferred stock dividend the average shares for the calculations of diluted EPS exclude 7 million shares associated with our Series A convertible preferred stock, as applicable.

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Adjusted Effective Tax Rate Reconciliation

(in millions)	Q3-25 Pre-Tax Loss	Q3-25 Income Tax Expense	Q3-25 Effective Tax Rate	Q3-24 Pre-Tax (Loss) Income	Q3-24 Income Tax Expense	Q3-24 Effective Tax Rate
Reported [(1)]	$ (300)	$ 460	(153.3%)	$ (1,087)	$ 118	(10.9%)
Goodwill impairment	-	-		1,058	43	
Income tax on PARC donation	-	(11)		-	-	
Deferred tax asset valuation allowance	-	(467)		-	(161)	
Non-GAAP adjustments [(2)]	280	(29)		76	13	
Adjusted [(3)]	$ (20)	$ (47)	235.0%	$ 47	$ 13	27.7%

[(1)] *Pre-Tax Loss and Income Tax Expense.*

[(2)] *Refer to Adjusted Net (loss) Income and EPS reconciliations for details.*

[(3)] *The tax impact on the Adjusted Pre-Tax (Loss) is calculated under the same accounting principles applied to the As Reported Pre-Tax (Loss) under ASC 740, which employs an annual effective tax rate method to the results.*

Adjusted Gross Profit and Margin Reconciliation

(in millions)	Q3-25		Q3-24	
Revenue [1]	$ 1,961		$ 1,528	
Cost of revenue [1]	1,516		1,033	
Gross Profit and Margin	445	22.7%	495	32.4%
Adjustment:				
Inventory-related impact - exit of certain Production Print manufacturing operations	3		-	
Lexmark - inventory-related purchase accounting adjustment [2]	102		-	
Lexmark - fixed asset-related purchase accounting adjustment	16		-	
Adjusted Gross Profit and Margin	$ 566	28.9%	$ 495	32.4%

[1] *Total revenues and cost of revenue*

[2] *Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.*

Adjusted Gross Profit and Margin Reconciliation – Print and Other

(in millions)	Q3-25		Q3-24	
Revenue [1]	$ 1,739		$ 1,442	
Cost of revenue [1]	1,338		962	
Gross Profit and Margin	401	23.1%	480	33.3%
Adjustment:				
Inventory-related impact - exit of certain Production Print manufacturing operations	3		-	
Lexmark - inventory-related purchase accounting adjustment [2]	102		-	
Lexmark - fixed asset-related purchase accounting adjustment	16		-	
Adjusted Gross Profit and Margin	$ 522	30.0%	$ 480	33.3%

[1] *Print and Other revenues and cost of revenue*

[2] *Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.*

Adjusted Operating Income and Margin Reconciliation

(in millions)	FY-23 Profit	FY-23 Revenue	FY-23 Margin	Q1-24 (Loss) Profit	Q1-24 Revenue	Q1-24 Margin	Q2-24 Profit	Q2-24 Revenue	Q2-24 Margin	Q3-24 (Loss) Profit	Q3-24 Revenue	Q3-24 Margin	Q4-24 (Loss) Profit	Q4-24 Revenue	Q4-24 Margin	FY-24 (Loss) Profit	FY-24 Revenue	FY-24 Margin
Reported [1]	$ 1	$6,886		$ (113)	$1,502		$ 18	$1,578		$ (1,205)	$1,528		$ (21)	$1,613		$ (1,321)	$6,221	
Income tax (benefit) expense	(29)			(37)			7			118			17			105		
Pre-tax (loss) income	$ (28)	$6,886	(0.4%)	$ (150)	$1,502	(10.0%)	$ 25	$1,578	1.6%	$ (1,087)	$1,528	(71.1%)	$ (4)	$1,613	(0.2%)	$ (1,216)	$6,221	(19.5%)
Adjustments:																		
Goodwill impairment	-			-			-			1,058			-			1,058		
Restructuring and related costs, net	167			39			12			56			5			112		
Amortization of intangible assets	43			10			10			10			43			73		
PARC donation	132			-			-			-			-			-		
Divestitures	-			54			(3)			-			(4)			47		
Reinvention costs	-			-			-			-			12			12		
Transaction and related costs, net	-			-			-			-			7			7		
Inventory impact related to the exit of certain Production Print manufacturing operations [2]	-			36			8			-			7			51		
Other expenses, net [3]	75			44			33			43			38			158		
Adjusted	$ 389	$6,886	5.6%	$ 33	$1,502	2.2%	$ 85	$1,578	5.4%	$ 80	$1,528	5.2%	$ 104	$1,613	6.4%	$ 302	$6,221	4.9%

[1] *Net Income (Loss)*

[2] *Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.*

[3] *Includes non-service retirement-related costs.*

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Adjusted Operating Income and Margin Reconciliation – continued

(in millions)	Q1-25 (Loss) Profit	Q1-25 Revenue	Q1-25 Margin	Q2-25 (Loss) Profit	Q2-25 Revenue	Q2-25 Margin	Q3-25 (Loss) Profit	Q3-25 Revenue	Q3-25 Margin
Reported [1]	$ (90)	$1,457		$ (106)	$1,576		$ (760)	$1,961	
Income tax (benefit) expense	23			46			460		
Pre-tax (loss) income	$ (67)	$1,457	(4.6%)	$ (60)	$1,576	(3.8%)	$ (300)	$1,961	(15.3%)
Adjustments:									
Restructuring and related costs, net	(1)			10			59		
Amortization of intangible assets	10			10			30		
Divestitures	(4)			-			-		
Reinvention costs	6			3			3		
Transaction and related costs, net	3			6			23		
Inventory impact related to the exit of certain Production Print manufacturing operations [2]	7			10			3		
Lexmark - inventory-related purchase accounting adjustment [3]	-			-			102		
Lexmark - fixed asset-related purchase accounting adjustment	-			-			16		
Lexmark - settlement of pre-existing employment agreements	-			-			24		
Other expenses, net [4], [5]	68			80			105		
Adjusted	$ 22	$1,457	1.5%	$ 59	$1,576	3.7%	$ 65	$1,961	3.3%

[1] *Net Loss*

[2] *Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.*

[3] *Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.*

[4] *Includes non-service retirement-related costs.*

[5] *Q3 2025 includes $80 million of non-financing interest expense, as compared to $31 million for the third quarter 2024, related to the recently completed borrowings in support of the Lexmark acquisition financing, repayment of existing borrowings, and general corporate purposes*

Adjusted EBITDA and Margin Reconciliation

	FY-23			Q1-24			Q2-24			Q3-24			Q4-24			FY-24		
(in millions)	Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	Profit	Revenue	Margin
Reported [1]	$ 1	$ 6,886		$ (113)	$ 1,502		$ 18	$ 1,578		$ (1,205)	$ 1,528		$ (21)	$ 1,613		$ (1,321)	$ 6,221	
Adjustments:																		
Other expenses, net [2]	75			44			33			43			38			158		
Income tax (benefit) expense	(29)			(37)			7			118			17			105		
Depreciation and amortization [3]	251			59			59			59			97			274		
Goodwill impairment	-			-			-			1,058			-			1,058		
EBITDA [4]	$ 298	$ 6,886	4.3%	$ (47)	$ 1,502	(3.1)%	$ 117	$ 1,578	7.4%	$ 73	$ 1,528	4.8%	$ 131	$ 1,613	8.1%	$ 274	$ 6,221	4.4%
Adjustments:																		
Stock-based compensation	54			12			17			9			14			52		
Restructuring and related costs, net [5]	167			39			12			56			5			112		
PARC donation	132			-			-			-			-			-		
Divestitures	-			54			(3)			-			(4)			47		
Reinvention costs	-			-			-			-			12			12		
Transaction and related costs, net	-			-			-			-			7			7		
Inventory impact related to the exit of certain Production Print manufacturing operations [6]	-			36			8			-			7			51		
Adjusted EBITDA [7]	$ 651	$ 6,886	9.5%	$ 94	$ 1,502	6.3%	$ 151	$ 1,578	9.6%	$ 138	$ 1,528	9.0%	$ 172	$ 1,613	10.7%	$ 555	$ 6,221	8.9%

(1) *Net Income (Loss)*

(2) *Other expenses, net, primarily includes non-financing interest expense and certain other non-operating costs, expenses, gains and losses.*

(3) *Excludes amortization of customer contract costs*

(4) *EBITDA includes Financing Revenues and Cost of financing, for all periods presented as these amounts are associated with our XFS segment.*

(5) *Restructuring and related costs, net include restructuring and asset impairment charges as well as costs associated with our transformation programs beyond those normally included in restructuring and asset impairment charges.*

(6) *Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.*

(7) *EBITDA & Adj. EBITDA included above are internal measures used by Management to assess performance. The amounts and related calculation are different than consolidated EBITDA determined as part of our Credit Facility financial maintenance covenants.*

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Adjusted EBITDA and Margin Reconciliation - continued

(in millions)	Q1-25 (Loss) Profit	Q1-25 Revenue	Q1-25 Margin	Q2-25 (Loss) Profit	Q2-25 Revenue	Q2-25 Margin	Q3-25 (Loss) Profit	Q3-25 Revenue	Q3-25 Margin
Reported (1)	$ (90)	$ 1,457		$ (106)	$ 1,576		$ (760)	$ 1,961	
Adjustments:									
Other expenses, net (2)	68			80			105		
Income tax (benefit) expense	23			46			460		
Depreciation and amortization (3)	60			57			107		
Goodwill impairment	-			-			-		
EBITDA (4)	$ 61	$ 1,457	4.2%	$ 77	$ 1,576	4.9%	$ (88)	$ 1,961	(4.5)%
Adjustments:									
Stock-based compensation	12			14			7		
Restructuring and related costs, net (5)	(1)			10			59		
PARC donation	-			-			-		
Divestitures	(4)			-			-		
Reinvention costs	6			3			3		
Transaction and related costs, net	3			6			23		
Inventory impact related to the exit of certain Production Print manufacturing operations (6)	7			10			3		
Lexmark - inventory-related purchase accounting adjustment (7)	-			-			102		
Lexmark - fixed asset-related purchase accounting adjustment	-			-			16		
Lexmark - settlement of pre-existing employment agreements	-			-			24		
Adjusted EBITDA (8)	$ 84	$ 1,457	5.8%	$ 120	$ 1,576	7.6%	$ 149	$ 1,961	7.6%

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(1) *Net Income (Loss)*

(2) *Other expenses, net, primarily includes non-financing interest expense and certain other non-operating costs, expenses, gains and losses.*

(3) *Excludes amortization of customer contract costs*

(4) *EBITDA includes Financing Revenues and Cost of financing, for all periods presented as these amounts are associated with our XFS segment.*

(5) *Restructuring and related costs, net include restructuring and asset impairment charges as well as costs associated with our transformation programs beyond those normally included in restructuring and asset impairment charges.*

(6) *Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.*

(7) *Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.*

(8) *EBITDA & Adj. EBITDA included above are internal measures used by Management to assess performance. The amounts and related calculation are different than consolidated EBITDA determined as part of our Credit Facility financial maintenance covenants.*

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Free Cash Flow Reconciliation

(in millions)	FY-23	Q1-24	Q2-24	Q3-24	Q4-24	FY-24	Q1-25	Q2-25	Q3-25
Reported[1]	$686	($79)	$123	$116	$351	$511	($89)	($11)	$159
Less: capital expenditures	37	10	8	9	17	44	20	19	28
Free Cash Flow	$649	($89)	$115	$107	$334	$467	($109)	($30)	$131

[1] *Net cash provided by (used in) operating activities.*

Other Expenses, net Reconciliation

(in millions)	Q3-25	Q3-24
Reported [1]	$ 105	$ 43
Less: Non-service retirement-related costs	20	25
Less: Transaction related costs, net	-	(15)
Adjusted	$ 85	$ 33

[1] *Other expenses, net*

Adjusted Operating Income and Margin – Guidance

	FY 2025		
(in millions)	Profit	Revenue (CC) [2, 3]	Margin
Estimated [1]	~$(490)	~$7,040	~(7.0)%
Adjustments:			
Restructuring and related costs, net	80		
Amortization of intangible assets	80		
Lexmark acquisition-related costs	118		
Other expenses, net [4]	457		
Adjusted [5]	~$245	~$7,040	~3.5%

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(1) *Pre-tax (loss) and revenue.*

(2) *Full-year revenue growth is estimated at 13% in constant currency.*

(3) *See "Constant Currency" in the Non-GAAP Financial Measures section for a description of constant currency.*

(4) *Other expenses, net includes approximately $230 million of non-financing interest expense, net. The approximate $125 million increase as compared to full-year 2024 reflects recently completed borrowings in support of the Lexmark acquisition financing, repayment of existing borrowings, and general corporate purposes. Also included in Other expenses, net is approximately $30 million related to Lexmark Commitment fee expense and escrow interest expense.*

(5) *Adjusted pre-tax income reflects the adjusted operating margin guidance of ~3.5%.*

Free Cash Flow – Guidance

(in millions)	FY 2025
Operating Cash Flow[(1)]	~$245
Less: capital expenditures	95
Free Cash Flow	~$150

(1)Net cash provided by operating activities.

Pro Forma Financial Measures

To better understand the trends in our business, we discuss our 2025 operating results by comparing them against 2024 pro forma results, which include estimated results for both Lexmark and ITsavvy for the comparable period presented. ITsavvy is included in our 2025 reported results as the effective date of acquisition was November 20, 2024. Lexmark is included in our 2025 results as of July 1, 2025, the effective date of acquisition. Accordingly, we have included ITsavvy and Lexmark's 2024 pro forma results for comparable periods presented. We refer to comparisons against these adjusted 2024 results as “pro-forma” basis comparisons. ITsavvy and Lexmark's 2024 historical results have been adjusted to reflect fair value adjustments related to inventory, real and personal property (equipment and computer hardware and software), right of use assets and liabilities, and intangible assets. In addition, adjustments were made to conform both ITsavvy and Lexmark's accounting policies to those of Xerox, including accrued rebates, inventory and other material non-recurring costs associated with the acquisitions. We believe comparisons on a pro-forma basis are more meaningful than the actual comparisons given the size and nature of these acquisitions. We believe the pro forma basis comparisons allow investors to have a better understanding and additional perspective of the expected trends in our business as well as the impact of these acquisitions on the Company’s operations.

Management believes that these non-GAAP financial measures provide an additional means of analyzing the current periods’ results against the corresponding prior periods’ 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 tables:

Certain pro forma monetary amounts, percentages, and other financial figures included in the Company’s third quarter 2025 earnings materials, including the prepared remarks, investor presentation, and press release have been subject to rounding adjustments. Accordingly, minor differences may exist among such materials. These variances, which result solely from rounding, are not considered material.

Pro Forma Revenue – Print and Other

(in millions)	As reported Q3-25	As reported Q3-24	Pro Forma[1] Q3-24	% Change	Pro Forma[1] % Change
Equipment sales	$ 383	$ 339	$ 458	13.0%	(16.4)%
Post sale revenue[2]	1,356	1,103	1,469	22.9%	(7.7)%
Total Print and Other Revenue	$ 1,739	$ 1,442	$ 1,927	20.6%	(9.8)%

[1] Reflects the Inclusion of Lexmark and ITsavvy estimated results from July 1, 2024 through September 30, 2024

[2] Post sale revenue includes financing revenue generated from direct and indirectly financed Xerox equipment sale transactions of $32 million and $38 million for the third quarter 2025 and 2024, respectively.

Pro Forma Revenue – IT solutions

(in millions)	As reported Q3-25	As reported Q3-24	Pro Forma[1] Q3-24	% Change	Pro Forma[1] % Change
IT Products[2]	$ 165	$ 55	$ 149	200.0%	10.7%
IT Services[3]	57	31	52	83.9%	9.6%
Intersegment revenue[4]	4	-	-	NM	NM
Total IT Solutions	$ 226	$ 86	$ 201	162.8%	12.4%

[1] Reflects the Inclusion of Lexmark and ITsavvy estimated results from July 1, 2024 through September 30, 2024

[2] IT Products reflect the sale of IT hardware and software solutions. Hardware product sales include the sale of notebooks, network communications and other endpoint devices, desktop computers and other IT hardware. Software product sales include deployments of cloud and security solutions, endpoint security application suites, operating systems, other applications and network management solutions.

[3] IT Services reflect revenue associated with the implementation of IT solutions, including product lifecycle, deployment and network monitoring services, and managed services.

[4] Reflects primarily IT hardware, software solutions and services, sold by the IT Solutions segment to the Print and Other segment.

Pro Forma Segment Revenue and Gross Profit

(in millions)	As reported Q3-25	As reported Q3-24	Pro Forma[3] Q3-24	Change B/(W)	Pro Forma[3] Change B/W
Revenue					
Print & Other	$ 1,739	$ 1,442	$ 1,927	20.6%	(9.8)%
IT Solutions	226	86	201	162.8%	12.4%
Intersegment elimination[1]	(4)	-	-	NM	NM
Total Revenues	$ 1,961	$ 1,528	$ 2,128	28.3%	(7.8)%
Gross Profit					
Print & Other	$ 401	$ 481	$ 646	(16.6)%	(37.9)%
IT Solutions	44	14	34	214.3%	29.4%
Total Gross Profit	$ 445	$ 495	$ 680	(10.1)%	(34.6)%
Print & Other[2]	$ 522	$ 481	$ 646	8.5%	(19.2)%
IT Solutions	44	14	34	214.3%	29.4%
Total Gross Profit - Adjusted[2]	$ 566	$ 495	$ 680	14.3%	(16.8)%
Gross Profit Margin					
Print & Other	23.1%	33.4%	33.5%	(10.3) pts	(10.4) pts
IT Solutions	19.8%	16.3%	16.9%	3.5 pts	2.9 pts
Total Gross Profit Margin	22.7%	32.4%	32.0%	(9.7) pts	(9.3) pts
Print & Other[2]	30.0%	33.4%	33.5%	(3.4) pts	(3.5) pts
IT Solutions	19.8%	16.3%	16.9%	3.5 pts	2.9 pts
Total Gross Profit Margin - Adjusted[2]	28.9%	32.4%	32.0%	(3.5) pts	(3.1) pts

[1] *Reflects primarily IT hardware, software solutions and services, sold by the IT Solutions segment to the Print and Other segment.*

[2] *Reflects Q3 2025 Print and Other adjusted gross profit. See slide 21*

[3] *Reflects the Inclusion of Lexmark and ITsavvy estimated results from July 1, 2024 through September 30, 2024*

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Pro Forma Adjusted Operating Expenses

(in millions)	As reported Q3-25	Pro Forma[3] Q3-24	B/(W) YOY
Operating expenses[1]	$ 551	$ 546	(0.9%)
Less: One-time items[2]	50	(7)	
Adjusted operating expenses	$ 501	$ 553	9.4%

[1] Reflects Selling, administrative & general expenses (SAG) and Research, development and engineering expenses

[2] 3Q25 consists of Reinvention costs, transaction and related costs, and Lexmark - settlement of pre-existing employment agreements. 3Q24 reflects transaction and related costs, net

[3] Reflects the Inclusion of Lexmark and ITsavvy estimated results from July 1, 2024 through September 30, 2024

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Pro Forma Adjusted Operating Income and Margin Reconciliation

	As Reported		Pro Forma[6]		
	Q3-25	Q3-24	Q3-24	Change	Pro Forma[6] Change
(in millions)	(Loss) Profit	(Loss) Profit	(Loss) Profit		
Reported [1]	$ (760)	$ (1,205)	$ (1,255)	$ 445	$ 495
Income tax (benefit) expense	460	118	134	342	326
Pre-tax (loss) income	$ (300)	$ (1,087)	$ (1,121)	$ 787	$ 821
Adjustments:					
Goodwill impairment	-	1,058	1,058	(1,058)	(1,058)
Restructuring and related costs, net	59	56	55	3	4
Amortization of intangible assets	30	10	34	20	(4)
Reinvention costs	3	-	-	3	3
Transaction and related costs, net	23	-	-	23	23
Inventory impact related to the exit of certain Production Print manufacturing operations [2]	3	-	-	3	3
Lexmark - inventory-related purchase accounting adjustment [3]	102	-	-	102	102
Lexmark - fixed asset-related purchase accounting adjustment	16	-	10	16	6
Lexmark - settlement of pre-existing employment agreements	24	-	-	24	24
Other expenses, net [4], [5]	105	43	109	62	(4)
Adjusted	$ 65	$ 80	$ 145	$ (15)	$ (80)
Revenue	$ 1,961	$ 1,528	$ 2,128	$ 433	$ (167)
Adjusted Operating Income Margin	3.3%	5.2%	6.8%	(1.9) pts	(3.5) pts

[1] Net Income (Loss)

[2] Reflects inventory-related charges and the cancellation of related purchase contracts as a result of the exit of certain production print manufacturing operations.

[3] Reflects a purchase accounting adjustment related to the recent acquisition of Lexmark, for cost associated with a net inventory write up.

[4] Includes non-service retirement-related costs.

[5] Q3 2025 includes $80 million of non-financing interest expense, as compared to $31 million for the third quarter 2024, related to the recently completed borrowings in support of the Lexmark acquisition financing, repayment of existing borrowings, and general corporate purposes

[6] Reflects the Inclusion of Lexmark and ITsavvy estimated results from July 1, 2024 through September 30, 2024