

Xerox Holdings Financial Model
(unaudited)

(in \$ millions, except per-share data)

| | 2024 | | | | | 2025 | | | |
|--|--------------|--------------|----------------|--------------|----------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | YTD |
| Sales | 523 | 611 | 588 | 656 | 2,378 | 557 | 665 | 993 | 2,215 |
| Services, maintenance, rentals and other | 979 | 967 | 940 | 957 | 3,843 | 900 | 911 | 968 | 2,779 |
| Total Revenues | 1,502 | 1,578 | 1,528 | 1,613 | 6,221 | 1,457 | 1,576 | 1,961 | 4,994 |
| Cost of Revenue | | | | | | | | | |
| Cost of sales | 340 | 387 | 390 | 445 | 1,562 | 382 | 480 | 788 | 1,650 |
| Cost of services, maintenance, rentals and other | 719 | 671 | 643 | 666 | 2,699 | 649 | 645 | 728 | 2,022 |
| Total Cost of Revenue | 1,059 | 1,058 | 1,033 | 1,111 | 4,261 | 1,031 | 1,125 | 1,516 | 3,672 |
| Gross Profit | | | | | | | | | |
| Sales gross profit | 183 | 224 | 198 | 211 | 816 | 175 | 185 | 205 | 565 |
| Services, maintenance and rentals gross profit | 260 | 296 | 297 | 291 | 1,144 | 251 | 266 | 240 | 757 |
| Gross Profit | 443 | 520 | 495 | 502 | 1,960 | 426 | 451 | 445 | 1,322 |
| Research, development & engineering | 49 | 50 | 45 | 47 | 191 | 42 | 43 | 74 | 159 |
| Bad Debt Expense | 15 | 10 | 10 | 7 | 42 | 9 | 15 | 9 | 33 |
| Selling, administrative and general exp. (Excl Bad Debts) | 382 | 383 | 360 | 370 | 1,495 | 369 | 353 | 468 | 1,190 |
| Total Selling, administrative and general exp. | 397 | 393 | 370 | 377 | 1,537 | 378 | 368 | 477 | 1,223 |
| Non-financing interest expense | 26 | 31 | 31 | 31 | 119 | 33 | 55 | 80 | 168 |
| Aggregate Exchange losses | 11 | 2 | 2 | - | 15 | - | 1 | 5 | 6 |
| All other, net | 7 | - | 10 | 7 | 24 | 35 | 24 | 20 | 79 |
| Total Other, net | 44 | 33 | 43 | 38 | 158 | 68 | 80 | 105 | 253 |
| Goodwill impairment | - | - | 1,058 | - | 1,058 | - | - | - | - |
| Restructuring and related costs | 39 | 12 | 56 | 5 | 112 | (1) | 10 | 59 | 68 |
| Amortization of intangible assets | 10 | 10 | 10 | 43 | 73 | 10 | 10 | 30 | 50 |
| Divestitures | 54 | (3) | - | (4) | 47 | (4) | - | - | (4) |
| Total Costs and Expenses | 1,652 | 1,553 | 2,615 | 1,617 | 7,437 | 1,524 | 1,636 | 2,261 | 5,421 |
| (Loss) Income before Income Taxes | (150) | 25 | (1,087) | (4) | (1,216) | (67) | (60) | (300) | (427) |
| Income Taxes | (37) | 7 | 118 | 17 | 105 | 23 | 46 | 460 | 529 |
| Net (Loss) Income | (113) | 18 | (1,205) | (21) | (1,321) | (90) | (106) | (760) | (956) |
| Less: Preferred stock dividends, net | (4) | (3) | (4) | (3) | (14) | (4) | (3) | (4) | (11) |
| Net (Loss) Income attributable to Common Shareholders | (117) | 15 | (1,209) | (24) | (1,335) | (94) | (109) | (764) | (967) |
| Preferred Dividends/ | | | | | | | | | |
| - Basic | 4 | 3 | 4 | 3 | 14 | 4 | 3 | 4 | 11 |

**Xerox Holdings Financial Model
(unaudited)**

(in \$ millions, except per-share data)

| | | 2024 | | | | | 2025 | | | |
|--------------------------------|---|--------|--------|--------|---------|---------|--------|--------|---------|---------|
| | | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | YTD |
| Other | - Diluted ** | 4 | 3 | 4 | 3 | 14 | 4 | 3 | 4 | 11 |
| Weighted Average Shares | - Basic | 124 | 124 | 124 | 124 | 124 | 125 | 126 | 127 | 126 |
| | - Diluted ** | 124 | 124 | 124 | 124 | 124 | 125 | 126 | 127 | 126 |
| Earnings Per Share | | | | | | | | | | |
| | Total Basic (Loss) Earnings per Share | (0.94) | 0.12 | (9.71) | (0.20) | (10.75) | (0.75) | (0.87) | (6.01) | (7.67) |
| | Total Diluted (Loss) Earnings per Share | (0.94) | 0.11 | (9.71) | (0.20) | (10.75) | (0.75) | (0.87) | (6.01) | (7.67) |
| Key Ratios - GAAP: | | | | | | | | | | |
| Gross Margins | - Sales | 35.0% | 36.7% | 33.7% | 32.2% | 34.3% | 31.4% | 27.8% | 20.6% | 25.5% |
| | - Services/Maintenance/Rentals/Other | 26.6% | 30.6% | 31.6% | 30.4% | 29.8% | 27.9% | 29.2% | 24.8% | 27.2% |
| | - Total | 29.5% | 33.0% | 32.4% | 31.1% | 31.5% | 29.2% | 28.6% | 22.7% | 26.5% |
| SAG as a % of Revenue | | 26.4% | 24.9% | 24.2% | 23.4% | 24.7% | 25.9% | 23.4% | 24.3% | 24.5% |
| Tax Rate | | 24.7% | 28.0% | -10.9% | -425.0% | -8.6% | -34.3% | -76.7% | -153.3% | -123.9% |
| Ending Xerox Employment | | 18,700 | 18,100 | 17,300 | 16,800 | 16,800 | 16,800 | 16,600 | 26,300 | 26,300 |

**For those periods that exclude the preferred stock dividend the average shares for the calculations of diluted EPS include 7 million shares associated with our Series A or Series B convertible preferred stock.

**Xerox Holdings Financial Model - Non-GAAP basis
(unaudited)**

(in \$ millions, except per-share data)

| Revenues | |
|---|--|
| Sales | |
| Services, maintenance, rentals and other | |
| Total Revenues | |
| Cost of Revenue | |
| Cost of sales | |
| Cost of services, maintenance, rentals and other | |
| Total Cost of Revenue | |
| Gross Profit | |
| Sales gross profit | |
| Services, maintenance and rentals gross profit | |
| Gross Profit | |
| Research, development & engineering | |
| Bad Debt Expense | |
| Selling, administrative and general exp. (Excl Bad Debts) | |
| Total Selling, administrative and general exp. | |
| Non-financing interest expense | |
| Aggregate Exchange losses | |
| All other, net | |
| Total Other, net | |
| Total Costs and Expenses | |
| Income before Income Taxes | |
| Income Taxes | |
| Net Income | |
| Earnings Per Share | |
| Operations: | |
| Preferred Dividends - Adjusted EPS ** | |
| Adjusted Earnings per Share | |
| Adjusted Weighted Average Shares ** | |

Key Ratios - Adjusted:

Gross Margins - Sales

Non-GAAP basis is adjusted to exclude restructuring and related costs, amortization of intangible assets, non-service retirement-related costs as well as other discrete, unusual or infrequent items as described in our Non-GAAP Financial Measures section of our Quarterly Reports on Form 10-Q and our Annual Report on Form 10-K

| 2024 | | | | | 2025 | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | YTD |
| 523 | 611 | 588 | 656 | 2,378 | 557 | 665 | 993 | 2,215 |
| 979 | 967 | 940 | 957 | 3,843 | 900 | 911 | 968 | 2,779 |
| 1,502 | 1,578 | 1,528 | 1,613 | 6,221 | 1,457 | 1,576 | 1,961 | 4,994 |
| 340 | 386 | 390 | 438 | 1,554 | 377 | 474 | 679 | 1,530 |
| 683 | 664 | 643 | 666 | 2,656 | 647 | 641 | 716 | 2,004 |
| 1,023 | 1,050 | 1,033 | 1,104 | 4,210 | 1,024 | 1,115 | 1,395 | 3,534 |
| 183 | 225 | 198 | 218 | 824 | 180 | 191 | 314 | 685 |
| 296 | 303 | 297 | 291 | 1,187 | 253 | 270 | 252 | 775 |
| 479 | 528 | 495 | 509 | 2,011 | 433 | 461 | 566 | 1,460 |
| 49 | 50 | 45 | 47 | 191 | 42 | 43 | 74 | 159 |
| 15 | 10 | 10 | 7 | 42 | 9 | 15 | 9 | 33 |
| 382 | 383 | 360 | 351 | 1,476 | 360 | 344 | 418 | 1,122 |
| 397 | 393 | 370 | 358 | 1,518 | 369 | 359 | 427 | 1,155 |
| 26 | 31 | 31 | 31 | 119 | 33 | 55 | 80 | 168 |
| 11 | 2 | 2 | - | 15 | - | 1 | 5 | 6 |
| (13) | (3) | - | - | (16) | (1) | (15) | - | (16) |
| 24 | 30 | 33 | 31 | 118 | 32 | 41 | 85 | 158 |
| 1,493 | 1,523 | 1,481 | 1,540 | 6,037 | 1,467 | 1,558 | 1,981 | 5,006 |
| 9 | 55 | 47 | 73 | 184 | (10) | 18 | (20) | (12) |
| (2) | 14 | 13 | 24 | 49 | (6) | 95 | (47) | 42 |
| 11 | 41 | 34 | 49 | 135 | (4) | (77) | 27 | (54) |
| 0.06 | 0.29 | 0.25 | 0.36 | 0.97 | (0.06) | (0.64) | 0.20 | (0.50) |
| - | - | - | - | - | - | - | - | - |
| 0.06 | 0.29 | 0.25 | 0.36 | 0.97 | (0.06) | (0.64) | 0.20 | (0.50) |
| 125 | 126 | 126 | 127 | 126 | 126 | 126 | 129 | 125 |
| 35.0% | 36.8% | 33.7% | 33.2% | 34.7% | 32.3% | 28.7% | 31.6% | 30.9% |

**Xerox Holdings Financial Model - Non-GAAP basis
(unaudited)**

Non-GAAP basis is adjusted to exclude restructuring and related costs, amortization of intangible assets, non-service retirement-related costs as well as other discrete, unusual or infrequent items as described in our Non-GAAP Financial Measures section of our Quarterly Reports on Form 10-Q and our Annual Report on Form 10-K

(in \$ millions, except per-share data)

| | 2024 | | | | | 2025 | | | |
|---|------------|-----------|--------------|-----------|--------------|-----------|-----------|------------|------------|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | YTD |
| - Services/Maintenance/Rentals/Other | 30.2% | 31.3% | 31.6% | 30.4% | 30.9% | 28.1% | 29.6% | 26.0% | 27.9% |
| - Total | 31.9% | 33.5% | 32.4% | 31.6% | 32.3% | 29.7% | 29.3% | 28.9% | 29.2% |
| Adjusted Operating Margin | -6.2% | 5.4% | 6.4% | 6.4% | 4.9% | 1.5% | 3.7% | 3.3% | 2.9% |
| SAG as a % of Revenue | 26.4% | 24.9% | 24.2% | 22.2% | 24.4% | 25.3% | 22.8% | 21.8% | 23.1% |
| Adjusted Effective Tax Rate | -22.2% | 25.5% | 27.7% | 32.9% | 26.6% | 60.0% | 527.8% | 235.0% | -350.0% |
| Non-GAAP Adjustments: | | | | | | | | | |
| Goodwill Impairment | - | - | 1,058 | - | 1,058 | - | - | - | - |
| Restructuring and related costs | 39 | 12 | 56 | 5 | 112 | (1) | 10 | 59 | 68 |
| Amortization of intangible assets | 10 | 10 | 10 | 43 | 73 | 10 | 10 | 30 | 50 |
| Non-service retirement-related costs | 23 | 26 | 25 | 6 | 80 | 18 | 19 | 20 | 57 |
| Transaction and related costs | - | - | - | 7 | 7 | 3 | 6 | 47 | 56 |
| Reinvention costs | - | - | - | 12 | 12 | 6 | 3 | 3 | 12 |
| Purchase accounting adjustments to fixed assets | - | - | - | - | - | - | - | 16 | 16 |
| Purchase accounting adjustments to inventory and fixed assets | - | - | - | - | - | - | - | 102 | 102 |
| Loss (Gain) on extinguishment of debt | (3) | - | - | 1 | (2) | - | 4 | - | 4 |
| Divestitures | 54 | (3) | - | (4) | 47 | (4) | - | - | (4) |
| Commitment Fee expense | - | - | - | - | - | 18 | 4 | - | 22 |
| Insurance Settlement | - | (23) | (15) | - | (38) | - | - | - | - |
| Escrow interest | - | - | - | - | - | - | 12 | - | 12 |
| Inventory impact related to the exit of certain Production Print manufacturing operations | 36 | 8 | - | 7 | 51 | 7 | 10 | 3 | 20 |
| Tax on adjusted items | (35) | (7) | 105 | (7) | 56 | 29 | (49) | 507 | 487 |
| Total Non-GAAP Adjustments | 124 | 23 | 1,239 | 70 | 1,456 | 86 | 29 | 787 | 902 |

**For those periods that exclude the preferred stock dividend the average shares for the calculations of diluted EPS include 7 million shares associated with our Series A or Series B convertible pref stock.

Xerox Holdings Financial Model
(unaudited)

| (in \$ millions) | 2024 | | | | | 2025 | | | | 2025 | 2025 YOY |
|--------------------------------|------------|------------|------------|------------|--------------|------------|------------|------------|--------------|--------------------|----------------|
| | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | YTD | QOQ CC % Change | CC % Change |
| Revenue | | | | | | | | | | | |
| Entry | 45 | 56 | 53 | 60 | 214 | 43 | 51 | 119 | 213 | 122.8% | 37.3% |
| Mid-range | 193 | 235 | 224 | 260 | 912 | 198 | 235 | 222 | 655 | (2.0)% | 0.2% |
| High-end | 47 | 60 | 57 | 68 | 232 | 40 | 44 | 39 | 123 | (33.6)% | (25.4)% |
| Other | 5 | 5 | 5 | 5 | 20 | 3 | 6 | 3 | 12 | (40.0)% | (20.0)% |
| Total Equipment Revenue | 290 | 356 | 339 | 393 | 1,378 | 284 | 336 | 383 | 1,003 | 12.1% | 1.6% |
| Installs | | | | | | | | | | | |
| Entry | | | | | | | | | | | |
| Color | (37)% | (13)% | (4)% | 20% | (11)% | 18% | (4)% | (0)% | 4% | | |
| B&W | (47)% | (9)% | 34% | 31% | (2)% | 39% | (18)% | (38)% | (14)% | | |
| Mid-range | | | | | | | | | | | |
| Color | (18)% | (12)% | 3% | 5% | (5)% | 11% | 0% | 2% | 4% | | |
| B&W | (28)% | (29)% | (11)% | (5)% | (19)% | (11)% | (23)% | (17)% | (17)% | | |
| High-end | | | | | | | | | | | |
| Color | (42)% | (22)% | (22)% | (13)% | (25)% | (19)% | (16)% | (31)% | (22)% | | |
| B&W | (22)% | (24)% | 29% | (42)% | (15)% | (67)% | (73)% | (97)% | (83)% | | |

Notes:

CC = Constant Currency