Financial Overview

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November 11, 2014

Building Sustained Value

- Xerox Value Proposition
- Business Dynamics
  - Document Technology
  - Services
- 2015 Guidance
  - Revenue and earnings
  - Cash flow and capital structure
  - Capital allocation

Xerox Value Proposition…

Attractive Markets	Mix to Services	Margin Opportunity	Lead in Document Technology	Sustainable Shareholder Value
5%+	~2/3rds	~50 bps	~$2B	>50%
Services Market CAGR	of Revenue by 2017	Expected 2015 Services Margin Improvement	Expected 2015 Cash from Operations	FCF Return to Shareholders

…targeting earnings per share expansion of 5 to 10%

Segment Business Dynamics

Document Technology (~40% of Total Revenue)

	Target
Revenue Growth	Mid-single digit decline
Segment Margin	10 – 12%

- Product mix: 56% Mid-Range, 24% High-End, 20% Entry
- Geographic mix: 62% N. America, 26% Europe, 12% developing markets
- Office[1] market declining 4%, High-End market growing 3% driven by Color growth of 8%
  - Migration to Doc Outsourcing impacts Office
  - Area of highest secular decline, High-End B&W represents <8% of Doc Tech business
- Ongoing restructuring and productivity actions support continued strong margin

Macroeconomic sensitivity especially on hardware and unbundled supplies sales

Services (~57% of Total Revenue)

	Target
Revenue Growth	Mid-to-High single digit growth
Segment Margin	10 – 12%

- Services mix: 60% BPO, 28% DO, 12% ITO
- Geographic mix: 77% U.S., 23% International
- Attractive market growth: BPO 6%+, DO 7%, ITO 4%
- Broad and diverse BPO portfolio
  - Over 60% of BPO portfolio with margins ≥10%
  - Long-term contracts with high renewal rates
- Relatively modest CAPEX, around 3% of revenue

Limited macroeconomic sensitivity given largely recurring revenue and diversity of business

Note: Expect "Other" segment revenue to decline mid-single digits
[1]Office includes both Mid-Range and Entry products

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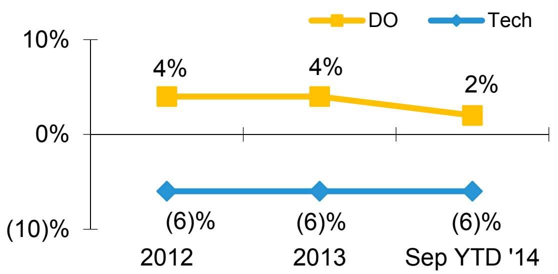
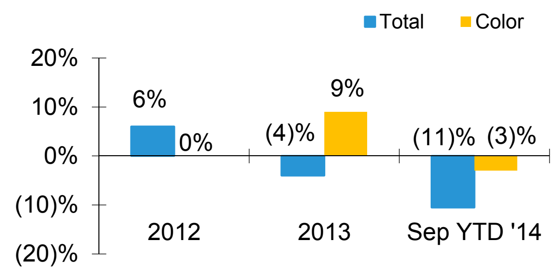
Document Technology Metrics and Trends

Revenue Trend (% @ CC)



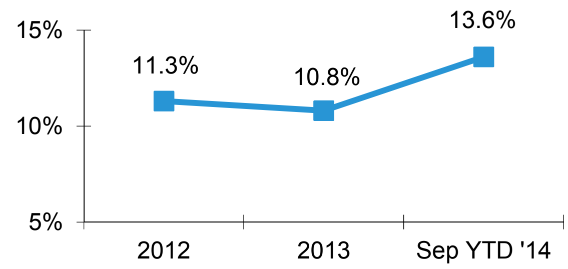
- Stable Doc Tech revenue declines; in-line with guidance
  - Combined Doc Tech and Doc Outsourcing decline of 4%
  - Developing markets weakness and previous finance receivable sales impacts 2014

Install Growth



- Equipment revenue market share leader
- Entry products drive 2014 install declines
  - Mid-range Color up 1% and High-end[1] up 5% YTD
- 23 products launched through October, including 12 Entry

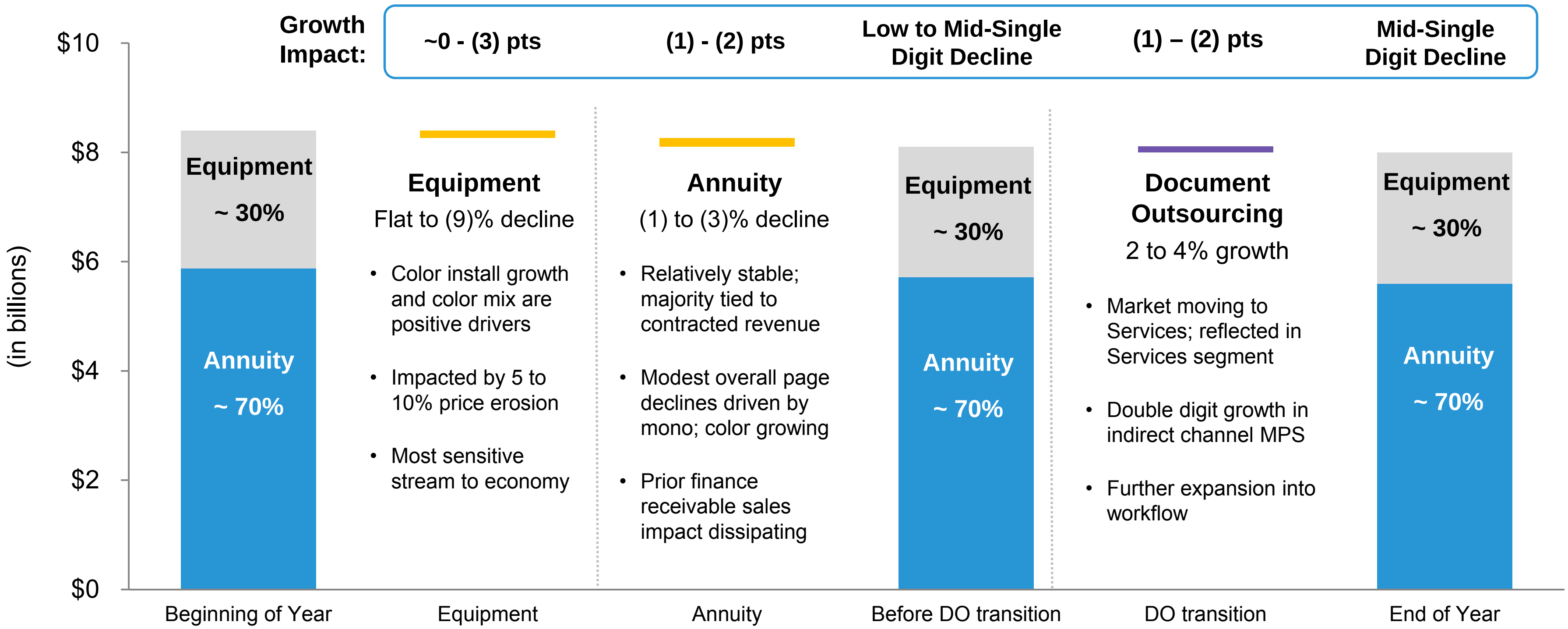
Doc Tech Segment Margin



- Doc Tech margin strength continues
  - Ongoing restructuring initiatives support continued strong margin
  - 2014 margin strength further aided by currency and pension tailwinds

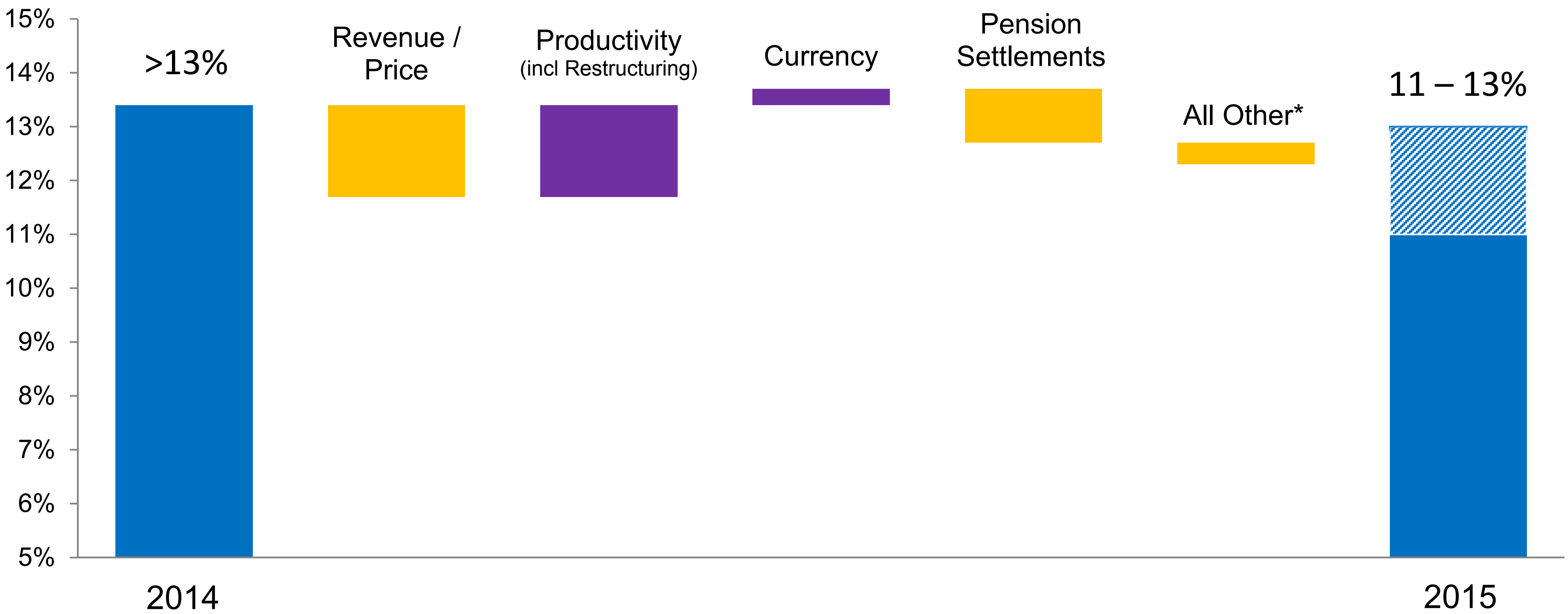
Note: Installs include both the Document Technology and Services segments. Install Growth excludes single-function mono printers
Constant Currency (CC): see non-GAAP measures
[1]High-end color install growth excludes high digital front end (DFE) sales to Fuji Xerox

Document Technology Revenue Model



Profitable, annuity driven revenue with manageable declines

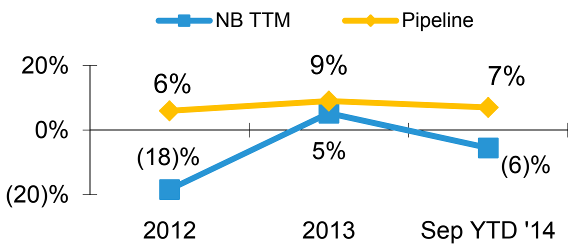
2015 Document Technology Margin Bridge



*All Other includes higher benefits expense and investments in growth areas

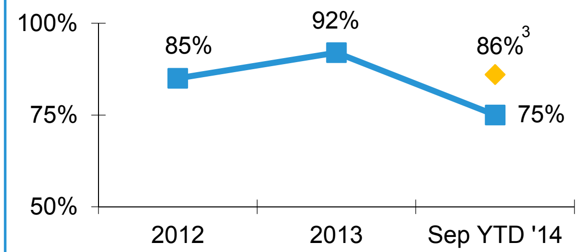
Services Metrics and Trends

New Business Signings[1] & Pipeline



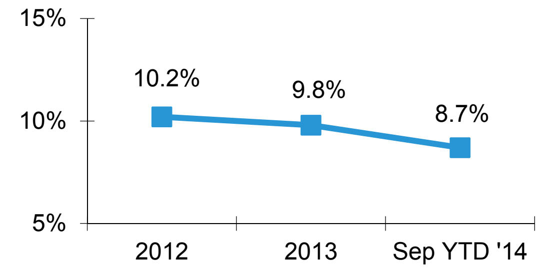
- New business signings down 6% TTM
  - Significant deals awarded, not signed
  - Investing in additional sales resources and training
- Pipeline remains healthy

Renewal Rate[2]



- Renewal rate target range remains 85 to 90%
- Sep YTD Renewal rate of 86% excluding Texas MMIS contract loss

Services Segment Margin



- Government Healthcare pressures 2014 margin
- Re-aligning organization to drive greater growth and productivity
- Multi-year strategy in place to improve margin

[1]New Business Signings = ARR (Annual Recurring Revenue) + NRR (Non-Recurring Revenue)
[2]Renewal Rate = ARR on BPO/ITO contracts that are renewed as a % of ARR on all contracts on which a renewal decision was made
[3]Renewal Rate excluding TX MMIS loss

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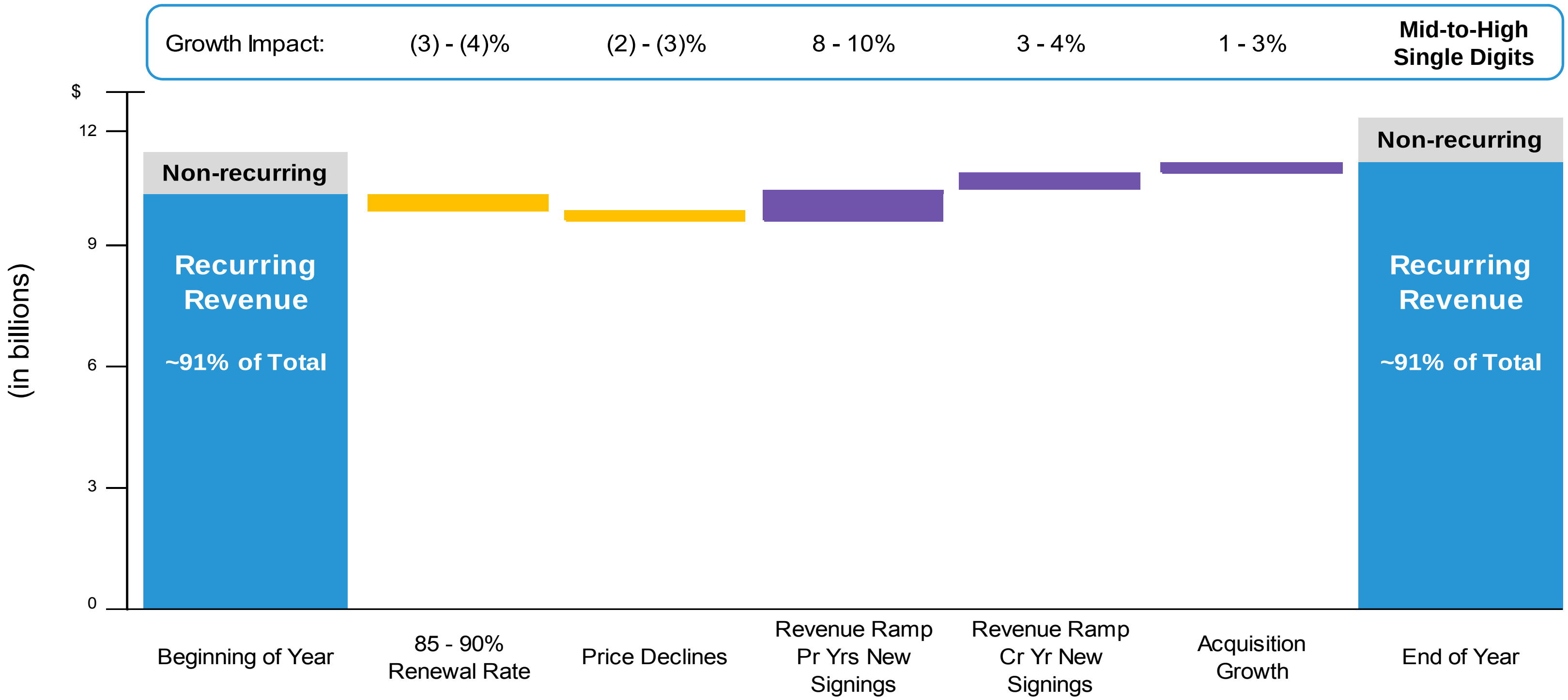
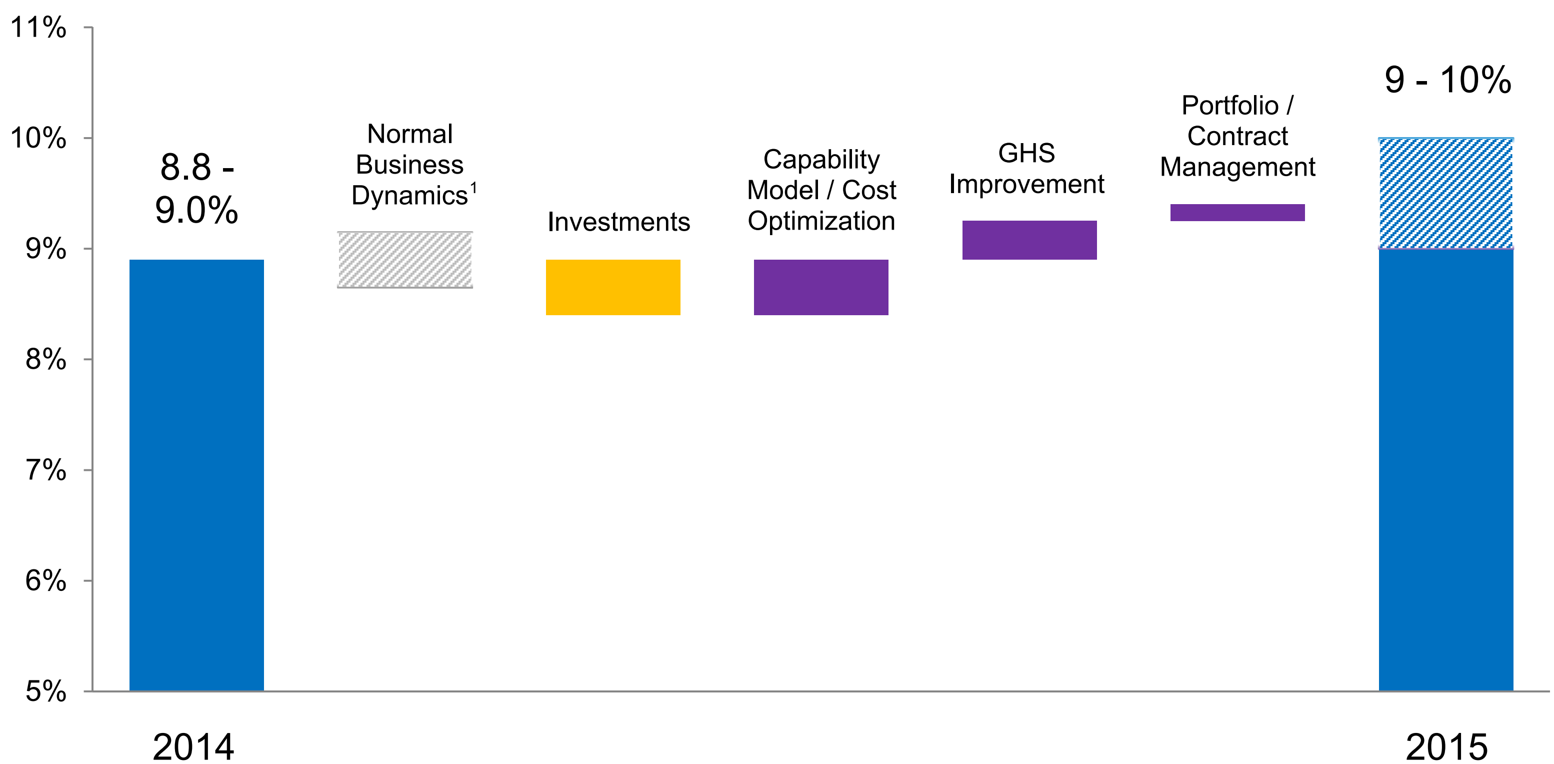
Services - Recurring Revenue Model



2015 growth expected to be under model driven by lower 2014 signings and impact of TX MMIS loss

Note: The model above assumes overall volumes are consistent YOY

2015 Services Margin Bridge



[1]Normal Business Dynamics: range for net impact of price declines, contract losses, new contract ramp and normal productivity

2015 Expectations

	2014	2015
Revenue Growth @ CC	Low-single digit decline	Flat
Services	Flat to up 1%	Up 2 to 4%
Document Technology	Mid-single digit decline	Down 4 to 5%
Adjusted EPS[1] (incl restructuring)	$1.11 - $1.13	$1.11- $1.17
GAAP EPS	$0.93 - $0.95	$0.93 - $0.99
Cash From Operations	$1.8 - $2.0B	$1.9 - $2.1B
CAPEX	$0.5B	$0.5B
Free Cash Flow	$1.3 - $1.5B	$1.4 - $1.6B
Share Repurchase	~$1B	>$500M
Acquisitions	<$500M	<$500M
Dividend	~$300M	~$300M

Revenue
- Services growth offset by Doc Tech declines @ CC
- Translation currency a (1) pt impact on revenue

Earnings
- Adjusted EPS of $1.11 to $1.17
- Improvement in Services margin offset by declines in Document Technology
  - Contemplates (6) cent impact from pension settlement losses
- Other, net expected higher YOY
- Tax rate between 25% and 27%

Cash flow
- Expect continued strong cash flow $1.9 - $2.1B
- Slightly less impact from prior finance receivable sales

Note: Revenue growth guidance excluding potential divestitures
[1]Adjusted for amortization of intangible assets
Constant Currency (CC), Adjusted EPS and Free Cash Flow: see non-GAAP measures

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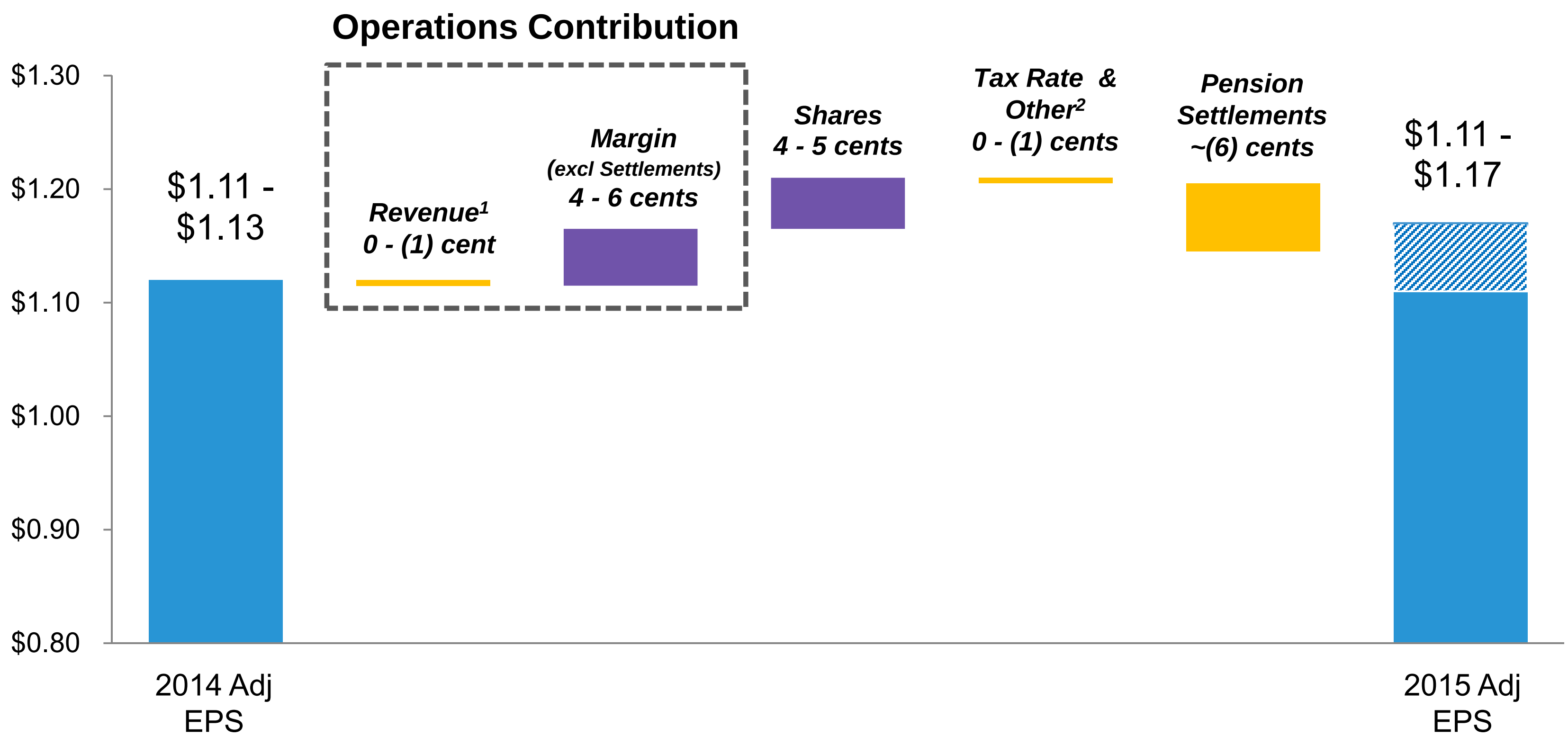
2015 EPS Bridge



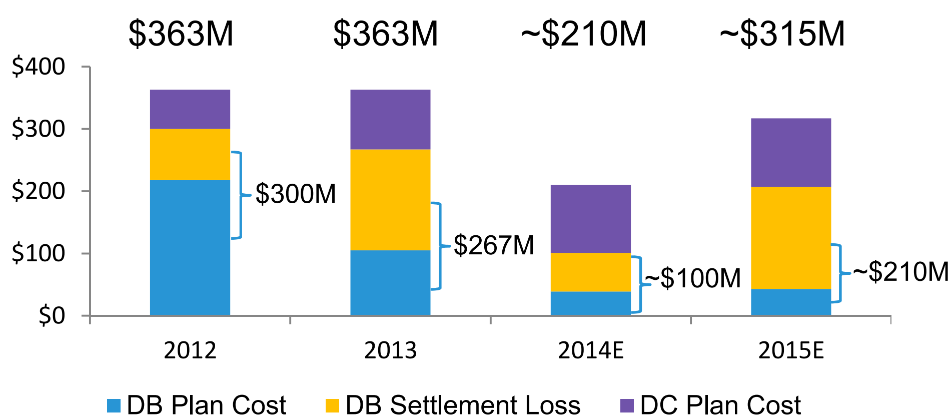
[1]Includes organic and inorganic revenue growth
[2]Other includes YOY impact of less asset sales and a higher tax rate
Adjusted (Adj) EPS: see non-GAAP measures

Pension Expectations

- Low interest rate environment impacts funding requirements and settlement loss volatility
- All major defined benefit (DB) pension plans frozen – reduces burden over time

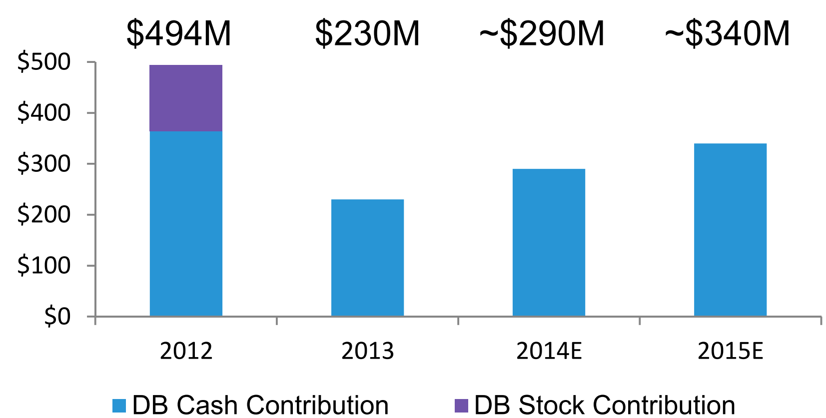
Expense

- DB plan cost has declined with pension plan freezes
- U.S. plan lump sum (settlement) option creates volatility
  - 2012/2014 lower; 2015 expect higher settlements similar to 2013

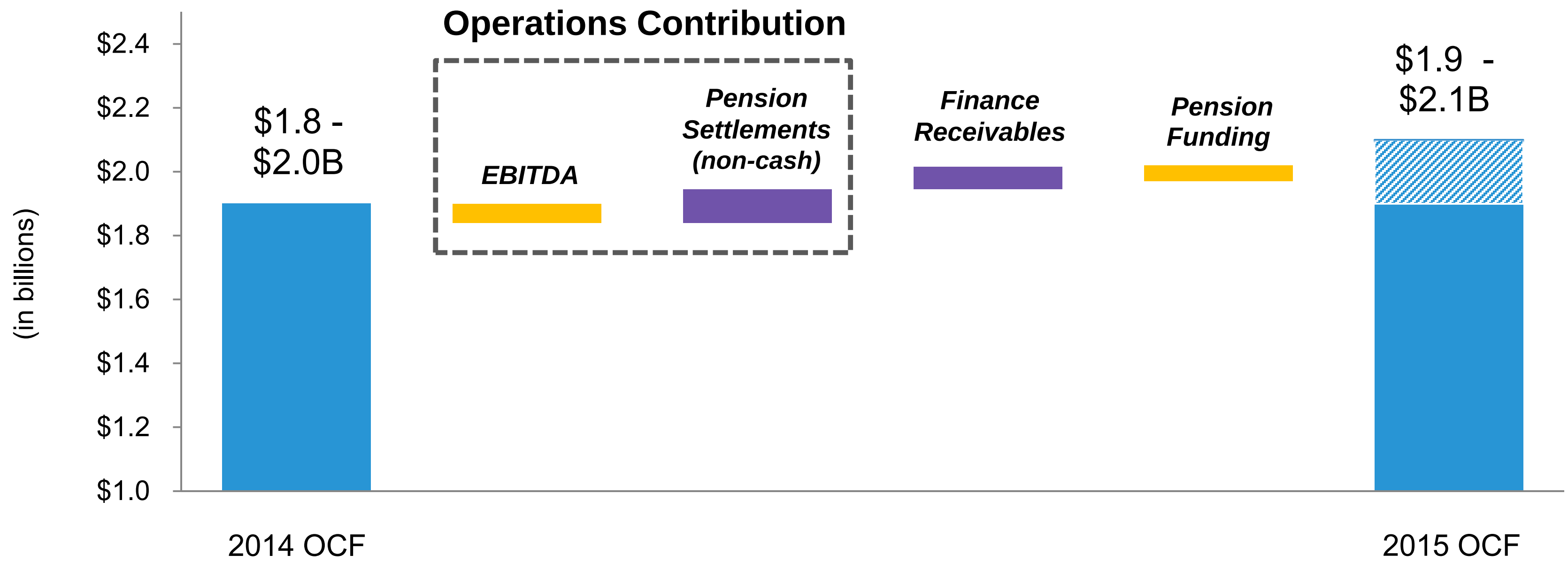


DB Pension Funding

- Local law / regulatory requirements
- U.S. legislation lowered near term requirements
- Increasing funding to gradually address liabilities

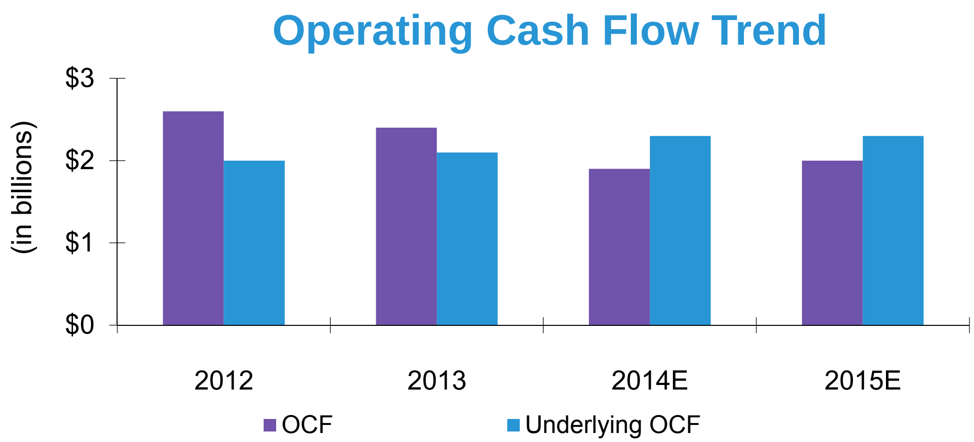


Operating Cash Flow Bridge



Cash flow modestly improves with less headwind from previous finance receivable sales, partially offset by higher pension contributions

Cash Flow Dynamics



(in billions)	2012	2013	2014 Est.	2015 Est.
Operating Cash Flow (OCF)	**$2.6**	**$2.4**	**$1.8 - $2.0**	**$1.9 - $2.1**
Adjustments:				
Cash from F/R Sales	$(0.6)	$(0.6)	-	-
Impact from prior F/R Sales	-	$0.3	~$0.4	~$0.3
Underlying OCF*	**$2.0**	**$2.1**	**$2.2 - $2.4**	**$2.2 - $2.4**

Continued strong cash flow

2015 reflects moderating impact from previous Finance Receivable sales

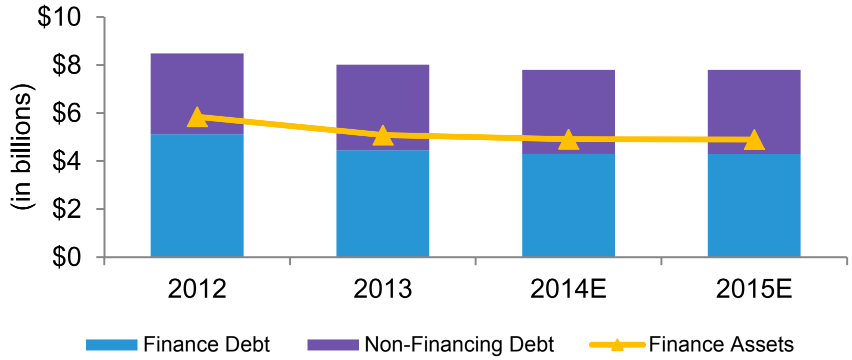
- Partially offset by higher pension funding

No Finance Receivable sales planned in 2015

*Underlying OCF is reported OCF adjusted for the impacts of Finance Receivable sales. See non-GAAP measures.

Capital Structure

Debt and Finance Asset Trend



~30% decline in Finance Assets since 2011 drove debt reduction

Customer Financing Activities and Debt
(expected YE '14)

- Xerox's value proposition includes leasing of Xerox equipment
- Maintain 7:1 leverage debt to equity ratio on finance assets

(in billions)	Fin Assets	Debt
Finance	$ 4.9	$ 4.3
Non-Financing	-	$ 3.5
Total Xerox	$ 4.9	$ 7.8

Balanced debt ladder; ~$1B annually over next five years

- $1.3B matures in 2015

Managing debt level to maintain investment grade credit metrics

- No 2015 debt reduction anticipated

Dividend Strategy

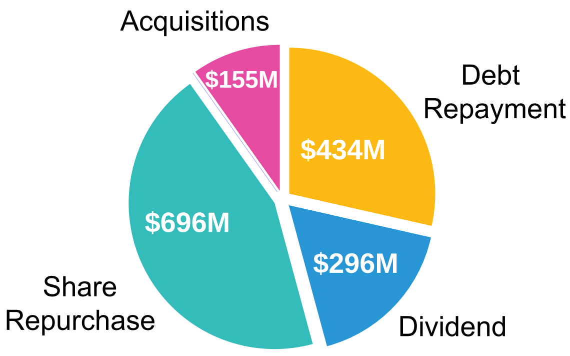
Quarterly Dividend / share	6.25 cents
Annual Dividend amount	~$300M
Dividend % FCF	~20%

Note: excludes $24M in preferred dividends

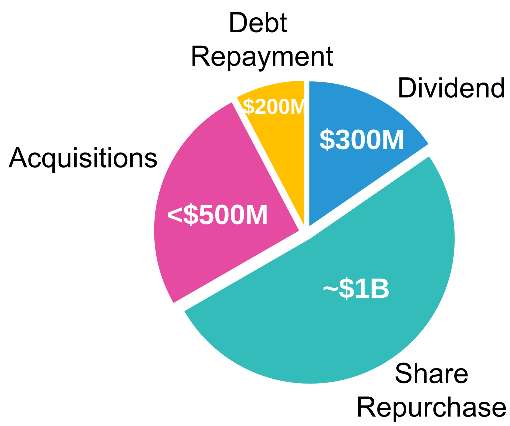
- Targeting gradual dividend increase over time
- Dividends supported by strong annuity driven cash flow and share repurchase

Capital Allocation

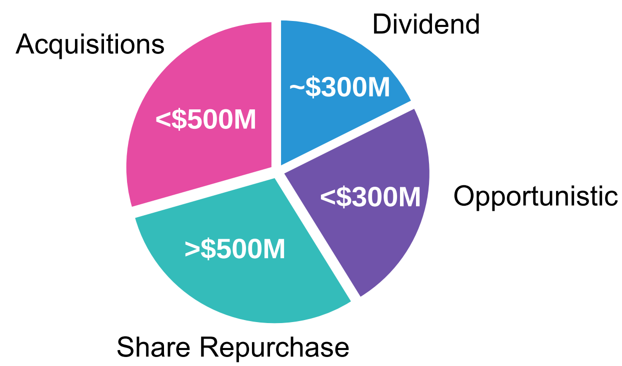
2013



2014 Outlook



2015 Plan



2015 balanced to deliver shareholder returns while continuing to invest in the business

- **Dividend:** ~$300M, ability to grow modestly in-line with share reduction and cash flow
- **Acquisitions:** up to $500M, focused on Services
- **Share Repurchase:** at least $500M, increasing authorization by $1.5B
- **Debt Repayment:** none anticipated in 2015

Key Financial Objectives

- Invest in areas of competitive strength and greatest market opportunity, leveraging and enhancing our intellectual property
- Manage our portfolio of businesses to drive profitable growth
- Execute on productivity cost saving initiatives to deliver Services margin expansion and continued strong Document Technology margins
- Provide an above market return for our shareholders driven by expanding Services margins, strong cash flow and balanced capital allocation

Non-GAAP Measures

Non-GAAP Financial Measures

"Adjusted Earnings per Share" (EPS): To better understand the trends in our business, we believe it is necessary to adjust reported EPS determined in accordance with GAAP to exclude the impact from the amortization of intangible assets as well as the related income tax effect. 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. Accordingly, due to the incomparability of acquisition activity among companies and from period to period, we believe exclusion of the amortization associated with intangible assets acquired through our acquisitions allows investors to better compare and understand our results. 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.

"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." Currencies for developing market countries (Latin America, Brazil, Middle East, India, Eurasia and Central-Eastern Europe) that we operate in are reported at actual exchange rates for both actual and constant revenue growth rates because (1) these countries historically have had volatile currency and inflationary environments and (2) our subsidiaries in these countries have historically taken pricing actions to mitigate the impact of inflation and devaluation. 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.

Non-GAAP Financial Measures

"Free Cash Flow": To better understand the trends in our business, we believe that it is helpful to adjust cash flows from 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 also is used to measure our yield on market capitalization. A reconciliation of this non-GAAP financial measure and the most directly comparable measure calculated and presented in accordance with GAAP is set forth in the slide entitled "2015 Expectations".

"Underlying Cash Flow": To better understand the trends in our business, we believe that it is helpful to adjust cash flows from operations for the cash flow impacts from our sales of finance receivables. The sale of finance receivables has a significant impact on operating cash flows in the period of sale as well as on collections in subsequent periods due to the long term nature of these receivables. In addition to providing a better understanding of the underlying trends in cash flows from operations, management believes this measure gives investors an additional perspective on comparing and analyzing the year-over-year changes in our cash flows as well as the impacts of these sales on cash flows in the period. A reconciliation of this non-GAAP financial measure and the most directly comparable measure calculated and presented in accordance with GAAP is set forth in the slide entitled "Cash Flow Dynamics".

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.

Unless otherwise noted, reconciliations 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.

GAAP EPS to Adjusted EPS Guidance Track

	FY 2014	FY 2015
GAAP EPS from Continuing Operations	**$0.93 - $0.95**	**$0.93 - $0.99**
Adjustments:		
Amortization of intangible assets	0.18	0.18
Adjusted EPS	**$1.11 - $1.13**	**$1.11 - $1.17**

Note: GAAP and Adjusted EPS guidance includes anticipated restructuring