

Innovation and Portfolio Strength

Kevin Warren



Four Strategic Growth Planks

1



Strengthening our Connected Office Portfolio

2



Increasing Participation in SMB and the Mid-Market

3



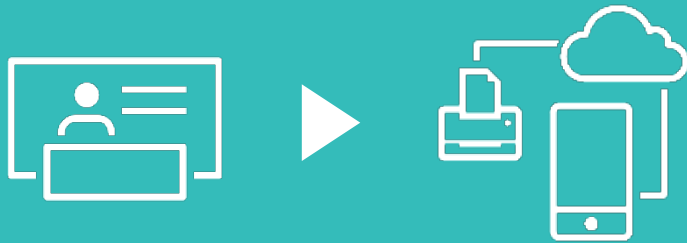
Growing in Graphic Communications and High-End Production

4



Expanding Market Leadership in Document Outsourcing

Major Shifts in the Office Workplace



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

Xerox Vision

The Connected and Intelligent Workplace



Mobile access and remote collaboration



Secure interaction to and from the cloud



User experience consistent with consumer devices



Smart, automated workflow

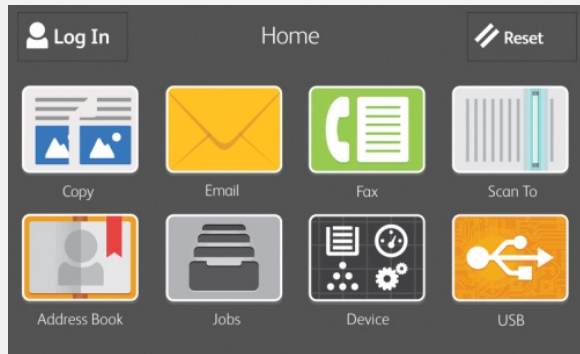


Customizable application interface and user profiles

Xerox Connected Office for The Intelligent Workplace

One family of products and solutions

Largest launch in Xerox history coming in 2017



Differentiated Xerox Connected Office Portfolio

Mobility

MPS ready

Tablet-like interface

Secure Workflow

Unified platform

Improved cost structure



29 new products
Xerox® ConnectKey® Technology



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



Aggressive focus on expanded routes to market with robust portfolio

Strengthening Xerox's Position in the Connected Office

A3 Multifunction Printers

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

A4 Multifunction Printers

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



Defend and expand our leadership



Gain share in the areas of market growth

Competitive Differentiators



Platform Driven
Portfolio & MPS
Ready Technology



Newly enabled
Vertical Solutions
and Applications



Benchmark Cost
Competitiveness



Channel-ready platform
and expanding SMB
reach

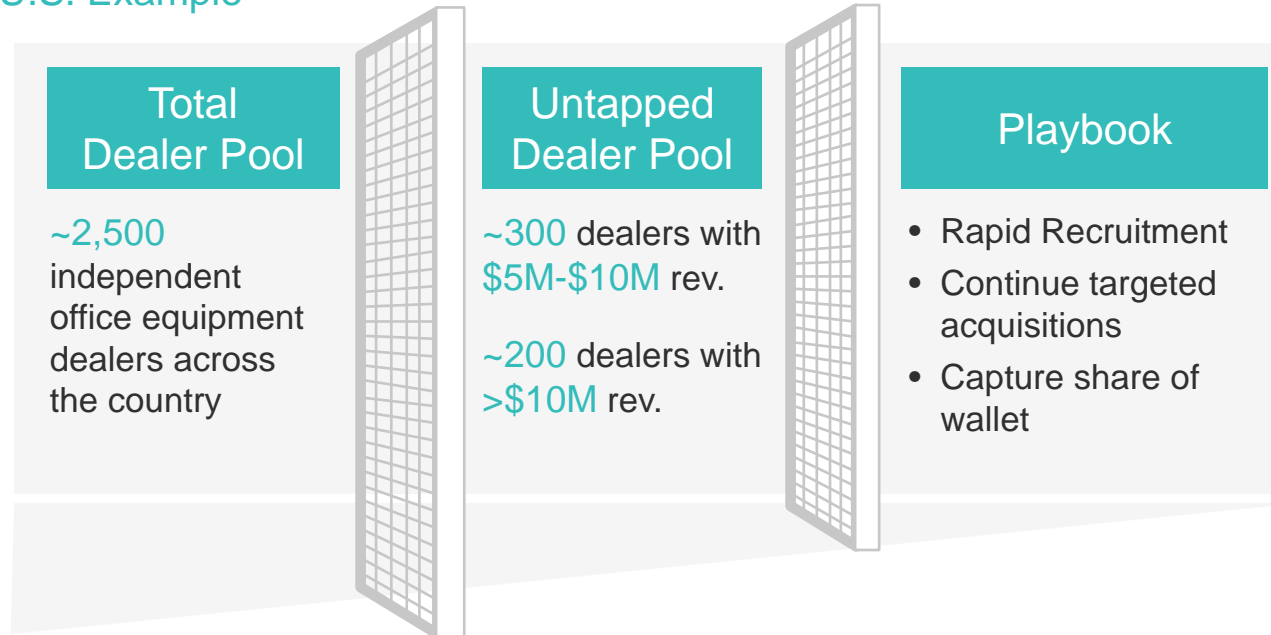
Independent Multi-brand Dealer Market Opportunity

75%+ of SMB market serviced by indirect channels



Recruit & Activate

U.S. Example



2017 footprint growth engines:

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

Increasing Participation in SMB and the Mid-Market

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

*A4 is total market including SMB and Large Enterprise



Recruit & activate to grow our footprint in multi-brand dealer channel among the 750 large dealers WW



Acquire and integrate multi-brand channel via Global Imaging Systems and European Channels



Become preferred channel partner through investment in talent, infrastructure and partner programs



SMB-focused portfolio and MPS support and demand generation



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

Xerox Value Proposition Attracts Strong and Established Multi-Brand Dealers



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

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

Lou Usherwood
CEO, Usherwood Office Technology



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

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

Jim Dotter
President, Virginia Business Systems



Growing in Graphic Communications & High-End Production Color

Well Positioned for Leadership and Growth

Color Market Opportunity	Color Market Growth	Xerox Color Share
\$5B	+5% CAGR '16-19	29% rank # 1 in color documents

Capitalize on the Color Digital market growth opportunity

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

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

Target Areas for Growth

Leading in color cut sheet

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



Capture new markets

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



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

RD&E Spending

~\$1B

across Xerox and Fuji Xerox

Research Talent

World-Class

including Palo Alto Research Centre

2015 Patent Awards

>1,500 U.S.

Xerox and Fuji Xerox

2015 Patent Filings

>40%

were software, solutions and analytics



Breakthroughs in digital printing and the intelligent office to drive growth

High-end digital printing for documents and beyond

- iGen folding carton
- Inkjet CF
- Cross-media marketing

- Inkjet for packaging
- Direct to object printing

Improving the productivity of work

- Managed print services
- Workflow automation

- Automated workflow discovery
- Predictive analytics



Creating new markets with digital technologies

Printed electronics

Augmented reality

Intelligent assistants

Digital workplace

Printed smart tags with analytics & real time multimedia

An Example of Xerox Innovation



More can be viewed during the Innovation Solutions Exhibit



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