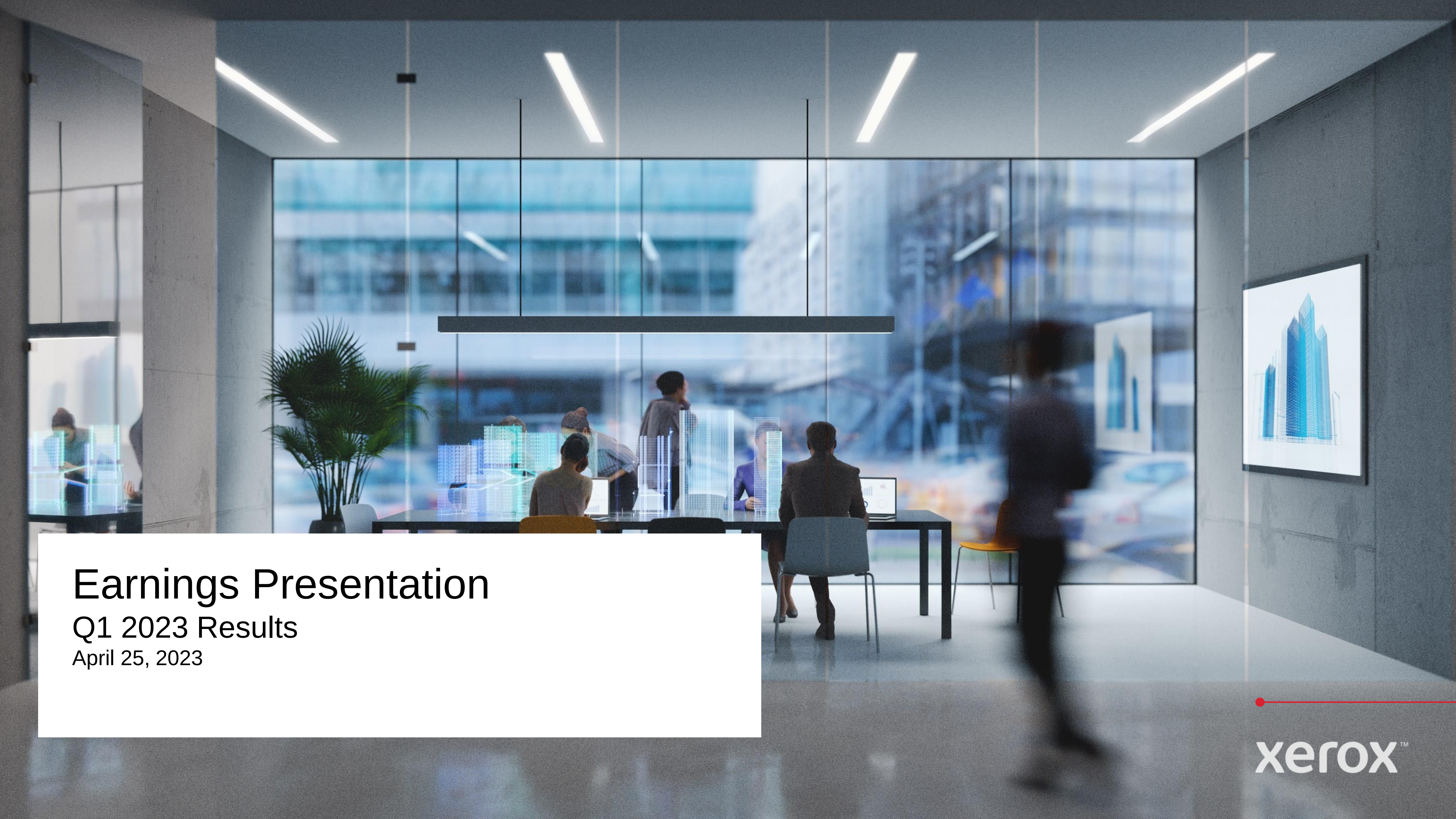


Earnings Presentation

Q1 2023 Results

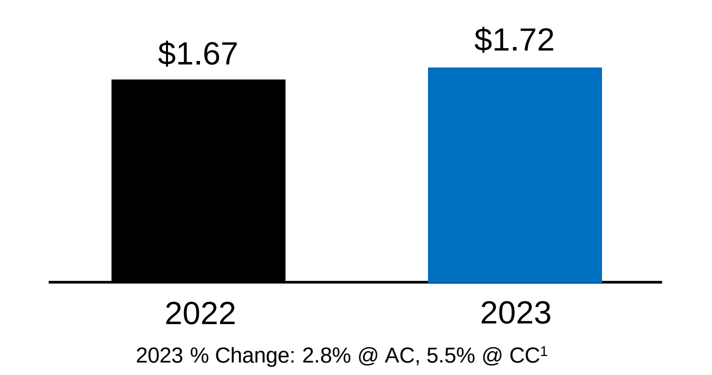
April 25, 2023

Forward-Looking Statements

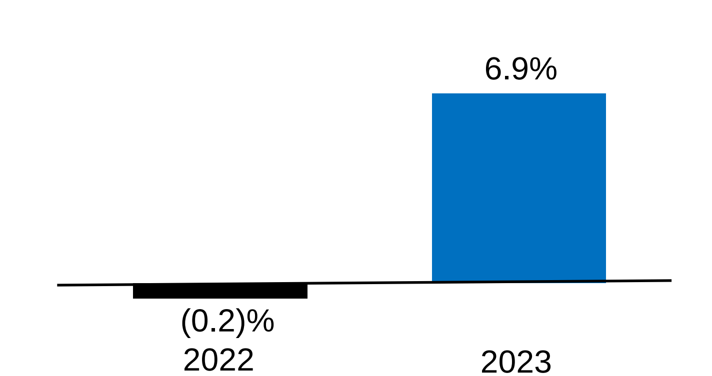
This presentation and other written or oral statements made from time to time by management contain “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “will”, “should”, “targeting”, “projecting”, “driving” and similar expressions, as they relate to us, our performance and/or our technology, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: 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; 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, trade protection measures, 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 borrowing, 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 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; and other factors as set forth from time to time in the Company’s Securities and Exchange Commission filings, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2022. The Company intends these forward-looking statements to speak only as of the date of this presentation and does not undertake to update or revise them as more information becomes available, except as required by law.

Q1 2023 Key Financial Measures

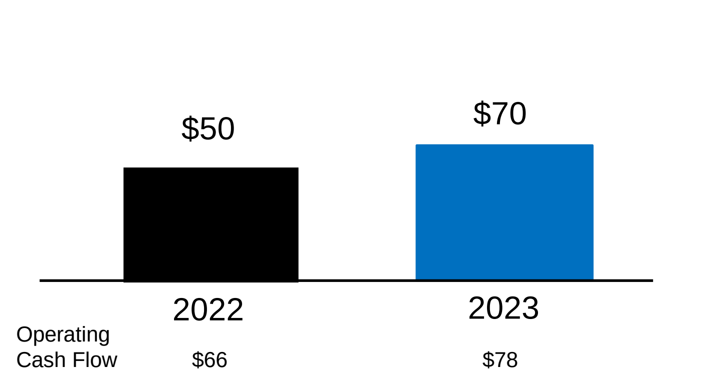
Revenue ($B)



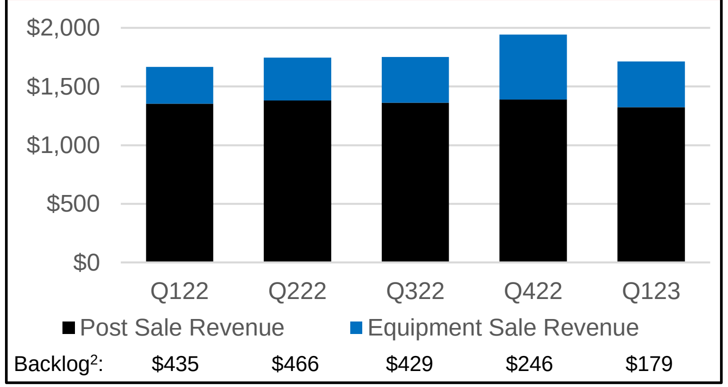
Adj[1] Operating Margin



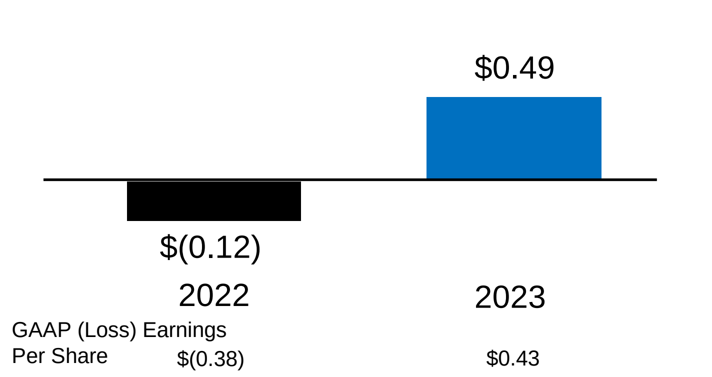
Free Cash Flow[1] ($M)



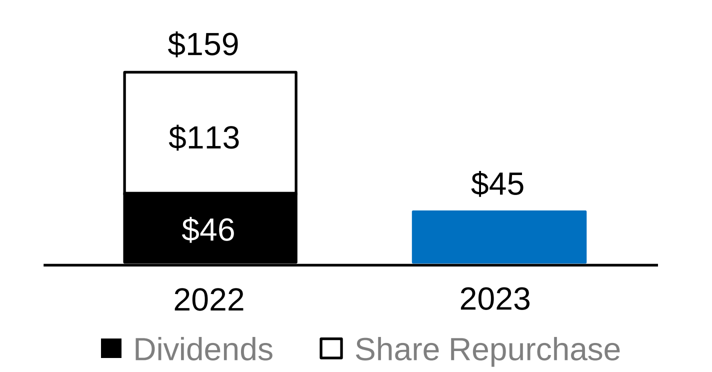
Revenue and Backlog Trend ($M)



Adj[1] Earnings Per Share



Shareholder Returns ($M)



[1] Adjusted measures, Free Cash Flow and Constant Currency (CC): see Non-GAAP Financial Measures.
[2] Order backlog is measured as the value of unfulfilled sales orders, shipped and non-shipped, received from our clients waiting to be installed, including orders with future installation dates. It includes printing devices as well as IT hardware associated with our IT services offerings.

Xerox Priorities for 2023

Client Success	Employ a holistic, client-centric approach to deliver essential products and services that address the productivity challenges of a hybrid workplace and distributed workforce
Focus on Profitability	Implement a more flexible cost base and operating model to expand margins and direct investments towards margin-accretive growth opportunities with nearer-term returns
Shareholder Returns	Manage the business to optimize free cash flow[1] generation, and return at least 50% of free cash flow[1] to shareholders

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

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Frequently Asked Questions

Macro / Demand Outlook

How has the challenging macroeconomic environment affected demand for Xerox products and services?
Demand for Xerox's print equipment and related services remains resilient; as a result, we continue to expect stable demand and revenue for the year despite ongoing macroeconomic uncertainty. Consistent with recent quarters, we see isolated pockets of softer installation activity - often the result of delays in project deployments rather than order reductions. These headwinds are expected to be temporal in nature and are currently offset by continued strength in our more profitable office machines - particularly among state, local and education (SLED) and mid-market clients - improvements in office print activity, and growth in print and digital services aimed at helping clients optimize their IT spending.

Strategic Direction

How does the donation of PARC align with Xerox's planned change in strategic direction?
The donation of PARC to SRI provides Xerox greater capacity to focus our innovation efforts on projects in Print, IT and Digital Services. It also supports a more flexible and focused approach to R&D spend by lowering our run-rate R&D cost, while also preserving access to SRI and PARC's leading research capabilities. Innovation will continue to be a priority for Xerox. As we pursue innovative solutions that address the productivity challenges of a hybrid workplace, we will leverage a Technology Exploration and Innovation Program with SRI/PARC, whereby SRI and PARC scientists, engineers and researchers work to pioneer new technologies aligned with our Print, IT and Digital Services focus. This ongoing relationship ensures our R&D efforts will continue to benefit from the types of strategic technology insights Xerox has long enjoyed with PARC.

Margin Improvement

What accounts for the improvement in margins over the past two quarters? How sustainable are recent improvements?
Margin improvements in Q4 2022 and Q1 2023 were largely driven by better product availability and mix, lower transportation and logistics costs and the benefits of price increases and cost actions taken in 2022. In total, we expect to deliver a low-to-mid single digit level of gross operating cost efficiencies in 2023. We believe the implementation of a more flexible cost structure, future business simplification efforts and our culture of continuous improvement position us well to operate with adaptability in an uncertain operating environment.

Guidance

What factors drove an increase in operating profit margin guidance for the year?
Adjusted[1] operating income margin guidance was increased from "at least 4.7%" to a range of 5.0% to 5.5%. Underpinning this increase was stronger-than-expected profit performance in Q1 and expected benefits from incremental operating efficiencies in the remainder of the year, partially offset by greater-than-expected unfavorable currency effects. A certain degree of macroeconomic uncertainty is reflected through the range of guided outcomes. Our outlook for revenue remains unchanged at "flat to down low-single-digits at constant currency" and continues to reflect a stable demand environment with a contingency for potential macroeconomic weakness. No changes were made to our assumption of free cash flow[1] conversion, excluding finance receivable activity, of 90% to 100% of adjusted[1] operating income.

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

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Financial Results Summary

(in millions, except per share data)

P&L Measures	Q1 2023	B/(W) YOY	% Change YOY
Revenue	$ 1,715	$ 47	2.8% AC 5.5% CC[1]
Operating Income – Adjusted[1]	$ 118	$ 121	NM
Other Expenses, net – Adjusted[1]	$ 21	$ 10	32%
Net Income	$ 71	$ 127	NM
Net Income – Adjusted[1]	$ 82	$ 96	NM
GAAP Earnings Per Share	$ 0.43	$ 0.81	NM
Earnings per Share – Adjusted[1]	$ 0.49	$ 0.61	NM

P&L Ratios	Q1 2023	B/(W) YOY
Gross Margin	34.3%	250 bps
RD&E %	3.7%	100 bps
SAG %	23.7%	360 bps
Operating Margin – Adjusted[1]	6.9%	710 bps
Tax Rate – Adjusted[1]	15.5%	NM

[1] Adjusted Measures and Constant Currency (CC): see Non-GAAP Financial Measures.

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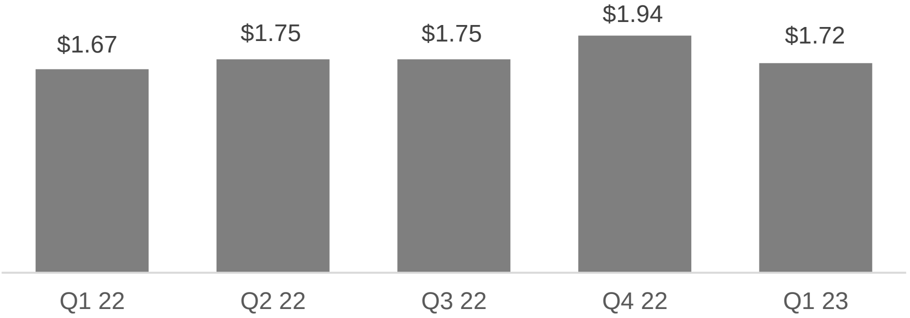
Revenue

(in millions)	Q1 2023	% Total	% Change YOY AC	% Change YOY CC[1]
Equipment	$391	23%	24.5%	27.0%
Post Sale	$1,324	77%	(2.2)%	0.5%
Total Revenue	$1,715	100%	2.8%	5.5%
Americas	1,114	65%	4.0%	4.6%
EMEA	556	32%	0.4%	7.3%
Other[2]	45	3%	4.7%	5.5%

Quarterly Revenue Trend ($B)



Equipment Backlog as a % of ESR:

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
Equipment Backlog as a % of ESR	119%	110%	100%	40%	40%

Installs[3] B/(W) YOY

	Color	B&W	Total
Entry	(9)%	(1)%	(3)%
Mid-Range	26%	160%	50%
High-End	84%	(23)%	69%

[1] Constant Currency (CC): see Non-GAAP Financial Measures. [2] Other revenue includes royalties and licensing revenue. [3] Reflects install activity for total Entry product group.

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Cash Flow

(in millions)	Q1 2023	Q1 2022
Pre-tax Income (Loss)	$85	($89)
Non-Cash Add-Backs[1]	78	119
Restructuring Payments	(6)	(7)
Pension Contributions	(17)	(38)
Working Capital, net[2]	(66)	93
Change in Finance Assets[3]	120	5
Other[4]	(116)	(17)
Cash provided by Operations	78	66
Cash used in Investing	(17)	(75)
Cash used in Financing	(505)	(149)
Ending Cash, Cash Equivalents and Restricted Cash[5]	697	1,761
Free Cash Flow[6]	70	50

[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 taxes. [5] Includes restricted cash of $106 million in Q1 2023 and $80 million in Q1 2022. [6] Free Cash Flow: see Non-GAAP Financial Measures.

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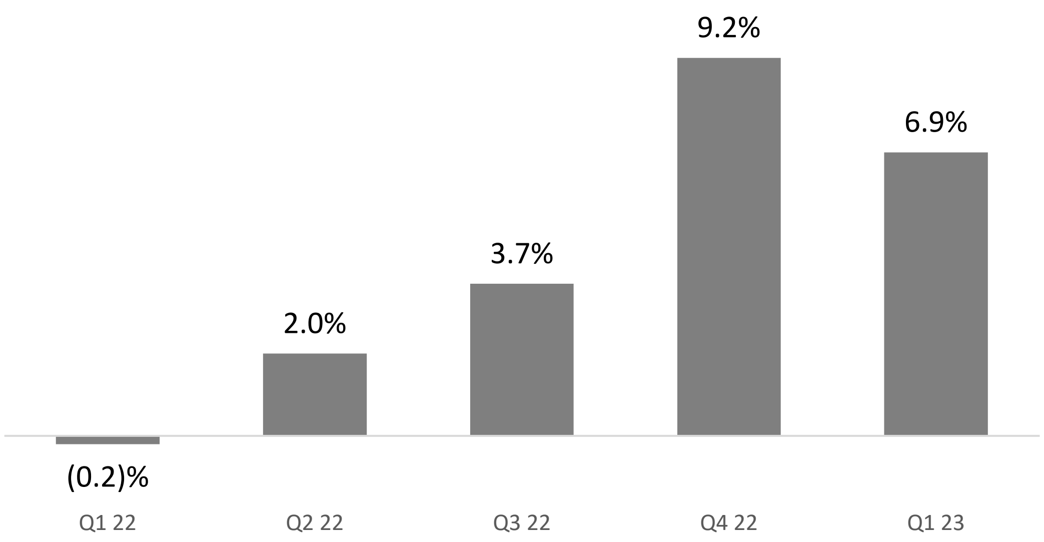
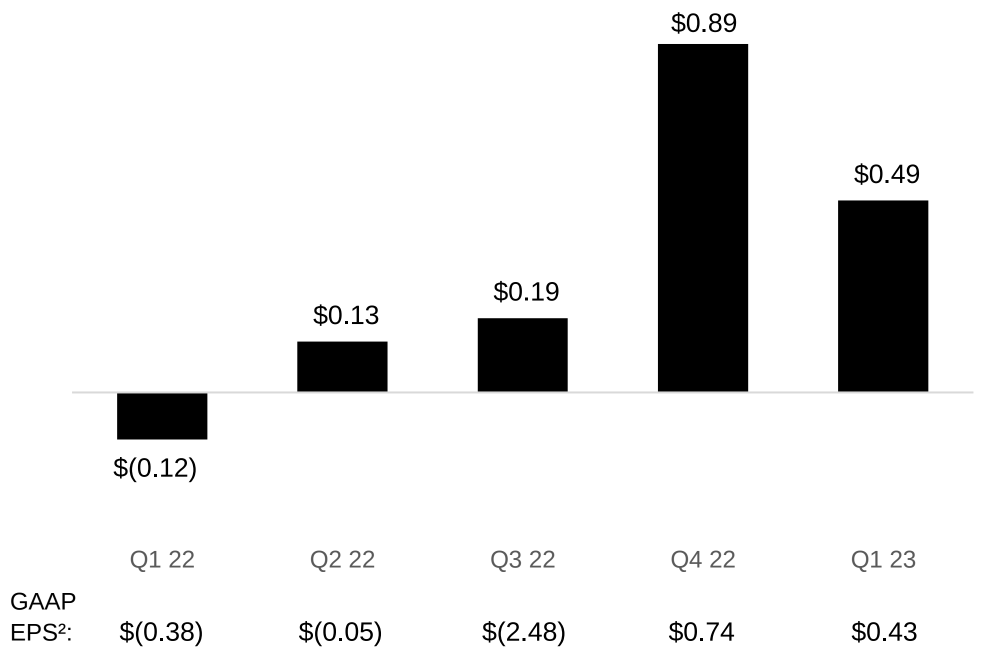
Profitability and Earnings

Adjusted[1] Operating Margin



Adjusted[1] Earnings (Loss) Per Share



- Y/Y improvement in profitability was driven by better product availability and mix, lower transportation and logistics costs, the benefits of recent price increases, lower bad debt expense, the implementation of a more flexible cost structure and ongoing enhancements to operating efficiency.

[1] Adjusted Measures: see Non-GAAP Financial Measures. [2] Q3-22 includes an after-tax non-cash goodwill impairment charge of $395 million ($412 million pre-tax), or $2.54 per share.

Segment Results

Revenue and Profit

(in millions)	Q1 2023 Print & Other		FITTLE		Intersegment Eliminations[1]		Total Xerox	
Total Revenue	$	1,613	$	154	$	(52)	$	1,715
Segment Profit	**$**	**106**	**$**	**12**	**$**	**-**	**$**	**118**
Segment Margin[2]		6.8%		7.9%				6.9%

	B/(W) YoY Print & Other	FITTLE	Total Xerox
Total Revenue	4.1%	(2.5)%	2.8%
Segment Profit	**NM**	**(29)%**	**NM**
Segment Margin (bps)[2]	810	(310)	710

FITTLE Assets and Debt

(in billions)	Q1 2023		Q4 2022	
Equipment on Operating Leases	$	0.25	$	0.24
Finance Receivables	$	2.98	$	3.10
Total Finance Assets	**$**	**3.23**	**$**	**3.34**
FITTLE Allocated Debt	**$**	**2.83**	**$**	**2.92**

FITTLE: Key Performance Indicators

- FITTLE finance assets: $3.2 billion, 3% lower Q/Q due primarily to the run-off of existing finance receivables, partially offset by higher originations net of the HPS receivable funding program
- Originations in Q1: 57% growth in originations, led by captive and non-captive channels
- Close to 50% of originations in Q1 sold to HPS
- LTM Net Loan Loss Rate: 0.8%

[1] Reflects revenue, primarily commissions and other payments, made by the FITTLE segment to the Print and Other segment, for the lease of Xerox equipment placements. [2] Segment margin based on external revenue only.

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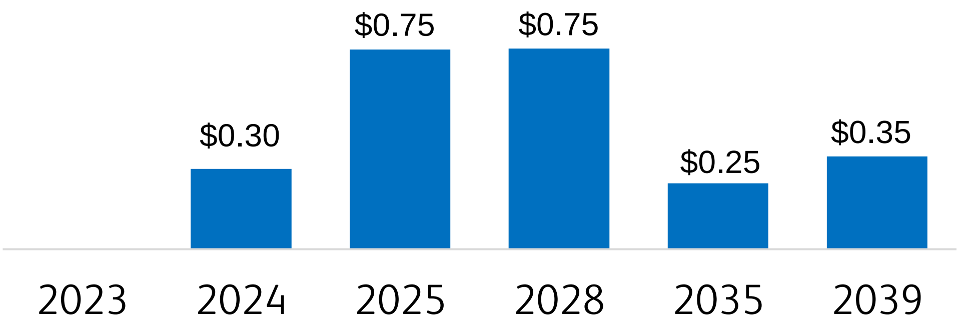
Capital Structure

Debt and Cash

(in billions)	Q1 2023	Q4 2022
Total Debt	$(3.3)	$(3.7)
Less: FITTLE Allocated Debt	2.8	2.9
Core Debt	(0.5)	(0.8)
Less: Cash[1]	0.7	1.1
Net Core Cash	$0.2	$0.3

Senior Unsecured Debt Maturity Ladder ($B)



- $300 million of unsecured debt paid down in Q1 2023.
- Ending net core cash of $0.2B; core debt of $0.5B with ending cash[1] of $0.7B.
- A balanced debt maturity ladder is maintained.
- Net core cash positive excluding FITTLE-allocated debt.

[1] Cash, cash equivalents and restricted cash.

2023 Full-Year Guidance and Capital Allocation

Guidance

- **Revenue growth:** Flat to down low-single-digits in constant currency
- **Adjusted[1] Operating Margin:** 5.0% to 5.5%
- **Free Cash Flow[1]:** At least $500 million

Capital Allocation Policy

- **Shareholder Returns:** At least 50% of annual Free Cash Flow[1]

Guidance assumes stable revenues amid a challenging macroeconomic environment. Benefits of recently-enacted and expected price and cost actions, as well as lower logistics costs, are expected to drive improvements in adjusted operating income margin and free cash flow[1].

FCF[1] guidance does not include potential benefits associated with additional lease receivable funding solutions.

[1] Adjusted Measures and Free Cash Flow (FCF): see Non-GAAP Financial Measures.

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Appendix

Operating Trends

(in millions, except EPS)	2021 FY	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2022 FY	2023 Q1
Total Revenue	**$7,038**	**$1,668**	**$1,747**	**$1,751**	**$1,941**	**$7,107**	**$1,715**
% Change	*0.2%*	*(2.5)%*	*(2.6)%*	*(0.4)%*	*9.2%*	*1.0%*	*2.8%*
CC[1] % Change	*(1.4)%*	*(0.7)%*	*1.1%*	*4.7%*	*13.9%*	*4.8%*	*5.5%*
Adj[1] Operating Margin	5.3%	(0.2)%	2.0%	3.7%	9.2%	3.9%	6.9%
GAAP (Loss) EPS[2]	($2.56)	($0.38)	($0.05)	($2.48)	$0.74	($2.15)	$0.43
Adj[1] EPS (Loss)	$1.51	($0.12)	$0.13	$0.19	$0.89	$1.12	$0.49
Operating Cash Flow	$629	$66	($85)	($8)	$186	$159	$78
Free Cash Flow[1]	$561	$50	($98)	($18)	$168	$102	$70

[1] Adjusted measures, Free Cash Flow, and Constant Currency (CC): see Non-GAAP Financial Measures. [2] FY 2021 GAAP EPS includes an after-tax non-cash goodwill impairment charge of $750 million, or $4.08 per share. Both Q3 2022 and FY22 GAAP EPS include an after-tax non-cash goodwill impairment charge of $395 million, or $2.54 per share, respectively.

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.

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

Adjusted Earnings Measures
• Adjusted Net Income (Loss) and Earnings per share (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>Discrete, unusual or infrequent items</u>: 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.

    - Non-Cash Goodwill impairment charge
    - Contract termination costs – product supply
    - Accelerated share vesting - stock compensation expense associated with the accelerated vesting of all outstanding equity awards, according to the terms of the award agreement, in connection with the passing of Xerox Holding's former CEO.
    - Loss on extinguishment of debt

Non-GAAP Financial Measures

Adjusted Operating Income (Loss) and Margin

We calculate and utilize adjusted operating income (loss) 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 (loss) 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.

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, dividends and share repurchase.

Adjusted Net Income (Loss) and EPS Reconciliation

(in millions, except per share amounts)	Three Months Ended March 31, 2023 Net Income	Three Months Ended March 31, 2023 Diluted EPS	Three Months Ended March 31, 2022 Net Income	Three Months Ended March 31, 2022 Diluted EPS
Reported [1]	$ 71	**$ 0.43**	$ (56)	**$ (0.38)**
Adjustments:				
Restructuring and related costs, net	2		18	
Amortization of intangible assets	11		11	
Non-service retirement-related costs	(1)		(7)	
Contract termination cost - product supply	-		33	
Income tax on adjustments [2]	(1)		(13)	
Adjusted	$ 82	**$ 0.49**	$ (14)	**$ (0.12)**
Weighted average shares for adjusted EPS [3]		158		156
Dividends on preferred stock used in adjusted EPS calculation [3]		$ 4		$ 4
Fully diluted shares at end of period [4]		158		

(1) Net income (loss) and EPS attributable to Xerox Holdings.

(2) Refer to Effective Tax Rate reconciliation.

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

(4) Reflects common shares outstanding at March 31, 2023, plus potential dilutive common shares used for the calculation of adjusted diluted EPS for the first quarter 2023. The amount excludes shares associated with our Series A convertible preferred stock, all of which were anti-dilutive for the first quarter 2023.

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Adjusted Effective Tax Rate Reconciliation

	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022		
(in millions)	Pre-Tax Income	Income Tax Expense	Effective Tax Rate	Pre-Tax (Loss)	Income Tax (Benefit)	Effective Tax Rate
Reported[1]	**$ 85**	**$ 14**	**16.5%**	**$ (89)**	**$ (31)**	**34.8%**
Non-GAAP Adjustments[2]	12	1		55	13	
Adjusted[3]	**$ 97**	**$ 15**	**15.5%**	**$ (34)**	**$ (18)**	**52.9%**

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(1) Pre-tax income (loss) and income tax expense (benefit).

(2) Refer to Net Income (Loss) and EPS reconciliations for details.

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

Adjusted Operating Income (Loss) and Margin Reconciliation

	Three Months Ended March 31, 2023			Three Months Ende March 31, 2022	
(in millions)	Profit	Revenue	Margin	Loss	Revenue
Reported [1]	$ 85	$ 1,715	5.0%	$ (89)	$ 1,668
Adjustments:					
Restructuring and related costs, net	2			18	
Amortization of intangible assets	11			11	
Other expenses, net	20			57	
Adjusted	$ 118	$ 1,715	6.9%	$ (3)	$ 1,668

(1) Pre-tax income (loss)

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Free Cash Flow Reconciliation

(in millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Reported [1]	$ 78	$ 66
Less: capital expenditures	8	16
Free Cash Flow	$ 70	$ 50

(1) Net cash provided by operating activities.

Other Expenses, net Reconciliation

	Three Months Ended March 31,	
(in millions)	2023	2022
Reported	$ 20	$ 57
Less: non-service retirement-related costs	(1)	(7)
Less: contract termination - product supply	-	33
Adjusted	**$ 21**	**$ 31**

Net Income (Loss) and EPS Reconciliation - Historical

(in millions, except per share amounts)	Year Ended December 31, 2021 Net (Loss) Income	Year Ended December 31, 2021 EPS	Q1-22 Net Loss	Q1-22 EPS	Q2-22 Net (Loss) Income	Q2-22 EPS	Q3-22 Net (Loss) Income	Q3-22 EPS	Q4-22 Net Income	Q4-22 EPS	Year Ended December 31, 2022 Net (Loss) Income	Year Ended December 31, 2022 EPS
Reported [1]	$ (455)	$ (2.56)	$ (56)	$ (0.38)	$ (4)	$ (0.05)	$ (383)	$ (2.48)	$ 121	$ 0.74	$ (322)	$ (2.15)
Goodwill Impairment [2]	781		-		-		412		-		412	
Restructuring and related costs, net	38		18		1		22		24		65	
Amortization of intangible assets	55		11		10		10		11		42	
Non-service retirement-related costs	(89)		(7)		(4)		(7)		6		(12)	
CEO Accelerated Share Vesting	-		-		21		-		-		21	
Loss on early extinguishment of debt	-		-		4		-		1		5	
Contract termination costs [3]	-		33		-		-		-		33	
Income tax on adjustments	(37)		(13)		(4)		(21)		(17)		(55)	
Adjusted	$ 293	$ 1.51	$ (14)	$ (0.12)	$ 24	$ 0.13	$ 33	$ 0.19	$ 146	$ 0.89	$ 189	$ 1.12
Dividends on preferred stock used in adjusted EPS calculation[4]		$ 14		$ 4		$ 3		$ 4		$ -		$ 14
Weighted average shares for adjusted EPS [4]		185		156		156		157		165		157

[1] *Net (Loss) Income and EPS attributable to Xerox Holdings.*

[2] *Full-year 2021 Net (loss) and EPS include an after-tax non-cash goodwill impairment charge of $750 million ($781 million pre-tax), or $4.08 per share. Third quarter and full-year 2022 Net (loss) and EPS include an after-tax non-cash goodwill impairment charge of $395 million ($412 million pre-tax), or $2.54 per share, respectively.*

[3] *Reflects contract termination costs - termination of a product supply agreement in the first quarter of 2022.*

[4] *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 convertible preferred stock, as applicable.*

Operating (Loss) Income and Margin Reconciliation - Historical

	Year Ended December 31, 2021			Q1-22			Q2-22			Q3-22			Q4-22			Year Ended December 31, 2022		
(in millions)	(Loss) Profit	Revenue	Margin	Loss	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin
Reported [(1)]	$ (475)	$ 7,038	(6.7%)	$ (89)	$ 1,668	(5.3%)	$ (5)	$ 1,747	(0.3%)	$ (380)	$ 1,751	(21.7%)	$ 146	$ 1,941	7.5%	$ (328)	$ 7,107	(4.6%)
Adjustments:																		
Goodwill impairment	781			-			-			412			-			412		
Restructuring and related costs, net	38			18			1			22			24			65		
Amortization of intangible assets	55			11			10			10			11			42		
CEO Accelerated Share Vesting	-			-			21			-			-			21		
Other expenses, net	(24)			57			8			1			(3)			63		
Adjusted	$ 375	$ 7,038	5.3%	$ (3)	$ 1,668	(0.2%)	$ 35	$ 1,747	2.0%	$ 65	$ 1,751	3.7%	$ 178	$ 1,941	9.2%	$ 275	$ 7,107	3.9%

(1) *Pre-Tax (Loss) Income.*

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Free Cash Flow Reconciliation – Historical

(in millions)	Q1-21	Q2-21	Q3-21	Q4-21	Year Ended December 31, 2021	Q1-22	Q2-22	Q3-22	Q4-22	Year Ended December 31, 2022
Reported[1]	$117	$214	$100	$198	$629	$66	($85)	($8)	$186	$159
Less: capital expenditures	17	16	19	16	68	16	13	10	18	57
Free Cash Flow	$100	$198	$81	$182	$561	$50	($98)	($18)	$168	$102
Add: one-time contract termination charge - product supply	-	-	-	-	-	-	41	-	-	41
Free Cash Flow - Adjusted	$100	$198	$81	$182	$561	$50	($57)	($18)	$168	$143

(1) *Net cash provided by operating activities.*

Operating Income and Margin – Guidance

	FY 2023		
(in millions)	**Profit**	**Revenue (CC)** [2, 3]	**Margin**
Estimated [1]	~$220	~$7,100	~3.1%
Adjustments:			
Restructuring and related costs, net	75		
Amortization of intangible assets	40		
Other expenses, net	40		
Adjusted [4]	~$375	~$7,100	5.0-5.5%

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

(2) *Full-year revenue is estimated to be flat to down low-single-digits, in constant currency. Revenue of $7.1 billion reflects the high end of the guidance range.*

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

(4) *Adjusted pre-tax income reflects the mid-point of the adjusted operating margin guidance range.*

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Free Cash Flow – Guidance

(in millions)	FY 2023
Operating Cash Flow[(1)]	At least $550
Less: capital expenditures	50
Free Cash Flow	At least $500

(1)Net cash provided by operating activities.

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