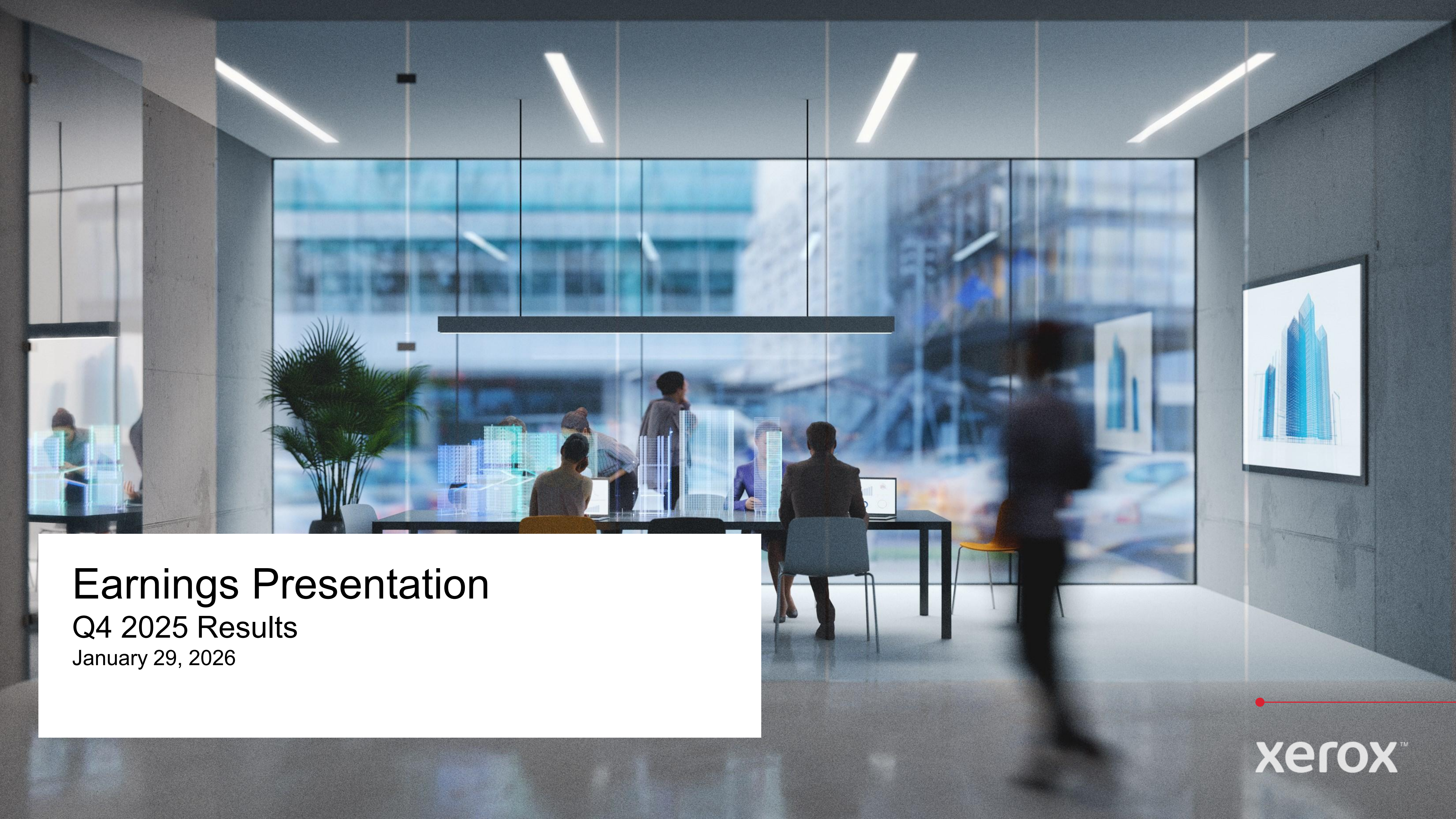


Earnings Presentation

Q4 2025 Results

January 29, 2026

Forward-Looking Statements

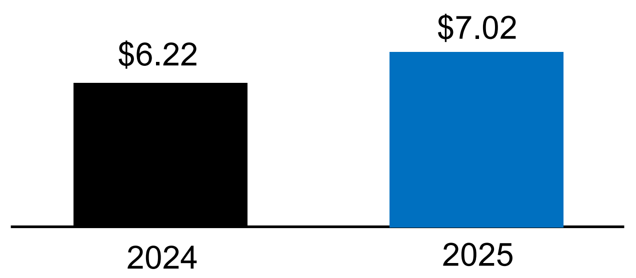
This presentation and other written or oral statements made from time to time by management contain “forward looking statements” as defined in the Private Securities Litigation Reform Act of 1995 and involve certain risks and uncertainties. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “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.

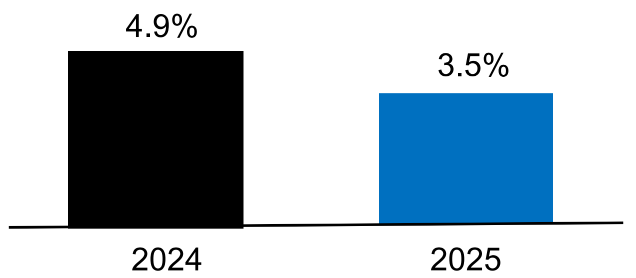
Full-Year 2025 Key Financial Measures

Revenue ($B)

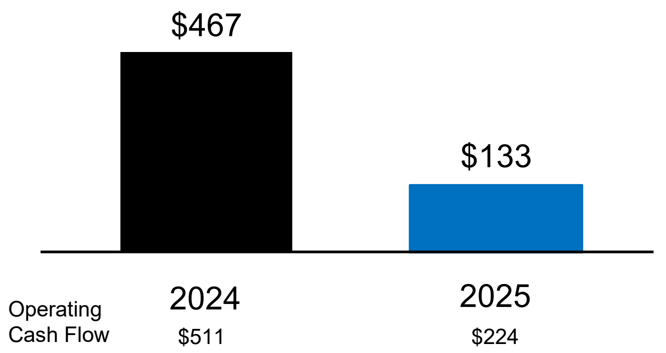


2025 % Change: 12.9% @ AC, 12.2% @ CC[1];
Pro Forma[1] (PF) % change: (7.6)% @ AC

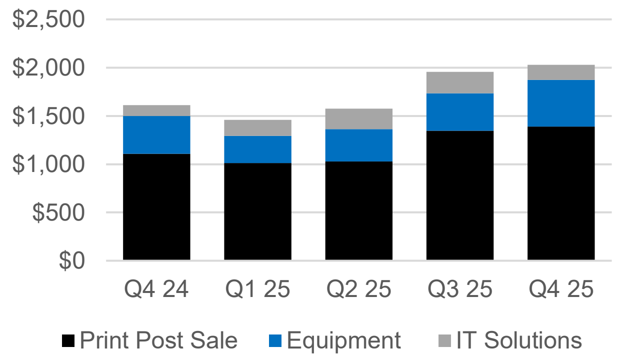
Adj[1] Operating Margin



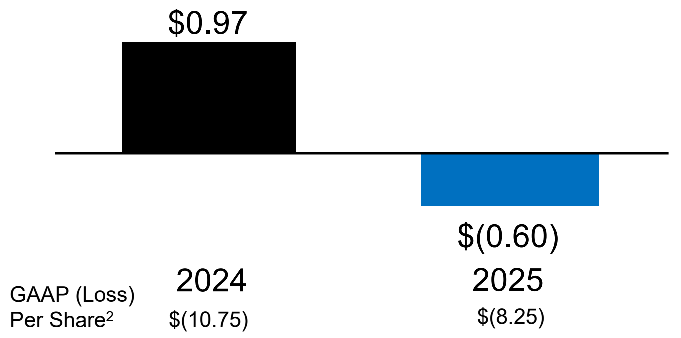
Free Cash Flow[1] ($M)



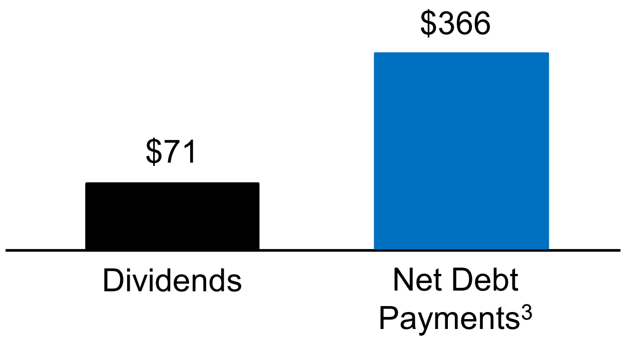
Revenue Trend ($M)



Adj[1] Earnings Per Share



FY Debt and Dividend Activity ($M)



[1] Adjusted measures, Free Cash Flow and Constant Currency (CC): see Non-GAAP Financial Measures. Pro Forma Financial Measures: see Pro Forma Financial Measures. [2] Full year 2025 GAAP Loss per share: Q1 includes a tax expense charge and financing-related charges; Q2 includes interest and financing-related charges and a tax expense; Q3 2025 includes an inventory-related purchase accounting adjustment and a tax expense charge. Full year 2024 GAAP Loss per share: Q1 includes a Reinvention-related charge; Q3 includes a non-cash goodwill impairment charge and a tax expense charge; Q4 includes the write-off of intangibles, and Reinvention & transaction-related costs. For details, please see the non-GAAP section of the Q4 2025 earnings press release. [3] Reflects debt payments following the 7/1/2025 close of the Lexmark acquisition.

Strategic Priorities for 2026

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
- Capture 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
- Rationalize and simplify enterprise platforms, consolidating tools, vendors & infrastructure to reduce cost and complexity

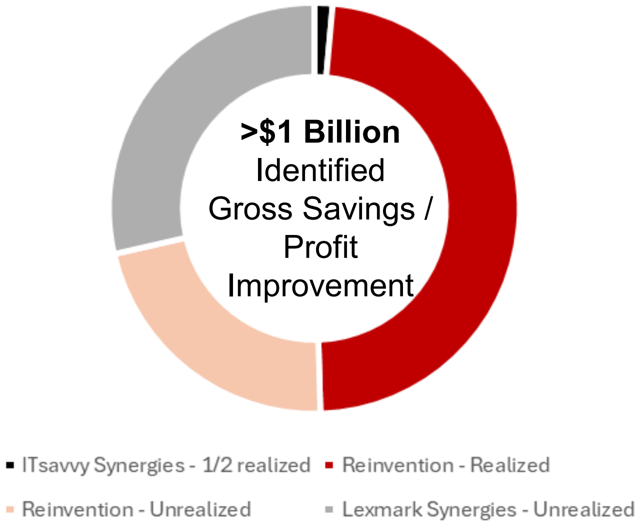
Commercial Optimization

- 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
- Lower cost of sales through customer re-segmentation and aligning GTM coverage models

Growth

- Expand Xerox-branded offerings into APAC via Lexmark's established channel footprint
- Invest in A4 Color portfolio demand generation and expand Production portfolio through new OEM relationships
- Cross-sell Xerox products and offerings into the Lexmark customer base

Estimated Savings / Synergies

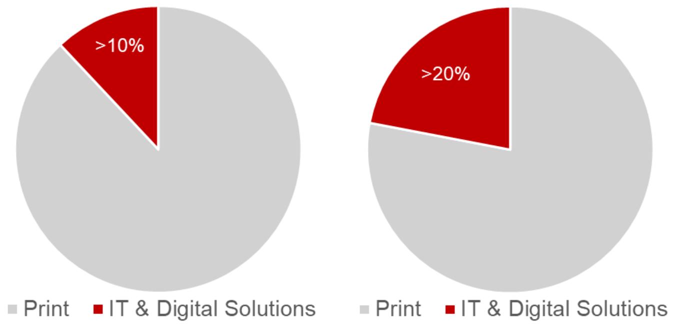


- Approximately half of total expected savings and profit improvement opportunities have yet to be realized

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 IT and Digital Solutions businesses, over time, capable of adding the talent, products, solutions or geographic breath

[1] As of 12/31/2025. [2] Pro Forma Measures: see Non-GAAP Financial Measures

Financial Results Summary

(in millions, except per share data)

P&L Measures	Q4 2025	B/(W) YOY	% Chg YOY	PF[3] % Chg YOY
Print & Other	1,873	373		
IT Solutions	158	44		
Intersegment elimination[1]	(3)	(2)		
Revenue	$2,028	$415	26% AC/ 24% CC[3]	(9)% AC
Print & Other	109	(19)		
IT Solutions	9	9		
Corporate Other[2]	(16)	8		
Op. Income – Adj[3]	102	(2)	(2)%	
Other Exp., net – Adj[3]	85	(54)	(174)%	
Net (Loss)[4]	(73)	(52)	NM	
Net Income – Adj[3]	(8)	(57)	NM	
GAAP (Loss) per Share[4]	(0.60)	(0.40)	NM	
Earnings per Share – Adj[3]	(0.10)	(0.46)	NM	

P&L Ratios	Q4 2025	B/(W) YOY	PF[3] B/(W) YOY
Gross Margin – Adj[3]	29.3%	(230) bps	(380) bps
RD&E %	3.5%	(60) bps	
SAG %	21.3%	210 bps	
Operating Margin – Adj[3]	5.0%	(140) bps	(380) bps
Tax Rate – Adj[3]	147.1%	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 and Constant Currency (CC): see Non-GAAP Financial Measures. Pro Forma Measures: see Pro Forma Financial Measures. Q4 2025 adj. tax rate reflects the geographic mix of earnings and an inability to benefit from current-year losses and expenses in certain jurisdictions. [4] Q4 2024 GAAP (Loss) per share included an after-tax write-off of intangibles and after-tax Reinvention and transaction-related costs. For details, please see the non-GAAP section of the Q4 2025 earnings press release.

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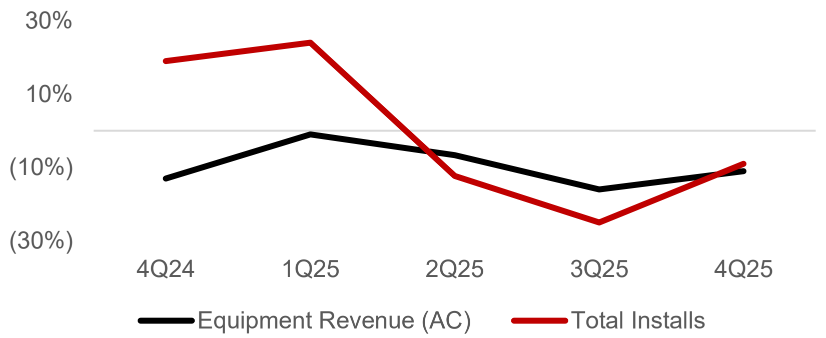
Print & Other Segment Results

($ mns)	Q4 2025	% Change YOY AC	% Change YOY CC[1]	% Change YOY PF[1] (AC)	FY 2025	% Change YOY AC	% Change YOY CC[1]	% Change YOY PF[1] (AC)
Equipment	$485	23.4%	21.1%	(10.4)%	$1,488	8.0%	7.1%	(8.7)%
Post Sale	$1,388	25.4%	23.2%	(8.5)%	$4,784	6.6%	6.0%	(8.0)%
Total Revenue	$1,873	24.9%	22.4%	(9.0)%	$6,272	7.0%	6.1%	(8.2)%
Impacts to YOY Change in Pro Forma Segment Revenue:						Q4 2025		FY 2025
Reductions in non-strategic revenue and backlog fluctuations						~3.0%		~2.5%
Other Reinvention items						~1.5%		~1.5%
Gross Profit – Adj[1]	$556	13.6%	12.5%	(20.9)%	$1,909	(2.3)%	(2.7)%	(16.6)%
Margin	29.8%	(280) bps			30.5%	(280) bps		
Segment Profit – Adj[1]	$109	(15.5)%	(14.9)%	(50.5)%	$279	(29.7)%	(29.2)%	(40.5)%
Margin	5.8%	(270) bps			4.5%	(230) bps		

Total Installs vs Equipment Revenue YOY[2]



Installs & Equipment Revenue B/(W) YOY[2]

	Q4 2025 Total Installs	Q4 2025 Revenue (AC)	2025 Total Installs	2025 Revenue (AC)
Entry	(7)%		(12)%	
Mid-Range	(16)%		(2)%	
High-End	(24)%		(27)%	
Total	**(9)%**	**(11)%**	**(10)%**	**(9)%**

[1] Adjusted measures and Constant Currency (CC): see Non-GAAP Financial Measures. Pro Forma Financial Measures: see Pro Forma Financial Measures. [2] Installs and revenue shown on a pro forma basis. Q2 2025 and prior represents legacy Xerox.

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IT Solutions Segment Results

($ mns)	Q4 2025	% Change YOY AC	% Change YOY CC[1]	FY 2025	% Change YOY AC	% Change YOY CC[1]
Products	$100	35.1%	35.9%	$523	125.4%	125.9%
Services	$55	41.0%	36.4%	$227	81.6%	81.2%
Intersegment Revenue[2]	$3	NM	NM	$11	NM	NM
Total Revenue	$158	38.6%	38.9%	$761	112.6%	112.9%
Impacts to Y/Y Change in Total Segment Revenue				Q4 2025		FY 2025
Acquisition of ITsavvy				~49%		~129%
Gross Profit – Adj[1]	$36	91.2%	90.7%	$142	150.9%	150.8%
Margin	22.7%	610 bps		18.7%	280 bps	
Segment Profit – Adj[1]	$9	NM	NM	$42	NM	NM
Margin	5.8%	580 bps		5.6%	560 bps	

IT Solutions: Key Performance Indicators / Trends

- **Pro forma Gross Billings[3] grew 12% YOY in 2025:**
  - Double-digit pro forma growth in Infrastructure & Networking equipment and software
  - Double-digit pro forma growth in Endpoint Devices
  - Double-digit pro forma growth in Cloud & Hosting
- **Strong Orders and Print Cross-sale Activity**
  - 2025 pro forma Gross Bookings[3] increased 14% YOY in 2025
  - In 2025, more than $60 million of opportunities sourced from legacy Xerox Print clients

[1] Adjusted measures and Constant Currency (CC): see Non-GAAP Financial Measures. Pro Forma Financial Measures: see Pro Forma Financial Measures. . [2] Reflects revenue, primarily IT hardware, software solutions and services, sold by the IT Solutions segment to the Print and Other segment. [3] Inclusive of intercompany transactions of ~$24 million.

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Cash Flow

(in millions)	Q4 2025	Change YOY	FY 2025	Change YOY
Pre-tax Loss	($61)	($57)	($488)	$728
Non-Cash Add-Backs[1]	157	24	656	14
Non-Cash Goodwill Impairment, Net of Tax	-	-	-	(1,015)
Restructuring Payments	(28)	(8)	(69)	9
Pension Contributions	(38)	(7)	(161)	(16)
Working Capital, net[2]	115	(47)	(45)	54
Change in Finance Assets[3]	113	(25)	363	(193)
Other[4]	(50)	(23)	(32)	132
Net cash provided by Operations	208	(143)	224	(287)
Net cash used in Investing	(4)	168	(698)	(500)
Net cash (used in) provided by Financing	(173)	(51)	404	675
Ending Cash, Cash Equivalents and Restricted Cash[5]	565	(66)	565	(66)
Reported Free Cash Flow[6]	184	(150)	133	(334)

Non-Cash U.S. GAAP Reclassification[7]	43
2025 Free Cash Flow Adjusted for U.S. GAAP Reclassification	176
2025 Free Cash Flow Guidance	*~150*

[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 $53 million in 2025 and $55 million in 2024. [6] Free Cash Flow: see Non-GAAP Financial Measures. [7] 2025 free cash flow guidance did not anticipate the accounting treatment of pre-existing intercompany balances between Xerox and Lexmark. U.S. GAAP requires it to be recorded within operating cash flow instead of being treated as part of the purchase price within investing. Because of this, following Q3 earnings we reclassified $43 million from investing cash flow to operating cash flow. This adjustment had no impact on actual cash, no impact on underlying cash generation, and no impact on Q4 free cash flow.

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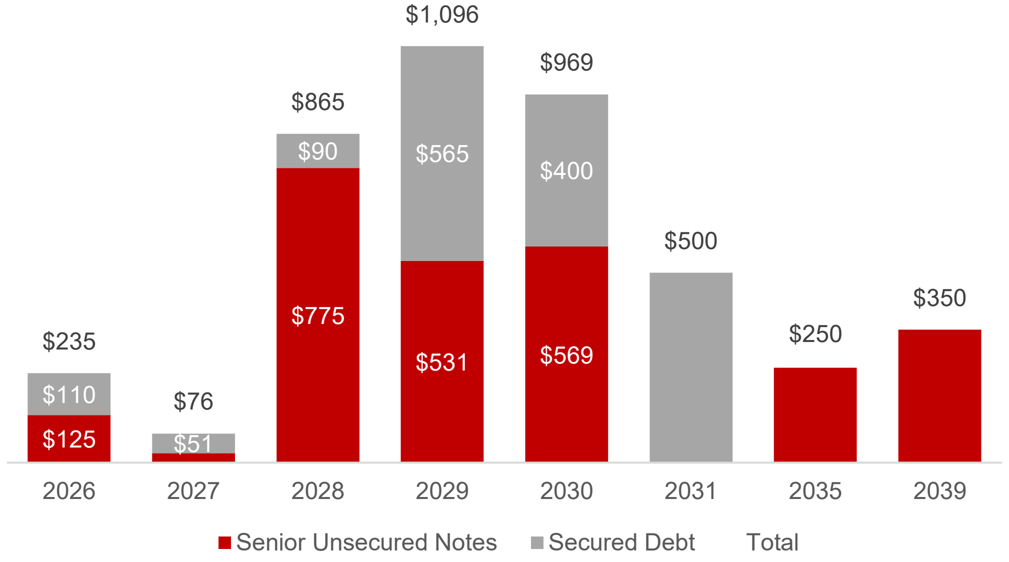
Capital Structure

Debt and Cash

(in billions)	Q4 2025	Q3 2025
Total Debt	$(4.2)	$(4.4)
Less: Financing Allocated Debt	$1.5	$1.6
Core Debt	$(2.7)	$(2.8)
Less: Cash[1]	$0.6	$0.5
Net Core Debt	$(2.1)	$(2.3)
Total Debt to TTM Adj.[2] EBITDA[3]	6.7x	6.1x
Net Core Debt to TTM Adj.[2] EBITDA[3]	3.4x	3.1x

Q4 Principal Debt Maturity Ladder ($M)



- Following the pay down of ITsavvy Notes at the end of January 2026, only ~$200 million of scheduled debt maturities remain through December 2027

[1]Cash, cash equivalents and restricted cash. [2] Adjusted Measures: see Non-GAAP Financial Measures. [3] Combined Pro Forma EBITDA for Xerox and Lexmark. Pro Forma Financial Measures: see Pro Forma Financial Measures

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Lexmark Synergies and Implementation Timeline

Expected Phasing of Synergy Realization

$ in millions	Cumulative Run-Rate Gross Cost Synergies	YOY Benefit from Cost Synergies	In-Year One-time Cash Cost to Achieve	Key Milestones
2025A	$146	$35	$69	• Initial elimination of duplicative overhead • Rationalization of third party spend
2026E	$250	$150-200	$50	• Supply Chain and R&D optimization • Go-to-market realignment • Cost absorption through enhanced scale
2027E	≥$300	$75-100	<$25	• Real Estate consolidation • IT infrastructure simplification • Optimized MPS delivery structure

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2026 Full-Year Guidance

- **Revenue:** Above $7.5 billion in constant currency[1]
- **Adjusted[1] Operating Income:** $450-500 million
- **Free Cash Flow[1]:** ~$250 million

Revenue: Expected revenue growth includes a full year of Lexmark, growth in IT Solutions and Digital Services, offset by headwinds in Print, ongoing reductions in XFS revenue associated with a declining finance receivable portfolio and the flow through effects of eliminating certain Production equipment lines.

Adjusted[1] Operating Income: Expected year-over-year improvement in adjusted[1] operating income and margin is driven primarily by $250-300 million of gross cost reductions, inclusive of synergy (~$150-200 million) and Reinvention savings (~$100 million), partially offset by the reduction in finance-related gross profit from the intentional reduction of the finance receivable portfolio and higher product costs.

Free Cash Flow[1]: Expected year-over-year improvement in free cash flow[1] is driven by improved adjusted[1] operating income, partially offset by higher interest expense and a reduction in finance receivable forward flow benefits.

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

Frequently Asked Questions

Demand Update

Have demand trends improved since Q3? What are your expectations for 2026?

Demand in October and November was impacted by the government shutdown as certain customers reliant on federal, state and local government funding delayed purchasing decisions. Encouragingly, activity picked up following the end of the government shutdown. Page volume declines moderated, and branded supplies usage was stable with revenue flat year-over-year. We enter 2026 with a pipeline higher than this time last year. Furthermore, cancellation and renewal rates also improved in 2025, giving us confidence in improving underlying trends in 2026. Demand for Xerox IT Solutions' products and services remain strong with bookings, billings, and backlog all up double-digits in 2025.

Integration Progress

How is the integration with Lexmark progressing?

The Lexmark integration is progressing well, with synergies running ahead of expectations, leading us to reaffirm cumulative run-rate gross cost synergy guidance of at least $300 million by the end of 2027. During the quarter, we began to see the benefits of the two companies together. This included launching a Lexmark-produced A3 offering in Eastern Europe, with a larger rollout planned for 2026 as in-house manufacturing capability ramps. We also secured a global first joint Xerox and Lexmark win of a major UK client, building upon a longstanding relationship and positioning Xerox as a strategic partner across both operational print infrastructure and customer marketing communications. The pipeline of joint customers and partners continues to build as we accelerate cross-sell efforts.

Guidance / Outlook

What assumptions are embedded into 2026 guidance?

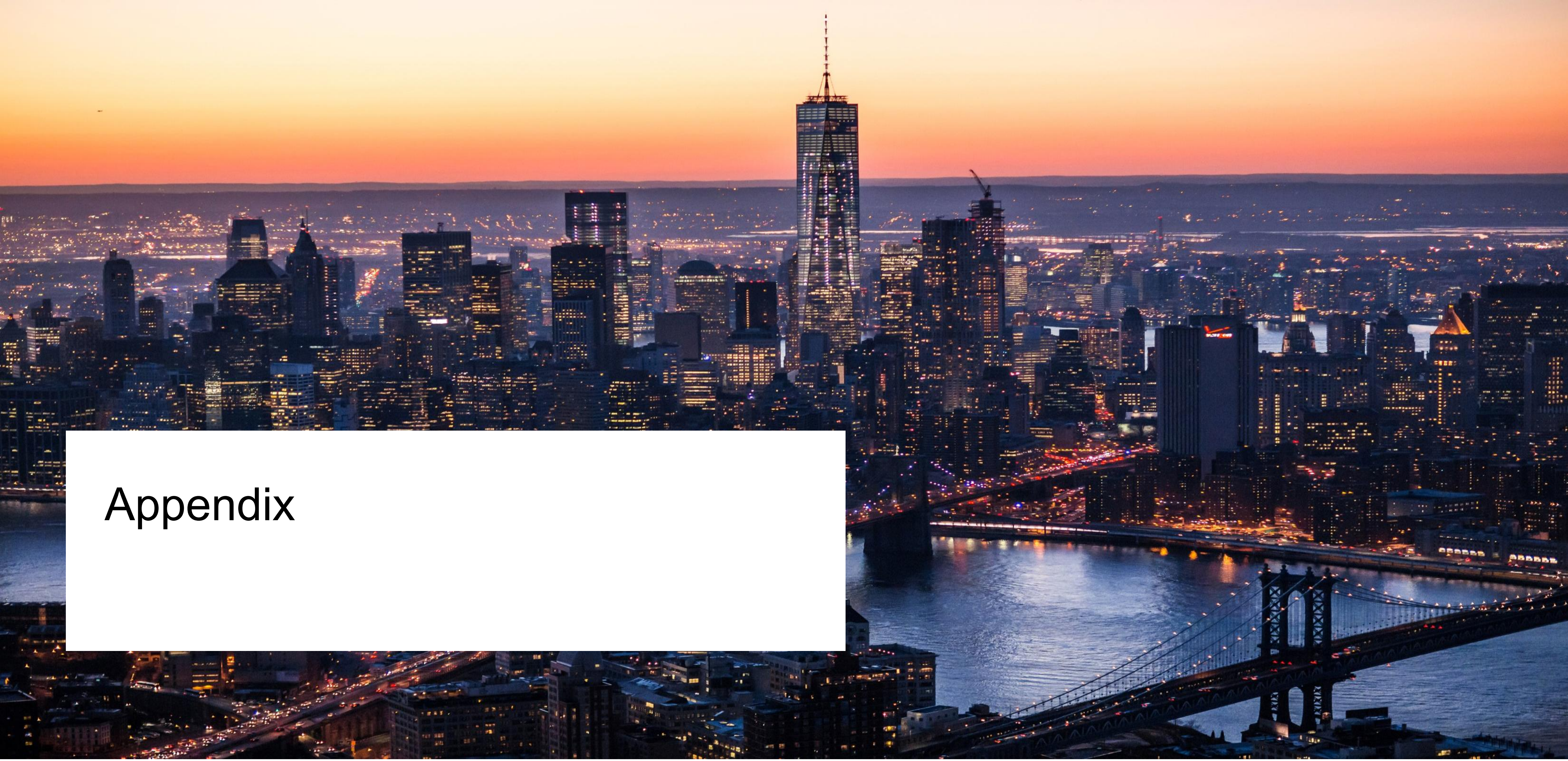
In 2026, we expect revenue to exceed $7.5 billion at constant currency, driven by a full year of Lexmark contribution, continued growth in IT Solutions and Digital Services, and a strengthening Print trajectory. These gains will be offset by declines in core revenue, lower XFS revenue as the finance receivable portfolio winds down, and by the planned exit of certain Production equipment lines. We expect adjusted operating income to improve by more than $200 million, supported by $250–300 million in Integration synergies and Reinvention cost savings. These benefits will be partially offset by lower finance-related gross profit, higher product costs, and rising memory prices. Free cash flow will reflect the improvement in adjusted[1] operating income, tempered by lower finance receivable forward-flow benefits, higher interest expense, and increased pension contributions.

Warrant Distribution

What was the rationale behind the warrant distribution?

Xerox is committed to strengthening its balance sheet, optimizing its capital structure, and creating long term value for shareholders. The distribution provides shareholders, convertible preferred stockholders and convertible noteholders with warrants of expected tangible value and gives them the opportunity to exercise, hold, or sell them. They may be exercised using cash or by delivering certain Xerox debt instruments at face value. The ability to exercise through a debt exchange provides bondholders the optionality to participate in Xerox equity. Exercising with eligible debt also supports immediate leverage reduction while preserving liquidity, enabling faster balance sheet improvement and accelerating the timeline to our stated leverage goals.

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



Appendix

Operating Trends

(in millions, except EPS)	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2024 FY	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2025 FY
Total Revenue	$1,502	$1,578	$1,528	$1,613	$6,221	$1,457	$1,576	$1,961	$2,028	$7,022
% Change	*(12.4)%*	*(10.0)%*	*(7.5)%*	*(8.6)%*	*(9.7)%*	*(3.0)%*	*(0.1)%*	*28.3%*	*25.7%*	*12.9%*
CC[1] % Change	*(13.2)%*	*(9.6)%*	*(7.3)%*	*(8.0)%*	*(9.5)%*	*(1.1)%*	*(1.1)%*	*27.0%*	*23.6%*	*12.2%*
Adj[1] Operating Margin	2.2%	5.4%	5.2%	6.4%	4.9%	1.5%	3.7%	3.3%	5.0%	3.5%
GAAP (Loss) EPS[2]	($0.94)	$0.11	($9.71)	($0.20)	($10.75)	($0.75)	($0.87)	($6.01)	($0.60)	($8.25)
Adj[1] EPS (Loss)	$0.06	$0.29	$0.25	$0.36	$0.97	($0.06)	($0.64)	$0.20	($0.10)	($0.60)
Operating Cash Flow	($79)	$123	$116	$351	$511	($89)	($11)	$159	$208	$224
Free Cash Flow[1]	($89)	$115	$107	$334	$467	($109)	($30)	$131	$184	$133

[1] Adjusted measures, Free Cash Flow and Constant Currency (CC): see Non-GAAP Financial Measures. [2] Full year 2025 GAAP Loss per share: Q1 includes a tax expense charge and financing-related charges; Q2 includes interest and financing-related charges and a tax expense; Q3 2025 includes an inventory-related purchase accounting adjustment and a tax expense charge. Full year 2024 GAAP Loss per share: Q1 includes a Reinvention-related charge; Q3 includes a non-cash goodwill impairment charge and a tax expense charge; Q4 includes the write-off of intangibles, and Reinvention & transaction-related costs. For details, please see the non-GAAP section of the Q4 2025 earnings press release.

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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:

- Restructuring and related costs, net: 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.

- Amortization of intangible assets: 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

- Non-service retirement-related costs: 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.

- Transaction and related costs, net: 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
    - Deferred tax valuation allowance
    - Divestitures
    - Loss (gain) on early extinguishment of debt
    - Income tax on goodwill impairment
    - 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)	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
Reported [1]	$ (113)	$ (0.94)	$ 18	$ 0.11	$ (1,205)	$ (9.71)	$ (21)	$ (0.20)	$ (1,321)	$ (10.75)
Goodwill impairment	-		-		1,058		-		1,058	
Inventory-related impact - exit of certain Production Print manufacturing operations [2]	36		8		-		7		51	
Restructuring and related costs, net	39		12		56		5		112	
Amortization of intangible assets	10		10		10		43		73	
Divestitures	54		(3)		-		(4)		47	
Non-service retirement-related costs	23		26		25		6		80	
Transaction and related costs, net	-		(23)		(15)		7		(31)	
Loss (gain) on early extinguishment of debt	(3)		-		-		1		(2)	
Reinvention-related costs	-		-		-		12		12	
Income tax on goodwill impairment [3]	-		-		(43)		-		(43)	
Deferred tax asset valuation allowance	-		-		161		8		169	
Income tax on adjustments [3]	(35)		(7)		(13)		(15)		(70)	
Adjusted	$ 11	$ 0.06	$ 41	$ 0.29	$ 34	$ 0.25	$ 49	$ 0.36	$ 135	$ 0.97
Dividends on preferred stock used in adjusted EPS calculation [4]		$ 4		$ 3		$ 4		$ 3		$ 14
Weighted average shares for adjusted EPS [4]		125		126		126		127		126

[1] *Full year 2024 GAAP Loss per share: Q1 includes a Reinvention-related charge; Q2 includes insurance proceeds from a legal settlement; Q3 includes a non-cash goodwill impairment charge and a tax expense charge; Q4 includes the write-off of intangibles, and Reinvention & transaction-related costs. For details, please see the non-GAAP section of the Q4 2025 earnings press release.*

[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] *Refer to Adjusted Effective Tax Rate Reconciliation.*

[4] *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 Net Income (Loss) and EPS Reconciliation - continued

(in millions, except per share amounts)	Q1-25 Net (Loss)	Q1-25 EPS	Q2-25 Net (Loss)	Q2-25 EPS	Q3-25 Net (Loss) Income	Q3-25 EPS	Q4-25 Net (Loss)	Q4-25 EPS	FY-25 Net (Loss)	FY-25 EPS
Reported (1)	$ (90)	$ (0.75)	$ (106)	$ (0.87)	$ (760)	$ (6.01)	$ (73)	$ (0.60)	$ (1,029)	$ (8.25)
Inventory-related impact - exit of certain Production Print manufacturing operations (2)	7		10		3		4		24	
Restructuring and related costs, net	(1)		10		59		(2)		66	
Amortization of intangible assets	10		10		30		33		83	
Divestitures	(4)		-		-		-		(4)	
Non-service retirement-related costs	18		19		20		21		78	
Transaction and related costs, net	3		6		23		-		32	
Loss (gain) on early extinguishment of debt	-		4		-		1		5	
Reinvention-related costs	6		3		3		5		17	
Commitment fee expense (3)	18		4		-		-		22	
Income tax on PARC donation (4)	9		-		11		-		20	
Deferred tax asset valuation allowance	50		-		467		-		517	
Lexmark - settlement of pre-existing employment agreements	-		-		24		3		27	
Lexmark - inventory-related purchase accounting adjustment (5)	-		-		102		-		102	
Lexmark - fixed asset-related purchase accounting adjustment	-		-		16		13		29	
Lexmark acquisition financing - escrow interest, net (6)	-		12		-		-		12	
Income tax on adjustments (4)	(30)		(49)		29		(13)		(63)	
Adjusted	$ (4)	$ (0.06)	$ (77)	$ (0.64)	$ 27	$ 0.20	$ (8)	$ (0.10)	$ (62)	$ (0.60)
Dividends on preferred stock used in adjusted EPS calculation (7)		$ 4		$ 3		$ 4		$ 3		$ 14
Weighted average shares for adjusted EPS (7)		125		126		129		128		127

(1) Full year 2025 GAAP Loss per share: Q1 includes a tax expense charge and financing-related charges; Q2 includes interest and financing-related charges and a tax expense; Q3 2025 includes an inventory-related purchase accounting adjustment and a tax expense charge. For details, please see the non-GAAP section of the Q4 2025 earnings press release.

(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.

Adjusted Effective Tax Rate Reconciliation

	Q4-25			Q4-24			FY-25			FY-24		
(in millions)	Pre-Tax (Loss) Income	Income Tax Expense	Effective Tax Rate	Pre-Tax (Loss) Income	Income Tax Expense	Effective Tax Rate	Pre-Tax (Loss) Income	Income Tax Expense	Effective Tax Rate	Pre-Tax (Loss) Income	Income Tax Expense	Effective Tax Rate
Reported [1]	$ (61)	$ 12	(19.7%)	$ (4)	$ 17	(425.0%)	$ (488)	$ 541	(110.9%)	$ (1,216)	$ 105	(8.6%)
Goodwill impairment	-	-		-	-		-	-		1,058	43	
Income tax on PARC donation	-	-		-	-		-	(20)		-	-	
Deferred tax asset valuation allowance	-	-		-	(8)		-	(517)		-	(169)	
Non-GAAP adjustments [2]	78	13		77	15		493	63		342	70	
Adjusted [3]	$ 17	$ 25	147.1%	$ 73	$ 24	32.9%	$ 5	$ 67	1340.0%	$ 184	$ 49	26.6%

(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)	Q4-25		Q4-24		FY-25		FY-24	
Revenue [1]	$ 2,028		$ 1,613		$ 7,022		$ 6,221	
Cost of revenue [1]	1,449		1,111		5,121		4,261	
Gross Profit and Margin	579	28.6%	502	31.1%	1,901	27.1%	1,960	31.5%
Adjustment:								
Inventory-related impact - exit of certain Production Print manufacturing operations	4		7		24		51	
Lexmark - inventory-related purchase accounting adjustment [2]	-		-		102		-	
Lexmark - fixed asset-related purchase accounting adjustment	11		-		25		-	
Adjusted Gross Profit and Margin	$ 594	29.3%	$ 509	31.6%	$ 2,052	29.2%	$ 2,011	32.3%

(1) *Total revenues and cost of revenue*

(2) *Reflects a purchasing accounting adjustment related to the acqusition of Lexmark, for cost associated with a net inventory write up*

Adjusted Gross Profit and Margin Reconciliation – Print and Other

(in millions)	Q4-25		Q4-24		FY-25		FY-24	
Revenue [1]	$ 1,873		$ 1,500		$ 6,272		$ 5,864	
Cost of revenue [1]	1,331		1,017		4,511		3,960	
Gross Profit and Margin	542	28.9%	483	32.2%	1,761	28.1%	1,904	32.5%
Adjustment:								
Inventory-related impact - exit of certain Production Print manufacturing operations	4		7		24		51	
Lexmark - inventory-related purchase accounting adjustment [2]	-		-		102		-	
Lexmark - fixed asset-related purchase accounting adjustment	11		-		25		-	
Adjusted Gross Profit and Margin	$ 557	29.8%	$ 490	32.6%	$ 1,912	30.5%	$ 1,955	33.3%

(1) *Print and Other revenues and cost of revenue*

(2) *Reflects a purchasing accounting adjustment related to the acqusition of Lexmark, for cost associated with a net inventory write up*

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Adjusted Operating Income and Margin Reconciliation

	Q1-24			Q2-24			Q3-24			Q4-24			FY-24		
(in millions)	(Loss) Profit	Revenue	Margin	Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin
Reported [1]	$ (113)	$1,502		$ 18	$1,578		$ (1,205)	$1,528		$ (21)	$1,613		$ (1,321)	$6,221	
Income tax (benefit) expense	(37)			7			118			17			105		
Pre-tax (loss) income	$ (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	39			12			56			5			112		
Amortization of intangible assets	10			10			10			43			73		
PARC donation	-			-			-			-			-		
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]	44			33			43			38			158		
Adjusted	$ 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 (Loss) Income*

(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.*

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	Q4-25 (Loss) Profit	Q4-25 Revenue	Q4-25 Margin	FY-25 (Loss) Profit	FY-25 Revenue	FY-25 Margin
Reported [1]	$ (90)	$1,457		$ (106)	$1,576		$ (760)	$1,961		$ (73)	$2,028		$ (1,029)	$7,022	
Income tax (benefit) expense	23			46			460			12			541		
Pre-tax (loss) income	$ (67)	$1,457	(4.6%)	$ (60)	$1,576	(3.8%)	$ (300)	$1,961	(15.3%)	$ (61)	$2,028	(3.0%)	$ (488)	$7,022	(6.9%)
Adjustments:															
Restructuring and related costs, net	(1)			10			59			(2)			66		
Amortization of intangible assets	10			10			30			33			83		
Divestitures	(4)			-			-			-			(4)		
Reinvention costs	6			3			3			5			17		
Transaction and related costs, net	3			6			23			2			34		
Inventory impact related to the exit of certain Production Print manufacturing operations [2]	7			10			3			4			24		
Lexmark - inventory-related purchase accounting adjustment [3]	-			-			102			-			102		
Lexmark - fixed asset-related purchase accounting adjustment	-			-			16			13			29		
Lexmark - settlement of pre-existing employment agreements	-			-			24			1			25		
Other expenses, net [4], [5]	68			80			105			107			360		
Adjusted	$ 22	$1,457	1.5%	$ 59	$1,576	3.7%	$ 65	$1,961	3.3%	$ 102	$2,028	5.0%	$ 248	$7,022	3.5%

[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] *Q4 2025 includes non-service retirement-related costs. In addition, Q4 2025 includes $80 million of non-financing interest expense, as compared to $31 million for Q4 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

	Q1-24			Q2-24			Q3-24			Q4-24			FY-24		
(in millions)	(Loss) Profit	Revenue	Margin	Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	(Loss) Profit	Revenue	Margin	Profit	Revenue	Margin
Reported [1]	$ (113)	$ 1,502		$ 18	$ 1,578		$ (1,205)	$ 1,528		$ (21)	$ 1,613		$ (1,321)	$ 6,221	
Adjustments:															
Other expenses, net [2]	44			33			43			38			158		
Income tax (benefit) expense	(37)			7			118			17			105		
Depreciation and amortization [3]	59			59			59			97			274		
Goodwill impairment	-			-			1,058			-			1,058		
EBITDA [4]	$ (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	12			17			9			14			52		
Restructuring and related costs, net [5]	39			12			56			5			112		
PARC donation	-			-			-			-			-		
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]	$ 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.*

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	Q4-25 (Loss) Profit	Q4-25 Revenue	Q4-25 Margin	FY-25 (Loss) Profit	FY-25 Revenue	FY-25 Margin
Reported (1)	$ (90)	$ 1,457		$ (106)	$ 1,576		$ (760)	$ 1,961		$ (73)	$ 2,028		$ (1,029)	$ 7,022	
Adjustments:															
Other expenses, net (2)	68			80			105			107			360		
Income tax (benefit) expense	23			46			460			12			541		
Depreciation and amortization (3)	60			57			107			107			331		
Goodwill impairment	-			-			-			-			-		
EBITDA (4)	$ 61	$ 1,457	4.2%	$ 77	$ 1,576	4.9%	$ (88)	$ 1,961	(4.5)%	$ 153	$ 2,028	7.5%	$ 203	$ 7,022	2.9%
Adjustments:															
Stock-based compensation	12			14			7			12			45		
Restructuring and related costs, net (5)	(1)			10			59			(2)			66		
PARC donation	-			-			-			-			-		
Divestitures	(4)			-			-			-			(4)		
Reinvention costs	6			3			3			5			17		
Transaction and related costs, net	3			6			23			3			34		
Inventory impact related to the exit of certain Production Print manufacturing operations (6)	7			10			3			4			24		
Lexmark - inventory-related purchase accounting adjustment (7)	-			-			102			-			102		
Lexmark - settlement of pre-existing employment agreements	-			-			24			-			25		
Adjusted EBITDA (8)	$ 84	$ 1,457	5.8%	$ 120	$ 1,576	7.6%	$ 133	$ 1,961	6.8%	$ 175	$ 2,028	8.6%	$ 512	$ 7,022	7.3%

(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.*

Free Cash Flow Reconciliation

(in millions)	Q1-24	Q2-24	Q3-24	Q4-24	FY-24	Q1-25	Q2-25	Q3-25	Q4-25	FY-25
Reported[(1)]	($79)	$123	$116	$351	$511	($89)	($11)	$159	$208	$224
Less: capital expenditures	10	8	9	17	44	20	19	28	24	91
Free Cash Flow	($89)	$115	$107	$334	$467	($109)	($30)	$131	$184	$133

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

Other Expenses, net Reconciliation

(in millions)	Q4-25	Q4-24	FY-25	FY-24
Reported [(1)]	$ 107	$ 38	$ 360	$ 158
Less: Non-service retirement-related costs	21	6	78	80
Less: Transaction related costs, net	-	-	-	(38)
Less: Loss (Gain) on early extinguishment of debt	1	1	5	(2)
Less: Commitment fee expense	-	-	22	-
Adjusted	$ 85	$ 31	$ 255	$ 118

(1) *Other expenses, net*

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Adjusted Operating Income – Guidance

(in millions)	FY 2026
Estimated [(1)]	~$(100)
Adjustments:	
Restructuring and related costs, net	30
Amortization of intangible assets	120
Other expenses, net [(2)]	425
Adjusted	~$450-500

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(1) Pre-tax (loss)

(2) Other expenses, net includes approximately $290 million of non-financing interest expense, net. Also included in Other expenses, net is approximately $80 million related to non-service retirement-related costs.

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Free Cash Flow – Guidance

(in millions)	FY 2026
Operating Cash Flow[(1)]	~$360
Less: capital expenditures	110
Free Cash Flow	~$250

(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 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.

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Pro Forma Revenue – Print and Other

	As reported		Pro Forma[1]		
(in millions)	Q4-25	Q4-24	Q4-24	% Change	Pro Forma[1] % Change
Equipment sales	$ 485	$ 393	$ 541	23.4%	(10.4)%
Post sale revenue	1,388	1,107	1,517	25.4%	(8.5)%
Total Print and Other Revenue	$ 1,873	$ 1,500	$ 2,058	24.9%	(9.0)%

	As reported		Pro Forma [1]			
(in millions)	FY-25	FY-24	FY-25	FY-24	% Change	Pro Forma[1] % Change
Equipment sales	$ 1,488	$ 1,378	$ 1,700	$ 1,861	8.0%	(8.7)%
Post sale revenue	4,784	4,486	5,512	5,993	6.6%	(8.0)%
Total Print and Other Revenue	$ 6,272	$ 5,864	$ 7,212	$ 7,854	7.0%	(8.2)%

[1] *Reflects the inclusion of Lexmark and ITsavvy estimated results as if they were acquired on January 1, 2024*

Pro Forma Revenue – IT Solutions

	As reported		Pro Forma[1]		
(in millions)	Q4-25	Q4-24	Q4-24	% Change	Pro Forma[1] % Change
IT Products[2]	$ 100	$ 74	$ 117	35.1%	(14.5)%
IT Services[3]	55	39	54	41.0%	1.9%
Intersegment revenue[4]	3	1	1	NM	NM
Total IT Solutions	$ 158	$ 114	$ 172	38.6%	(8.1)%

	As reported		Pro Forma [1]		
(in millions)	FY-25	FY-24	FY-24	% Change	Pro Forma[1] % Change
IT Products[2]	$ 523	$ 232	$ 565	125.4%	(7.4)%
IT Services[3]	227	125	201	81.6%	12.9%
Intersegment revenue[4]	11	1	1	NM	NM
Total IT Solutions	$ 761	$ 358	$ 767	112.6%	(0.8)%

[1] Reflects the inclusion of Lexmark and ITsavvy estimated results as if they were acquired on January 1, 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.

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Pro Forma Segment Revenue and Profit

(in millions)	As reported Q4-25	As reported Q4-24	Pro Forma[2] Q4-24	% Change	Pro Forma[2] % Change
Revenue					
Print & Other	$ 1,873	$ 1,500	$ 2,058	24.9%	(9.0)%
IT Solutions	158	114	172	38.6%	(8.1)%
Intersegment elimination[1]	(3)	(1)	(1)	NM	NM
Total Revenues	$ 2,028	$ 1,613	$ 2,229	25.7%	(9.0)%
Adjusted Gross Profit					
Print & Other	$ 558	$ 489	$ 708	14.1%	(21.2)%
IT Solutions	36	19	29	89.5%	24.1%
Total Adjusted Gross Profit	$ 594	$ 508	$ 737	16.9%	(19.4)%
Adjusted Gross Profit Margin					
Print & Other	29.8%	32.6%	34.4%	(2.8) pts	(4.6) pts
IT Solutions	22.8%	16.7%	16.9%	6.1 pts	2.9 pts
Total Adjusted Gross Profit Margin	29.3%	31.6%	33.1%	(2.3) pts	(3.8) pts
Adjusted Operating Profit					
Print & Other	$ 109	$ 128	$ 220	(14.8)%	(50.5)%
IT Solutions	9	-	3	N/M	N/M
Corporate	(16)	(24)	(27)	(33.3)%	(40.7)%
Total Adjusted Operating Profit	$ 102	$ 104	$ 196	(1.9)%	(48.0)%
Adjusted Operating Profit Margin					
Print & Other	5.8%	8.5%	10.7%	(2.7) pts	(4.9) pts
IT Solutions	5.7%	-	1.7%	5.7 pts	4.0 pts
Total Adjusted Operating Profit Margin	5.0%	6.4%	8.8%	(2.4) pts	(3.8) pts

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

[2] *Reflects the Inclusion of Lexmark and ITsavvy estimated results from October 1, 2024 through December 31, 2024*

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Pro Forma Segment Revenue and Profit - continued

	As reported		Pro Forma[2]			
(in millions)	FY-25	FY-24	FY-25	FY-24	% Change	Pro Forma[2] % Change
Revenue						
Print & Other	$ 6,272	$ 5,864	$ 7,212	$ 7,854	7.0%	(8.2)%
IT Solutions	761	358	761	767	112.6%	(0.8)%
Intersegment elimination[1]	(11)	(1)	(11)	(1)	NM	NM
Total Revenues	$ 7,022	$ 6,221	$ 7,962	$ 8,620	12.9%	(7.6)%
Adjusted Gross Profit						
Print & Other	$ 1,912	$ 1,955	$ 2,224	$ 2,666	(2.2)%	(16.6)%
IT Solutions	140	56	140	127	150.0%	10.2%
Total Adjusted Gross Profit	$ 2,052	$ 2,011	$ 2,364	$ 2,793	2.0%	(15.4)%
Adjusted Gross Profit Margin						
Print & Other	30.5%	33.3%	30.8%	33.9%	(2.8) pts	(3.1) pts
IT Solutions	18.4%	15.6%	18.4%	16.6%	2.8 pts	1.8 pts
Total Adjusted Gross Profit Margin	29.2%	31.6%	29.7%	32.4%	(2.4) pts	(2.7) pts
Adjusted Operating Profit						
Print & Other	$ 279	$ 396	$ 383	$ 644	(29.5)%	(40.5)%
IT Solutions	42	-	42	16	N/M	N/M
Corporate	(73)	(94)	(80)	(107)	(22.3)%	(25.2)%
Total Adjusted Operating Profit	$ 248	$ 302	$ 345	$ 553	(17.9)%	(37.6)%
Adjusted Operating Profit Margin						
Print & Other	4.4%	6.8%	5.3%	8.2%	(2.4) pts	(2.9) pts
IT Solutions	5.5%	-	5.5%	2.1%	5.5 pts	3.4 pts
Total Adjusted Operating Profit Margin	3.5%	4.9%	4.3%	6.4%	(1.4) pts	(2.1) pts

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

[2] *Reflects the Inclusion of Lexmark and ITsavvy estimated results in both FY24 and FY25.*

Pro Forma Adjusted Operating Income and Margin Reconciliation

(in millions)	As Reported Q4-25 (Loss) Profit	As Reported Q4-24 (Loss) Profit	Pro Forma[6] Q4-24 (Loss) Profit	Change	Pro Forma[6] Change
Reported [1]	$ (73)	$ (21)	$ (218)	$ (52)	$ 145
Income tax (benefit) expense	12	17	58	(5)	(46)
Pre-tax (loss) income	$ (61)	$ (4)	$ (160)	$ (57)	$ 99
Adjustments:					
Goodwill impairment	-	-	-	-	-
Restructuring and related costs, net	(2)	5	5	(7)	(7)
Amortization of intangible assets	33	43	226	(10)	(193)
Divestitures	-	(4)	(4)	4	4
Reinvention-related costs	5	12	12	(7)	(7)
Transaction and related costs, net	3	7	7	(4)	(4)
Inventory impact related to the exit of certain Production Print manufacturing operations [2]	4	7	7	(3)	(3)
Lexmark - inventory-related purchase accounting adjustment [3]	-	-	-	-	-
Lexmark - fixed asset-related purchase accounting adjustment	13	-	16	13	(3)
Lexmark - settlement of pre-existing employment agreements	-	-	-	-	-
Other expenses, net [4], [5]	107	38	87	69	20
Adjusted	$ 102	$ 104	$ 196	$ (2)	$ (94)
Revenue	$ 2,028	$ 1,613	$ 2,229	$ 415	$ (201)
Adjusted Operating Income Margin	5.0%	6.4%	8.8%	(1.4) pts	(3.8) 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) Q4 2025 includes non-service retirement-related costs. In addition, Q4 2025 includes $80 million of non-financing interest expense, as compared to $31 million for Q4 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

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