

Separation Completion FAQs



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On December 31, 2016, Xerox completed the spin-off of its business process services business. That business is now an independent company called Conduent Incorporated.

The following are frequently asked questions regarding ownership of Xerox Corporation stock.

I was a Xerox shareholder prior to the separation. What happened to my Xerox shares?

The separation occurred by means of a pro rata distribution to Xerox's shareholders of 100% of the outstanding shares of Conduent. Each Xerox stockholder received one share of Conduent common stock for every five shares of Xerox common stock held as of the close of business on December 15, 2016 (the "Record Date"). Fractional shares of Conduent common stock were not distributed; instead, the fractional shares of Conduent common stock are to be aggregated and sold in the open market, with the net proceeds distributed pro rata in cash payments to the Xerox shareholders who would otherwise receive a fractional share of Conduent common stock.

The number of shares of Xerox common stock you owned was not changed as a result of the spin-off; for example, if you held 100 shares of Xerox before the separation, you would now hold 100 shares of Xerox and 20 ($100 \div 5$) shares of Conduent.

As a shareholder of Xerox on the record date, what do I have to do to participate in the Distribution?

No action or payment is required by Xerox shareholders to receive the shares of Conduent common stock or cash in lieu of fractional shares.

Registered shareholders: If you are a registered shareholder, the distribution agent (Computershare Trust Company, N.A.) will credit the whole shares of Conduent common stock you received in the Distribution to a new book-entry account with Conduent's transfer agent (also Computershare Trust Company, N.A.) on or shortly after the Distribution Date. The distribution agent will mail you a book-entry account statement that reflects the number of whole shares of Conduent common stock you own. You can access information regarding your book-entry account holding the Conduent shares at www.computershare.com/investor or by calling 800-446-2617.

"Street name" or beneficial shareholders: If you own your shares of Xerox common stock beneficially through a bank, broker or other nominee, your bank, broker or other nominee will credit your account with the whole shares of Conduent common stock you receive in the Distribution on or shortly after the Distribution Date. Please contact your bank, broker or other nominee for further information about your account.

On which stock exchanges do Conduent and Xerox shares trade after the separation? What are their ticker symbols?

Both companies are publicly traded and independent. Conduent common stock is listed on the New York Stock Exchange (NYSE) under the symbol "CNDT", and Xerox continues to trade on the NYSE under the ticker symbol "XRX".

What are the income tax consequences of the distribution to stockholders in the U.S. and Canada?

We urge you to consult your own tax advisor with respect to the U.S. federal, state, and local and non-U.S. tax consequences of the distribution.

It is intended that, for U.S. federal income tax purposes, the distribution generally will be tax-free to Xerox shareholders. Material U.S. federal income tax consequences of the spin-off are summarized in the Form 10 Registration Statement filed by Conduent Incorporated.

It is also anticipated that, for certain non-U.S. income tax purposes, the distribution generally will be tax-free to Xerox shareholders. To confirm this treatment in Canada, Xerox Corporation has submitted a filing to the Canada Revenue Agency pursuant to Section 86.1 of the Canadian Income Tax Act.

How do I determine my tax basis for XRX shares and for CNDT shares I receive in the distribution?

We urge you to consult your own tax advisor with respect to the U.S. federal, state, and local and non-U.S. tax consequences of the distribution.

For U.S. federal income tax purposes, your aggregate tax basis in Xerox common stock and the new Conduent common stock received in the distribution should equal the aggregate basis in the Xerox common stock held by you immediately before the distribution, allocated between your Xerox common stock and Conduent common stock in proportion to their relative fair market values.

Additional information and an example are in the U.S. Internal Revenue Service Form 8937, Report of Organizational Actions Affecting Basis of Securities, prepared by Xerox Corporation. This form has been posted to the Xerox Investor Relations website at <https://www.xerox.com/investor> under [Investor Reference Materials](#).

Where can I receive more information about the Conduent shares I received and view an investment prospectus?

More information can be found in Conduent's Form 10 Registration Statement as well as subsequent 8K amendment forms available at www.sec.gov. Additionally, if you have any questions relating to the mechanics of the Distribution, you can contact the distribution agent as follows:

Computershare Trust Company, N.A.

250 Royall Street
Canton, MA 02021
Phone: 800-446-2617 or 781-575-2723

Who can I contact for answers to other questions?

For additional information relating to the separation, please contact Xerox Investor Relations:

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