

**Xerox Corporation
One for Four Reverse Stock Split of Xerox Common Stock**

Attachment to Form 8937

CONSULT YOUR TAX ADVISOR

THE FOLLOWING DISCUSSION IS A SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT UNDER CURRENT LAW AND IS FOR GENERAL INFORMATION ONLY. THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE COMPLETE OR TO DESCRIBE THE CONSEQUENCES THAT MAY APPLY TO PARTICULAR CATEGORIES OF SHAREHOLDERS.

SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISOR WITH RESPECT TO THE U.S. FEDERAL, STATE AND LOCAL AND FOREIGN TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT.

Part II – Organizational Action

Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for action.

On June 14, 2017, Xerox Corporation effected a one for four reverse stock split of its common stock. Pursuant to the reverse stock split, every four (4) shares of issued and outstanding common stock automatically converted into one (1) share of common stock. No fractional shares were issued in connection with the reverse stock split. Instead, Xerox's transfer agent aggregated all fractional shares that otherwise would have been issued as a result of the reverse stock split and those shares were sold into the market. Shareholders who would have otherwise held a fractional share of Xerox common stock received a cash payment from the net proceeds of that sale in lieu of such fractional share.

Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Upon the effective date of the reverse stock split, every four shares of common stock of Xerox automatically converted to one share of common stock. As a result, shareholders must allocate the aggregate tax basis in their shares held immediately prior to the reverse stock split among the shares held immediately after the reverse stock split (including any fractional shares for which cash was received). Shareholders that have acquired different blocks of common stock at different times or at different prices are urged to consult their own tax advisors

regarding the allocation of their aggregated adjusted basis among, and the holding period of, that common stock.

Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

See answer to item 15. Because no fractional shares were issued, the aggregate tax basis of Xerox common stock held by a shareholder immediately after the reverse stock split could be less than the pre-split aggregate tax basis by an amount equal to the aggregate tax basis allocated to the fractional shares, if any. Because the basis of each share of Xerox common stock received in the reverse stock split is "traced" entirely from a shareholder's basis in the shares of Xerox common stock owned prior to the reverse stock split, there is no collateral or market driven data or calculation supporting the change in basis.

Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The applicable Internal Revenue Code sections upon which the tax treatment is based are sections 354, 358, 368, 1001 and 1012.

Line 18. Can any resulting loss be recognized?

The one for four reverse stock split is intended to be treated as a recapitalization for U.S. federal income tax purposes. Therefore, except as described below with respect to cash received in lieu of a fractional share, a shareholder will not recognize any gain or loss for U.S. federal income tax purposes upon the combination of pre-reverse stock split shares into post-reverse stock split shares pursuant to the reverse stock split.

In general, a shareholder who receives a cash payment in lieu of a fractional share will recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the portion of the holder's tax basis of the pre-reverse stock split shares that is allocable to the fractional share. Such gain or loss generally will be long-term capital gain or loss if the shareholder's holding period in its pre-reverse stock split shares is more than one year as of the reverse stock split date. The deductibility of net capital losses by individuals and corporations is subject to limitations.

Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The reportable tax year is 2017.