HP Inc.
1501 Page Mill Road
Palo Alto, CA 94304

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News Release

HP Sends Letter to Xerox

Expresses Confidence in Its Own Value-Creating Opportunities and Will Not Consider Combining with Xerox Without Due Diligence

Editorial contacts

HP Inc. Media Relations
MediaRelations@hp.com

HP Inc. Investor Relations
InvestorRelations@hp.com

PALO ALTO, Calif., November 24, 2019 — HP Inc. (NYSE: HPQ) today announced that HP has sent a letter to Xerox Holdings Corporation in response to Xerox's November 21, 2019 letter.

Following is the full text of the letter that was sent on November 24, 2019:

November 24, 2019

John Visentin
Vice Chairman and CEO
Xerox Holdings Corporation
201 Merritt 7
Norwalk, CT 06851-1056

CC: Keith Cozza, Chairman of Xerox Holdings Corporation; President and Chief Executive Officer, Icahn Enterprises L.P.

Dear John,

The HP Board of Directors has reviewed and considered your November 21 letter, which has provided no new information beyond your November 5 letter. We reiterate that we reject Xerox's proposal as it significantly

undervalues HP. Additionally, it is highly conditional and uncertain. In particular, there continues to be uncertainty regarding Xerox's ability to raise the cash portion of the proposed consideration and concerns regarding the prudence of the resulting outsized debt burden on the value of the combined company's stock even if the financing were obtained. Consequently, your proposal does not constitute a basis for due diligence or negotiation.

We believe it is important to emphasize that we are not dependent on a Xerox combination. We have great confidence in our strategy and the numerous opportunities available to HP to drive sustainable long-term value, including the deployment of our strong balance sheet for increased share repurchases of our significantly undervalued stock and for value-creating M&A.

It is clear in your aggressive words and actions that Xerox is intent on forcing a potential combination on opportunistic terms and without providing adequate information. When we were in private discussions with you in August and September, we repeatedly raised our questions; you failed to address them and instead walked away, choosing to pursue a hostile approach rather than continue down a more productive path. But these fundamental issues have not gone away, and your now-public urgency to accelerate toward a deal, still without addressing these questions, only heightens our concern about your business and prospects. Accordingly, we must have due diligence to determine whether a Xerox combination has any merit.

We remain prepared to study the potential value of a combination and to work quickly to learn more about your business trajectory. However, there are significant concerns about both the near-term health and long-term viability of your business that have a significant impact on Xerox's value. The question of whether there is a path to turn around your business is a threshold issue. In addition to the visible and substantial declines at Xerox, our specific concerns include:

- Xerox has missed consensus revenue estimates in four of the last five quarters;
- Xerox's revenue has fallen from $10.2 billion to $9.2 billion (on a trailing 12-month basis) since June 2018, and this is expected to

continue – Xerox management projects revenue declines of 6% in fiscal 2019;

- Given how much of your business is based on contractual revenue, we are concerned about the decline in customer Total Contract Value (TCV) in excess of revenue declines, which suggests your revenues may decline even faster in future years. We note that the TCV of enterprise signings (including renewals) in 2018 was down 13.9% in constant currency and your churn for 2018 was 18%, both data points which Xerox has stopped providing publicly since the end of 2018;
- Our review of synergies based on public information and the limited information you have shared does not support achievable synergies of the scale you suggest, and it appears that your assumptions include significant savings that are already included in each company's independently announced cost reduction plans; and
- It appears to us that when Xerox exited the Fujifilm joint venture, Xerox essentially mortgaged its future for a short-term cash infusion. We fear that the exit has left a sizeable strategic hole in Xerox's portfolio. In addition, we have concerns as to the state of Xerox's technology resources, research and development pipeline, future product programs, and supply continuity and capability. Finally, we note that Xerox will have to get access to the fastest growing Asia Pacific region.

The HP Board of Directors is committed to serving the best interests of HP shareholders, not Xerox and its shareholders. HP has numerous opportunities to create value for HP shareholders on a standalone basis. We will not let aggressive tactics or hostile gestures distract us from our responsibility to pursue the most value-creating path.

On behalf of the Board of Directors,

Enrique Lores Chip Bergh

Advisors

Goldman Sachs & Co. LLC is serving as financial advisor to HP, and Wachtell, Lipton, Rosen & Katz is legal advisor.

Forward-Looking Statements

This news release contains forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of HP and its consolidated subsidiaries may differ materially from those expressed or implied by such forward-looking statements and assumptions.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including any statements of expectation or belief, including with respect to the timing and expected benefits of acquisitions and other business combination and strategic transactions; any statements relating to the plans, strategies and objectives of management for future operations, including, but not limited to, our sustainability goals, our go-to-market strategy, share repurchases, the execution of restructuring plans and any resulting cost savings, net revenue or profitability improvements; any statements concerning the expected development, performance, market share or competitive performance relating to products or services; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on HP and its financial performance; and any statements of assumptions underlying any of the foregoing.

Risks, uncertainties and assumptions include the need to address the many challenges facing HP's businesses; the competitive pressures faced by HP's businesses; risks associated with executing HP's strategy and business model changes; successfully innovating, developing and executing HP's go-to-market strategy, including online, omnichannel and contractual sales, in an evolving distribution and reseller landscape; successfully competing and maintaining the value proposition of HP's products, including supplies; the impact of macroeconomic and geopolitical trends and events; the need to manage third-party suppliers, manage HP's global, multi-tier distribution network, limit potential misuse of pricing programs by HP's channel partners, adapt to new or changing marketplaces and effectively deliver HP's services; challenges to HP's ability to accurately forecast inventories, demand and pricing, which may be due to HP's multi-tiered channel, sales of HP's products to unauthorized

resellers or unauthorized resale of HP's products; the protection of HP's intellectual property assets, including intellectual property licensed from third parties; risks associated with HP's international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; the execution and performance of contracts by HP and its suppliers, customers, clients and partners; the hiring and retention of key employees; integration and other risks associated with business combination and investment transactions; the results of the restructuring plans, including estimates and assumptions related to the cost (including any possible disruption of HP's business) and the anticipated benefits of the restructuring plans; the impact of changes in tax laws, including uncertainties related to the interpretation and application of the Tax Cuts and Jobs Act of 2017 on HP's tax obligations and effective tax rate; the resolution of pending investigations, claims and disputes; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2018, and HP's other filings with the Securities and Exchange Commission.

HP assumes no obligation and does not intend to update these forward-looking statements. HP's Investor Relations website at http://investor.hp.com contains a significant amount of information about HP, including financial and other information for investors. HP encourages investors to visit its website from time to time, as information is updated, and new information is posted.

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