

RR DONNELLEY

September 2016



Safe Harbor & Non-GAAP

Use of Forward Looking Statements

This presentation contains “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by reference to the following cautionary statements. All forward-looking statements speak only as of the date of this presentation and are based on current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements, including risks associated with completion and execution of the spinoffs of LSC Communications, Inc. (“LSC”) and Donnelley Financial Solutions, Inc. (“Donnelley Financial”) and the ability of RR Donnelley, LSC and Donnelley Financial to perform as expected as separate, independent entities and risks associated with the volatility and disruption of the capital and credit markets, and adverse changes in the global economy. The company does not undertake to and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect future events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

The factors that could cause material differences in the expected results of RR Donnelley include, without limitation, the following: the volatility and disruption of the capital and credit markets, and adverse changes in the global economy; successful execution and integration of acquisitions; successful negotiation of future acquisitions; and our ability to integrate operations successfully and achieve enhanced earnings or effect cost savings; the ability to implement comprehensive plans for the integration of sales forces, cost containment, asset rationalization, system integration and other key strategies; the ability to divest non-core businesses; future growth rates in our core businesses; competitive pressures in all markets in which we operate; the possibility of more intensive competition if our competitors pursue consolidations; our ability to access unsecured debt in the capital markets and the participants’ ability to perform to our contractual lending and insurance agreements; our ability reduce or extinguish our material indebtedness upon the consummation of the spinoff of our financial communications services business and our publishing and retail-centric conventional print services business; factors that affect customer demand, including changes in postal rates and postal regulations, changes in the capital markets, changes in advertising markets, the rate of migration from paper-based forms to digital formats, customers’ budgetary constraints, and customers’ changes in short-range and long-range plans; the ability to gain customer acceptance of our new products and technologies; the ability to secure and defend intellectual property rights and, when appropriate, license required technology; customer expectations and financial strength; our ability to maintain brand reputation with customers; our ability to maintain the integrity of the computer systems maintained by us and our vendors; the possibility of errors or failures found in our products and services; performance issues with key suppliers; changes in the availability or costs of key materials (such as ink, paper and fuel) or in prices received for the sale of by-products; changes in ratings of our debt securities, as a result of financial community and rating agency perceptions of our business, operations and financial condition and the industry in which we operate; the ability to generate cash flow or obtain financing to fund growth; the effect of inflation, changes in currency exchange rates and changes in Interest rates; the effect of changes in laws and regulations, including changes in accounting standards, trade, tax, environmental compliance (including the emission of greenhouse gases and other air pollution controls), health and welfare benefits, price controls and other regulatory matters and the cost, which could be substantial, of complying with these laws and regulations; contingencies related to actual or alleged environmental contamination; the retention of existing, and continued attraction of additional, customers and key employees, which may be exacerbated by the spin-offs; the effect of a material breach of security of any of our systems; the effect of labor disruptions or labor shortages; the effect of economic and political conditions on a regional, national or International basis; the effect of economic weakness and constrained advertising; uncertainty about future economic conditions; the possibility of future terrorist activities or the possibility of a future escalation of hostilities in the Middle East or elsewhere; the possibility of a regional or global health pandemic outbreak; the possibility of catastrophic events damaging or destroying facilities and disrupting our business; adverse outcomes of pending and threatened litigation; our ability to complete the spin-offs; our ability to realize the benefits of the spin-offs, including the tax-free nature of the transaction; our ability to realize the full benefits of our retained ownership interest in LSC and Donnelley Financial; the possibility of increased costs resulting from a decrease in purchase power or increased vulnerability to adverse events and trends as a smaller company and other risks and uncertainties detailed from time to time in our filings with the SEC, including under “Risk Factors” in our Annual Report on Form 10-K. Readers are strongly encouraged to read the full cautionary statements contained in RR Donnelley’s filings with the SEC.

Non-GAAP Financial Information

The company believes that certain non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the company’s operating performance. Internally, the company uses this non-GAAP information as an indicator of business performance, and evaluates management’s effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

A reconciliation of GAAP Net Earnings to non-GAAP Adj. EBITDA and other metrics are presented in the appendix included in this presentation and in tables attached to our periodic report on Form 8-K, furnished to the Securities and Exchange Commission on September 23, 2016, which is also available in the investors section of our website, www.rrdonnelley.com.

Company Representatives

Dan Knotts

CEO
RR Donnelley

Terry Peterson

CFO
RR Donnelley

Brian Feeney

SVP FP&A and Investor Relations
RR Donnelley

We are Excited About the Future of RR Donnelley

We are a global integrated communications provider enabling organizations to create, manage, deliver and optimize their multichannel marketing and business communications

We serve a large and evolving market undergoing tremendous changes in the ways in which companies need to communicate with their targeted audiences utilizing both print and digital channels

We have an extensive customer base, comprehensive portfolio of capabilities, proven management team and the financial flexibility to invest in innovative technologies and growth opportunities

We have a substantial opportunity to capitalize on evolving industry dynamics and changing customer's needs to drive profitable growth

We are confident in our ability to deliver value to RR Donnelley stakeholders

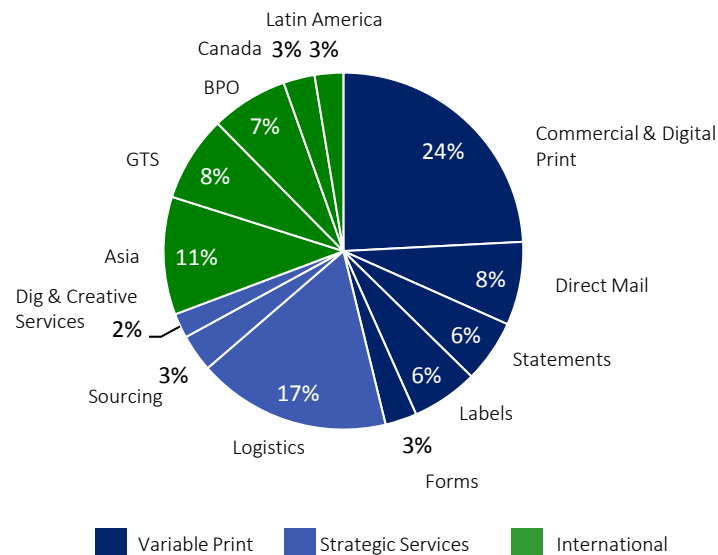
RR Donnelley Company Overview

Business Overview

- RR Donnelley is a global integrated communications provider enabling organizations to create, manage, deliver and optimize their multichannel marketing and business communications
- We offer a comprehensive portfolio of capabilities to a large and evolving market that can be integrated for multichannel solutions or utilized as a single point of entry based on customer requirements
- The combination of an unmatched production platform and extensive outsourcing capabilities, provides RRD with comprehensive expertise to support the entire customer communication process
- RRD operates in three segments:
 - **Variable Print (46% of 2015 Net Sales):** Commercial & Digital Print, Direct Mail, Labels, Statement Printing, Forms
 - 2015 Adj. EBITDA margin of 10.9%
 - **International (31% of 2015 Net Sales):** Asia, Business Process Outsourcing (BPO), Global Turnkey Solutions (GTS), Canada, Latin America
 - 2015 Adj. EBITDA margin of 9.5%
 - **Strategic Services (23% of 2015 Net Sales):** Logistics, Sourcing, Digital & Creative Services
 - 2015 Adj. EBITDA margin of 4.1%

Net Sales and Margin by Segment

2015 Net Sales: \$7.0bn
2015 Adj. EBITDA Margin: 7.7%



Selected Clients



Strategic Priorities



Driving profitable growth in each of our core businesses



Extending the range of our unparalleled capabilities, product and service offerings to fuel organic growth from our global customer base



Continuing the expansion of our print and digital technology platforms with innovative content management, data analytics, and multichannel capabilities for targeted markets



Optimizing our business performance through service, quality and operational excellence



Maintaining a disciplined approach to capital allocation

RR Donnelley enables organizations around the world to create, manage and execute effective multichannel marketing and business communications strategies

Key Investment Highlights

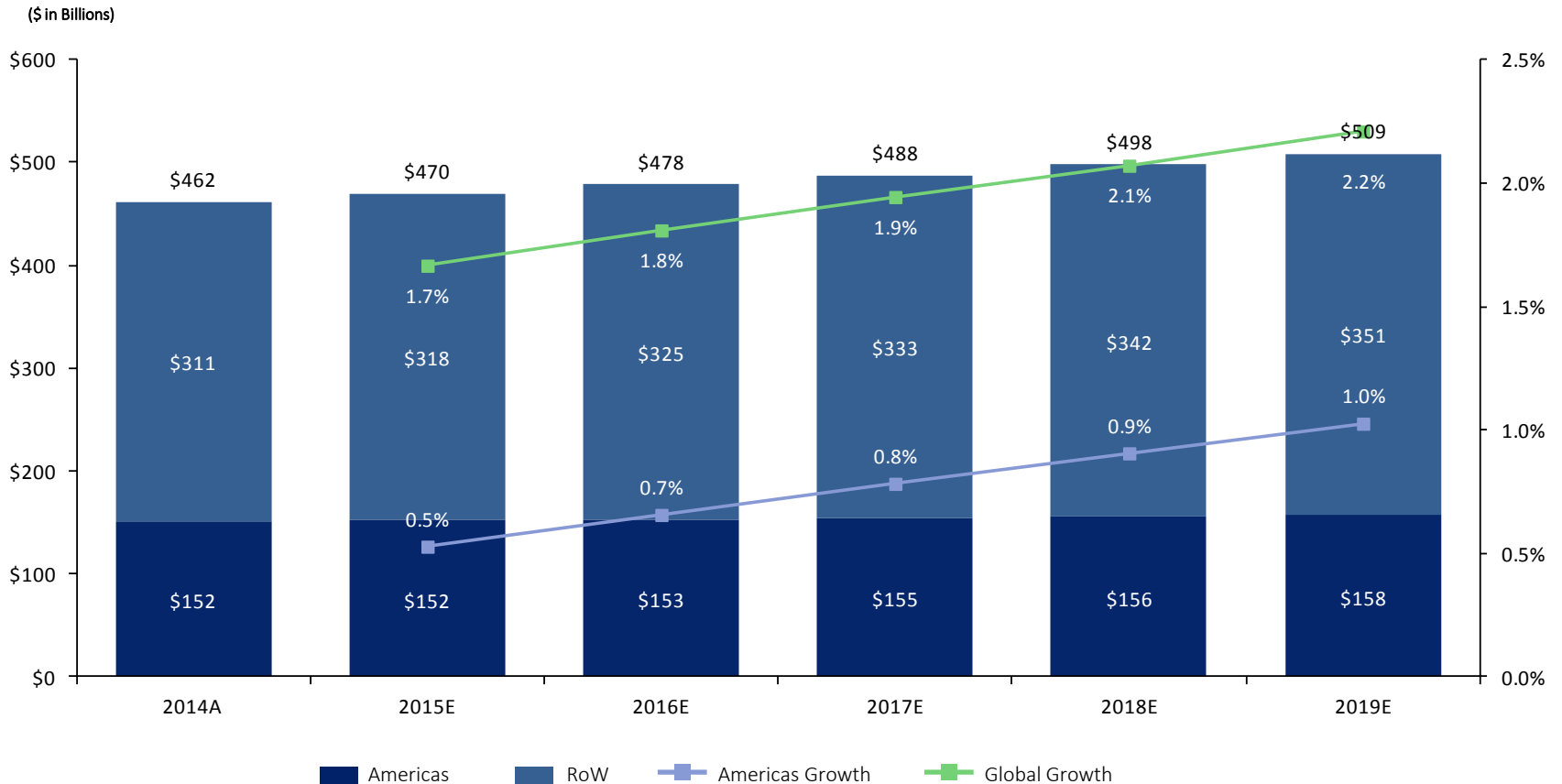
- 1 Large and Evolving Market
- 2 Recognized Industry Leader with Significant Scale
- 3 Leading Global Provider of Integrated Multichannel Communications with Significant Growth Opportunities
- 4 Commitment to Innovation
- 5 Strong Financial Performance with Focus on Growth & Deleveraging
- 6 Experienced Leadership Team

1

Commercial Printing Industry Overview

Commercial Printing Market

- Global Commercial Printing market was valued at US\$462 billion in 2014 and is expected to reach US\$509 billion by 2019, growing at a CAGR of 1.9%
- Global Commercial Printing market is broadly categorized into three segments: General Commercial Printing (~32% market share), Publishing (~29% market share), and Advertising (~39% market share)



Large and Evolving Market

EVOLVING MARKET

Large and fragmented market with tremendous changes occurring in how organizations need to create, manage, deliver and measure their communications



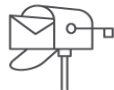
Regulatory Changes



Economic Conditions



Raw Material Volatility



USPS Actions

TECHNOLOGY EFFECT

Rapid channel expansion, proliferation of big data and evolving consumer preferences are disrupting traditional marketing, brand execution and audience engagement models



Data Security



Digital Technology



Big Data



E-Substitution



Consumer Behavior

CUSTOMER IMPACT

Challenged to create, synchronize and deliver their content across a complex maze of channels and suppliers to create meaningful personal connections with their targeted audiences

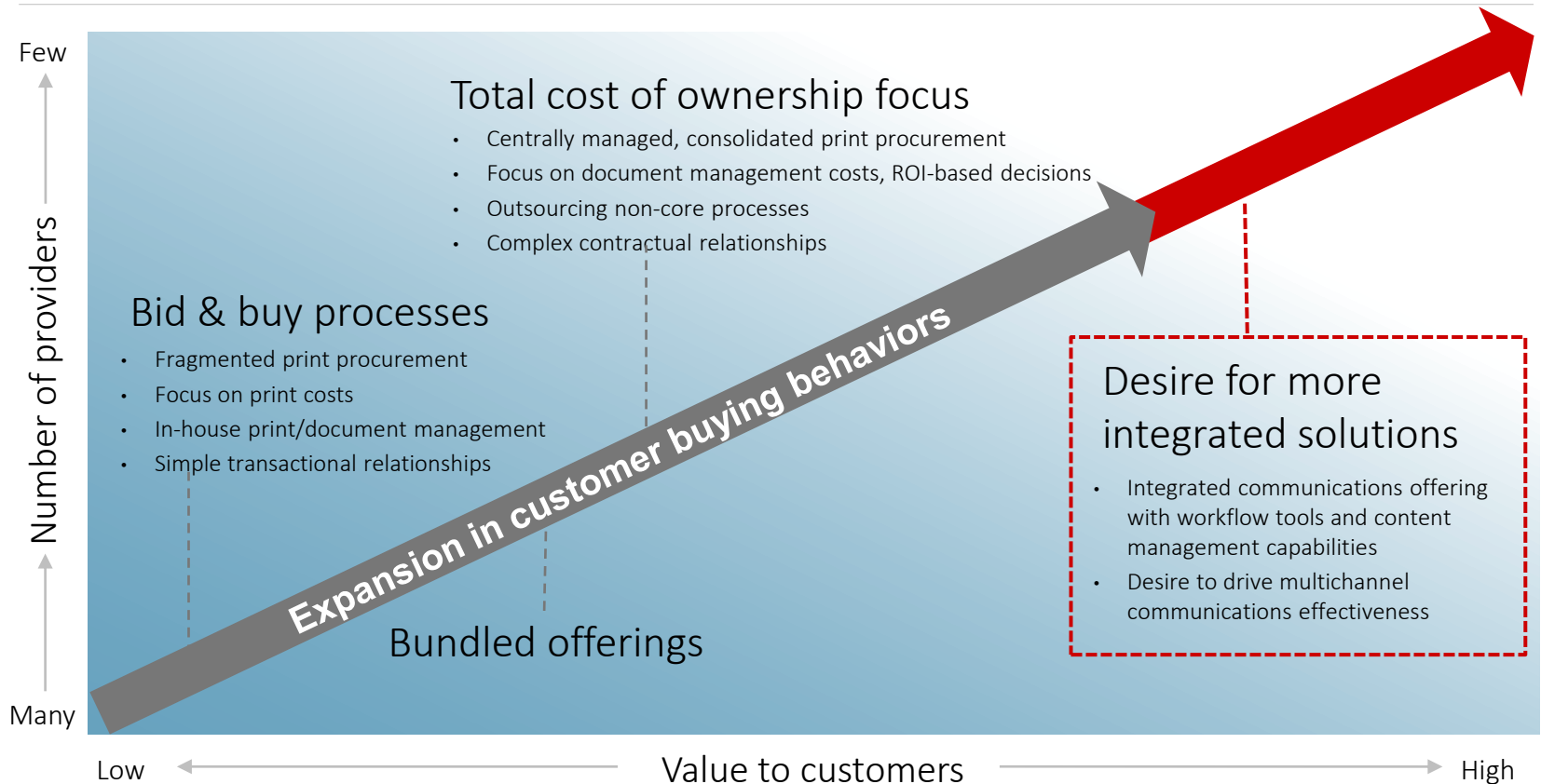


RRD
Opportunity

Providing innovative solutions to meet increasing customer demand for integrated and cost-effective multichannel communications and supply chain solutions

Customer Preferences and Requirements Continue to Evolve

CUSTOMER BUYING TRENDS



With our differentiated multichannel offerings and comprehensive portfolio of capabilities, RRD is well positioned to serve customers ranging from Main Street to the Fortune 500

2

We Start In the Lead: Recognized Industry Leader with Unparalleled Customer Base

52,000

Global Customers

97%

of Fortune 100

94%

of Fortune 500

90%

of Fortune 1000



"I have been in the Contract Management/Strategic Sourcing arena for many years. You are definitely in the top 1% of vendors with whom I've engaged. You are responsive, professional, thorough, and a delight to work with."

- Top Retail Firm

"We want to work with the leader in the industry to stay on the forefront of this rapidly changing and complex environment. Communications are critical to our success and RRD can help us with a more holistic approach to how we manage the full spectrum of our communications efforts."

- Top Healthcare Firm

"Our thanks to RRD for not only making the programs run as intended, but for helping {us} come up with solutions to potential production challenges based on our unique requirements."

- Top Ten Banking Institution

"Our communications are the confirmation of our promises to our customers and we have to get them right. We have been very good at managing our communications with our customers, but we are expanding our partnership with RR Donnelley to make us even better."

- Top Financial Services Firm

Enabling the world's largest companies to create, manage and deliver comprehensive and cost-effective multichannel communications around the world

Leading Global Provider of Integrated Multichannel Communications

28

Countries

377

Locations

42,000

Employees worldwide

Offering solutions across virtually all market segments to help our customers create meaningful connections with their targeted audiences

CORE OFFERING: MULTICHANNEL COMMUNICATIONS MANAGEMENT

COMMUNICATIONS SERVICES

- Content Creation
- Content Management
- Content Distribution – Print and Digital
- Content Optimization

Global full-service provider of integrated multichannel solutions for marketing and business communications

ADJACENT SUPPLY CHAIN AND LOGISTICS SOLUTIONS

- Print Management
- Procurement, Kitting, and Fulfillment
- Global Distribution
- Business Process Outsourcing

MARKETING AND BRAND EXECUTION

- Digital Marketing and Direct Mail
- Commercial Print
- In-Store Signage and POP Displays
- Packaging and Labels

CUSTOMIZED BUSINESS COMMUNICATIONS

- Consumer Statements
- Healthcare Communications
- Insurance Documents

RRD's Unmatched Portfolio of Key Products and Services

Digital Solutions



Variably-Imaged Statement Printing



Commercial Printing



Packaging



Forms



Labels & Label Systems



Creative Design



Comprehensive portfolio of capabilities utilized for multichannel solutions or single points of entry based on customer requirements

Direct Mail



Content Management



Data Analytics



BPO & Document Management Services



Logistics & Mailing Services



In-Box & Global Turnkey Solutions

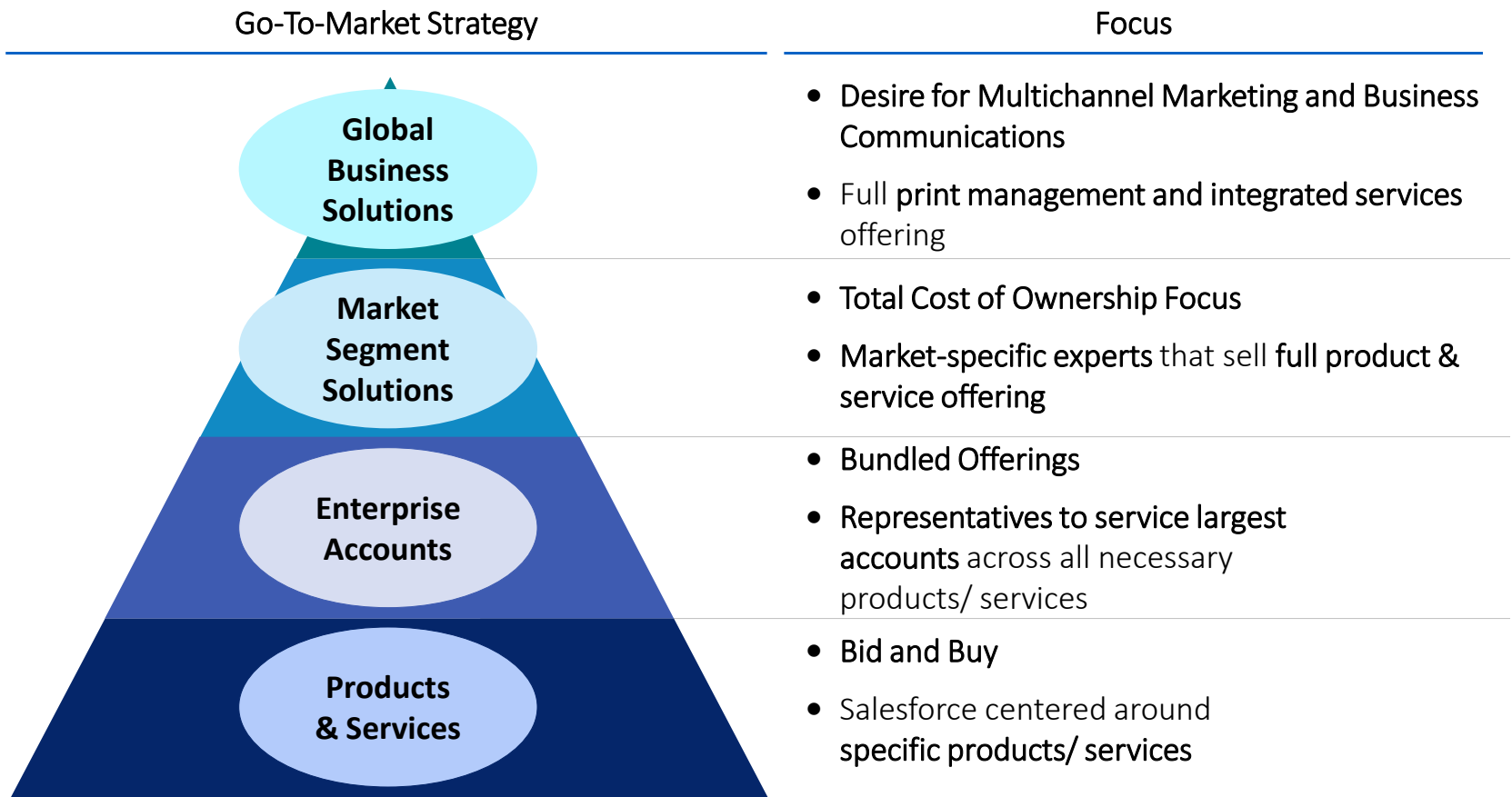


Global Business Solutions Offerings

| Consulting and Systems Solutions | | | | | |
|--|--|---|---|--|---|
| Print Management | Fulfillment Solutions | Logistics Solutions | Digital Solutions | Materials Solutions | Outsourcing Solutions |
| <ul style="list-style-type: none"> ▪ CustomBuy ▪ Production Management ▪ Supplier Management ▪ Vendor Consolidation ▪ Materials ▪ Offshore Production ▪ Campaign Management ▪ Specification Management ▪ Onsite Staffing ▪ Compliance Monitoring ▪ SaaS | <ul style="list-style-type: none"> ▪ CustomPoint ▪ Inventory Management ▪ DPOD ▪ Complex Kitting ▪ Rollout Management | <ul style="list-style-type: none"> ▪ Co-mingling ▪ Postal Analytics ▪ 3rd Party Logistics ▪ International Mail ▪ Return Services ▪ List Management ▪ Lock Box Services | <ul style="list-style-type: none"> ▪ CustomDocs ▪ Web Development ▪ NFC & RFID ▪ Mobile Applications ▪ Multichannel Strategies ▪ Asset Management ▪ Photography ▪ Color Management ▪ Brand Management ▪ Structural Design ▪ Production Art ▪ Creative | <ul style="list-style-type: none"> ▪ Paper Management ▪ Environmental Impact Studies ▪ Postal Analysis ▪ Material Standards ▪ JIT Analysis ▪ Freight Analysis ▪ Obsolescence Analysis ▪ Design Optimization ▪ Total Cost Optimization ▪ Technology Review ▪ Vertical Expertise ▪ Vendor Strategies | <ul style="list-style-type: none"> ▪ Market Research ▪ Contract Support Services ▪ Database Services ▪ Creative Services ▪ Call Center Support ▪ Global Turnkey Solutions |

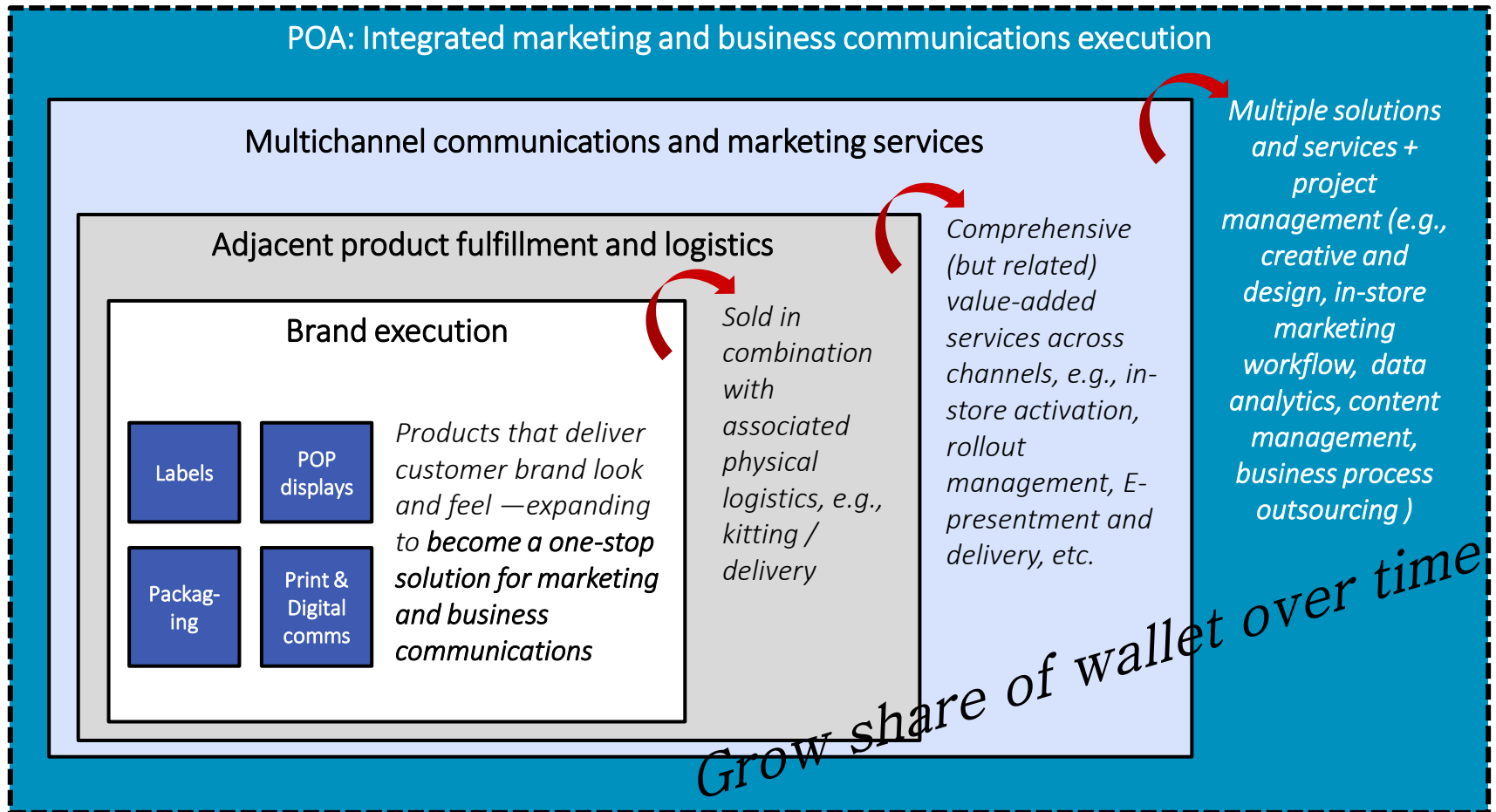
The combination of an unmatched production platform and deep business process expertise provides RRD with a comprehensive ability to support the entire customer communication process

Go-To-Market Strategy Provides Increased Customer 'Entry Points'



Go-to-market strategies creates additional customer 'touch points' and provides flexibility to match individual customer buying behaviors and deploy enhanced offerings

RRD's Integrated Offerings Provide Increasing Levels of Value-Add as Customer Models Evolve



Successfully Capitalizing on New Business Opportunities

Large Financial Services Customer

Customer aggressively pursued strategic alternatives for their outbound marketing communications facilities

RRD worked closely with Customer to evaluate a transformative experience versus a transitional decision

RRD was awarded the opportunity based on a comprehensive plan for seamless transition management, ongoing innovation, new cost efficiencies and increased process control to help minimize risk for Customer

- \$62 million Annual Net Sales for Daily Marketing Communications and related services
- 7 year exclusive agreement

Large Retail Customer

Customer evaluated their In-Store Experience Program seeking optimization, transparency of Cost/Value and Innovation of the customer experience in every Store















Customer looked for a business partnership that would provide seamless integration of creative, print production and distribution services that would take advantage of the best assets in the marketplace

RRD was awarded the business based on the ability to provide Customer with integrated solutions for creative services and print production and complement it with our in-depth project and process management expertise

- Annual Spend of \$54 million for all creative and print production services
- 3 year exclusive agreement

Providing innovative solutions to meet unique customer needs

Broadest Capabilities Relative to Competition

| Peer | 2016E Revenue (\$bn) | EV/NTM EBITDA ¹ | Capabilities | | | |
|---|-------------------------|-------------------------------|------------------------|-----------|-------------------|----------|
| | | | Marketing Execution | Logistics | Business Comm. | Sourcing |
| RR DONNELLEY | \$7.0 | TBD | ✓ | ✓ | ✓ | ✓ |
|  C.H. ROBINSON | 12.5 | 11.1x | | ✓ | | |
|  cimpress™ | 1.8 | 12.7x | ✓ | | | |
|  Deutsche Post | 65.9 | 7.6x | | ✓ | | |
|  DELUXE | 1.9 | 7.9x | ✓ | | | ✓ |
|  ECHO | 1.7 | 9.5x | | ✓ | | |
|  ENNIS | 0.4 | 6.3x | ✓ | | | |
|  Hub Group | 3.5 | 7.7x | | ✓ | | |
|  InnerWorkings | 1.1 | 8.8x | ✓ | | ✓ | ✓ |
|  J.B. HUNT | 6.6 | 8.4x | | ✓ | | |
|  KNIGHT TRANSPORTATION | 1.1 | 7.9x | | ✓ | | |
|  LANDSTAR | 3.1 | 10.4x | | ✓ | | |
|  MCC GLOBAL LABEL SOLUTIONS | 0.9 | 9.7x | ✓ | | | |
|  Roadrunner Transportation Systems | 1.9 | 6.0x | | ✓ | | |
|  XPOLogistics | 14.9 | 6.7x | | ✓ | | |

Source: Company filings and FactSet as of September 23, 2016.

Note: RRD revenue of \$7.0bn reflects 2015A net sales.

¹ Represents enterprise value to NTM non-GAAP adjusted EBITDA.

Innovation as the Foundation of Effective Multichannel Solutions

Investing in new technologies to remain on the forefront of content management and data analytics



Established relationship with Adobe to integrate Adobe Marketing Cloud into our technology platform - allows us to create superior digital experiences to drive marketing performance

Supporting our customers' growing utilization of digital and print technologies



Enabling extended experiences between our clients and their targeted audiences through innovative digital technologies

Expanding our capabilities to provide solutions to help our customers measure communications effectiveness

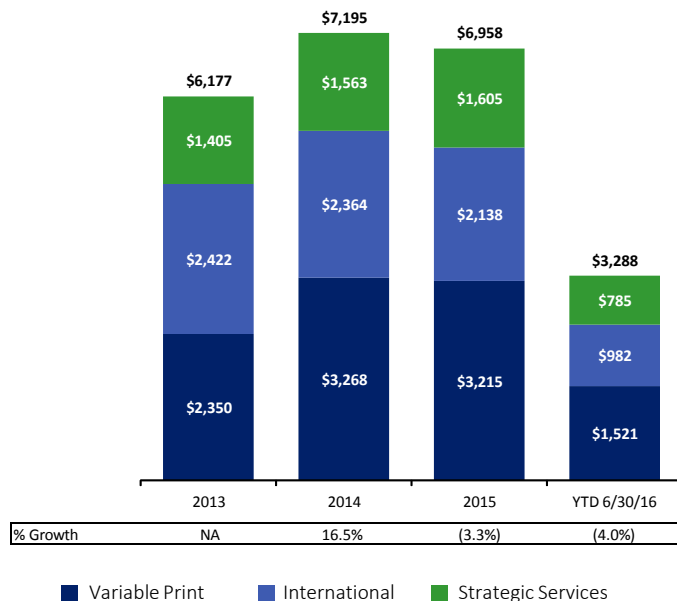


Providing advanced analytics, sentiment analysis and micro-segmentation to allow our customers to optimize their communications

We are committed to innovation through on-going development and investment in evolving technologies to deliver effective audience engagement

Strong Financial Performance

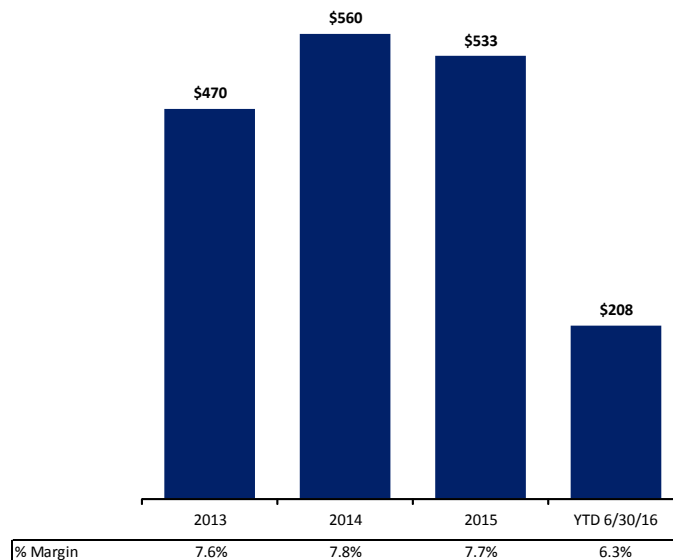
Net Sales (\$mm)



Key Performance Drivers

- Execution of strategies to expand scope of offerings, including new products, to existing customers and acquire new customers
- Consumer spending trends
- Strength in Retail and Healthcare verticals
- Pace of electronic substitution
- Impact of fuel surcharges
- Foreign exchange rates

Adj. EBITDA (\$mm)

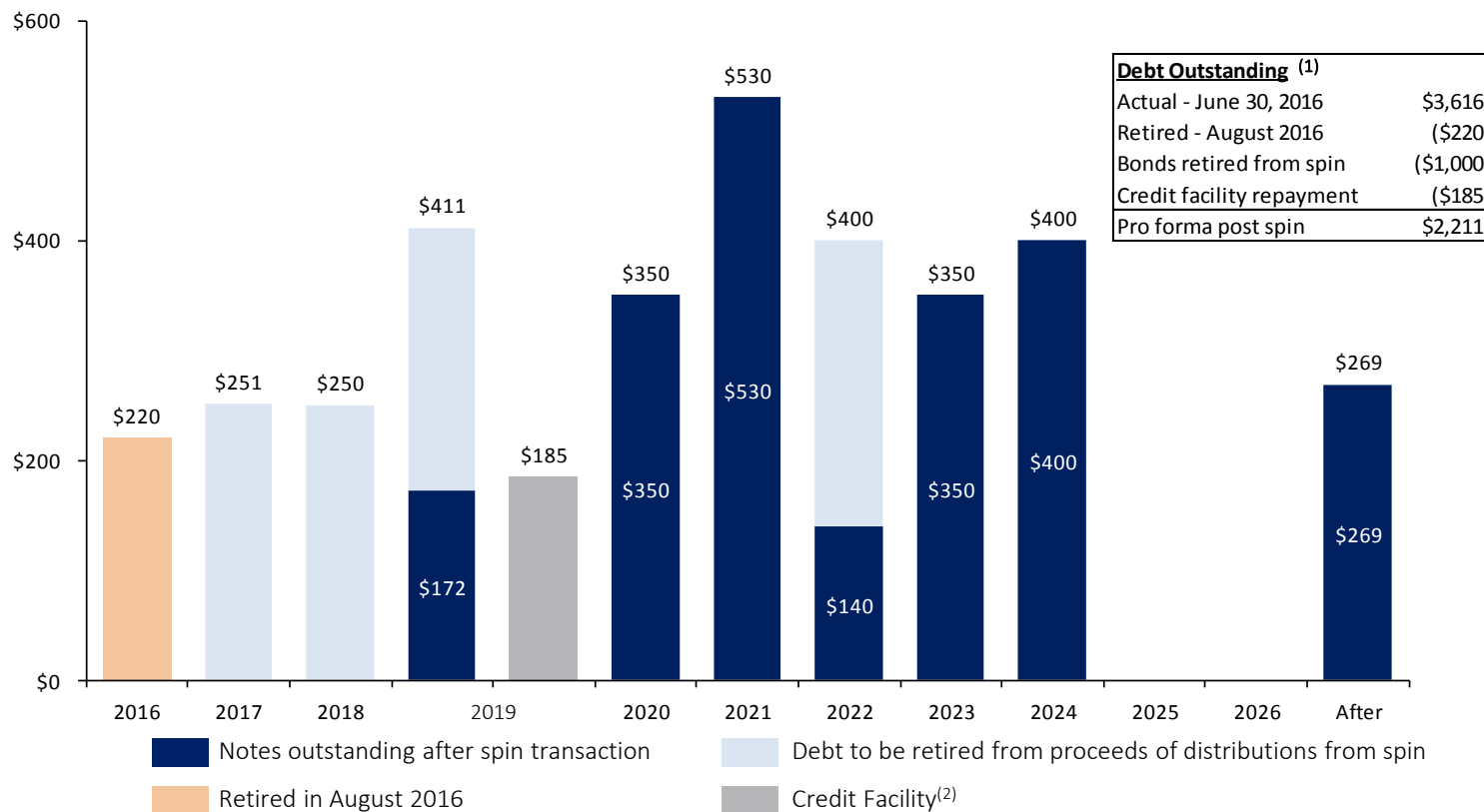


Key Performance Drivers

- Level of investments to broaden print and digital technology platforms and develop industry leading content management, data analytics and multichannel capabilities
- Continued integration of Consolidated Graphics
- Execution of cost reduction initiatives
- Leverage of fixed cost structure
- Cost of fuel, transportation and paper
- Foreign exchange rates

Capital Structure and Priority Uses for Cash

Pro Forma Debt Maturity Profile (in \$mm), actual as of June 30, 2016 ⁽¹⁾



- Key sources of cash include strong operating cash flow from operations and liquidating 19.25% equity stakes in DFS and LSC
 - Equity liquidations expected to be completed within 12 months of spin
 - Proceeds from equity liquidations will be used to retire additional debt with focus on earlier maturities
- Key uses of cash include debt paydown, capital expenditures, dividends and strategic investments
- Target debt leverage ratio range of 2.25x – 2.75x, although initial leverage will be higher

1. Excludes fair value adjustments to the 8.25% Senior Notes due March 15, 2019 related to the Company's fair value hedge, miscellaneous debt obligations, capital leases and unamortized debt issuance costs.
 2. Total capacity of credit facility is \$1.5bn maturing in 2019. Upon spin, total capacity changes to \$800mm and the maturity will extend to 2021.

Proven Management Team

John C. Pope: Chairman of the Board of Directors

Mr. Pope has been a director of RRD since 2004 and currently serves as its Chairman and member of the Audit Committee. Mr. Pope is the Chairman of PFI Group, LLC, a private investment company and served as President and Chief Operating Officer of UAL Corporation and United Airlines. He has been Chairman of Waste Management, Inc. and MotivePower Industries and has served on many public and private company boards including Con-Way, Inc., Moore Wallace Incorporated, Kraft Foods Group, Inc., Dollar Thrifty Automotive Group, Inc. and Navistar International Corporation.

Daniel Knotts: Chief Executive Officer

Mr. Knotts has served as Chief Operating Officer since January 2013 and as Group President of RR Donnelley from 2007 to 2012. As COO, Mr. Knotts oversees RR Donnelley's global business performance including sales, marketing, operations, IT, R&D, digital services and strategic sourcing. From 1986 to 2007, Mr. Knotts served in various capacities in finance, business development, operations, sales, marketing and business unit leadership. In those roles Mr. Knotts directly managed domestic and international businesses, manufacturing facilities and sales, IT, strategic sourcing, digital technologies, EHS, and finance organizations.

Terry Peterson: Chief Financial Officer

Mr. Peterson has served as Senior Vice President and Chief Financial Officer for Deluxe Corporation since 2009; Vice President, Investor Relations and Chief Accounting Officer at Deluxe from 2006 to 2009; Controller and Chief Accounting Officer at Deluxe Corporation from 2005 to 2006; and Director of Internal Audit at Deluxe Corporation from 2004 to 2005. Prior to Deluxe Corporation, Mr. Peterson held various finance and audit roles at Ecolab Inc., Provell Inc., Jostens Inc. and PriceWaterhouseCoopers LLP.

John Pecaric: EVP Global Markets

Mr. Pecaric has served as Group President, International since January 2013 and Senior Vice President of Operations from 2004 to 2012 and from 1985 to 2002, Mr. Pecaric served in various capacities in operations, sales, business development and management.

Glynn Perry: EVP Domestic Operations

Mr. Perry has served as President for the Variable Print & Retail Business since January 2014 and Senior Vice President of Manufacturing from 2007 to 2013. He has led multiple manufacturing platforms and guided acquisition integration teams. From 1983 to 2006, Mr. Perry served in various capacities in customer service and manufacturing roles.

Thomas Carroll: Chief Administrative Officer

Mr. Carroll has served as Executive Vice President, Chief Human Resources Officer since 2007 and is the executive lead on the project management of the spinoff transactions. From 1995 to 2007, Mr. Carroll served in various capacities in management and human resources.

Deborah Steiner: General Counsel

Ms. Steiner has served as Vice President, Associate General Counsel since April 2012 and as Counsel at the law firm of Latham & Watkins LLP from 2005 until joining RR Donnelley. Prior to this she served as the First Deputy Inspector General and Chief Operating Officer in the Inspector General's Office for the Illinois Governor from 2003 to 2005 and as an Assistant United States Attorney for the Northern District of Illinois from 1999 to 2003.

Ken O'Brien: Chief Information Officer

Mr. O'Brien has served as Chief Information Officer since 2004. Mr. O'Brien has 20 years of industry experience and more than 30 years of technology leadership roles in Aerospace, Banking, Manufacturing, Building and Business Communications industries.

Proven team with deep expertise in executive leadership, global sales and operations, customer service and technology

Positioning RR Donnelley for Long-Term Growth

Global Leader

- RR Donnelley is a full service provider of integrated multichannel marketing and business communication solutions for companies around the world
- We offer comprehensive solutions across virtually all market segments to help our customers create meaningful connections with their targeted audiences

Market Opportunity

- We serve a large and evolving market undergoing tremendous change in the ways companies need to communicate with their targeted audiences in a multichannel world
- We are well positioned to capitalize on the evolving industry dynamics and changing customer requirements for integrated multichannel communication and supply chain solutions

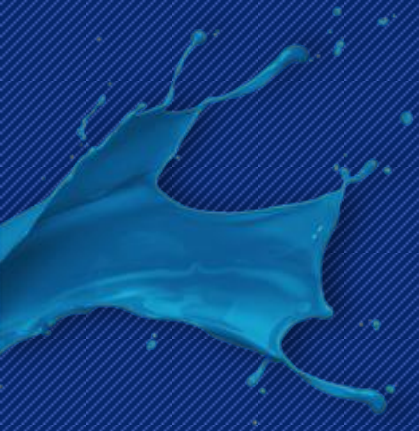
Business Strengths

- We are a recognized industry leader serving over 52,000 customers around the world
- Comprehensive portfolio of capabilities and deep business process expertise provides RRD with a leading ability to support the entire customer communication process
- Go-to-market strategies create additional customer touch points and provide flexibility to support diverse customer buying behaviors and deploy enhanced offerings
- Proven and experienced leadership team

Strong Financial Profile

- Strong financial performance with focus on growth and deleveraging
- Robust free cash flow from operations and monetization of equity stakes in LSC Communications and Donnelley Financial Solutions to support debt repayment, dividends, capital and strategic investments

Appendix



Variable Print Segment Overview

Description

Segment includes Commercial and Digital Print, Direct Mail, Labels, Statement Printing and Forms offerings

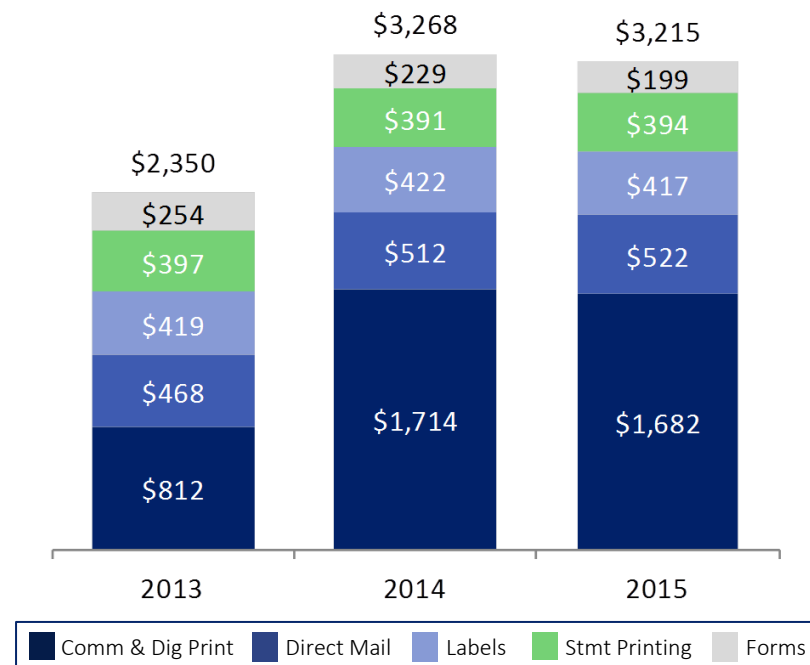
Segment Overview

- Large national network and suite of capabilities with each location having the ability to serve both the local market as well as national campaigns
- With over 1,000 digital print engines customers can move seamlessly within traditional and digital print depending on their marketing and business communication requirements
- Workflow technologies such as CustomPoint and Streamline WorkSmart Suite provide Web2Print applications to manage customization, ordering, fulfillment and tracking of communications materials
- Key services include strategic and creative design, content and project management, list processing, eDelivery and ePresentment, data analytics, and postage optimization

Key Products/Capabilities by Reporting Unit

- **Commercial and Digital Print:** Brochures, flyers, marketing collateral, collectible cards, large format signage, POP displays, fulfillment, packaging and in-store marketing materials
- **Direct Mail:** Highly personalized, complex, feature –rich, inline packages, super-components, roll to roll process and in-house lettershop operations
- **Labels:** Shelf, promotional, pharmacy prescription, prime packaging, laboratory, durable and eCommerce shipping labels
- **Statement Printing:** Invoices, policies, tax compliance, loyalty programs, healthcare documents, archiving and ePresentment
- **Forms:** POS roles, multipart, invoices, checks, self -mailers, and business and tax forms

Net Sales by Segment + Reporting Unit (\$mm)



Key Performance Drivers

- GDP trends, pace of electronic substitution
- Success of market segment solutions strategy
- Retail (e.g. In store marketing)
- Healthcare vertical
- Integration of Consolidated Graphics
- Continued leveraging of our integrated multichannel solutions offering

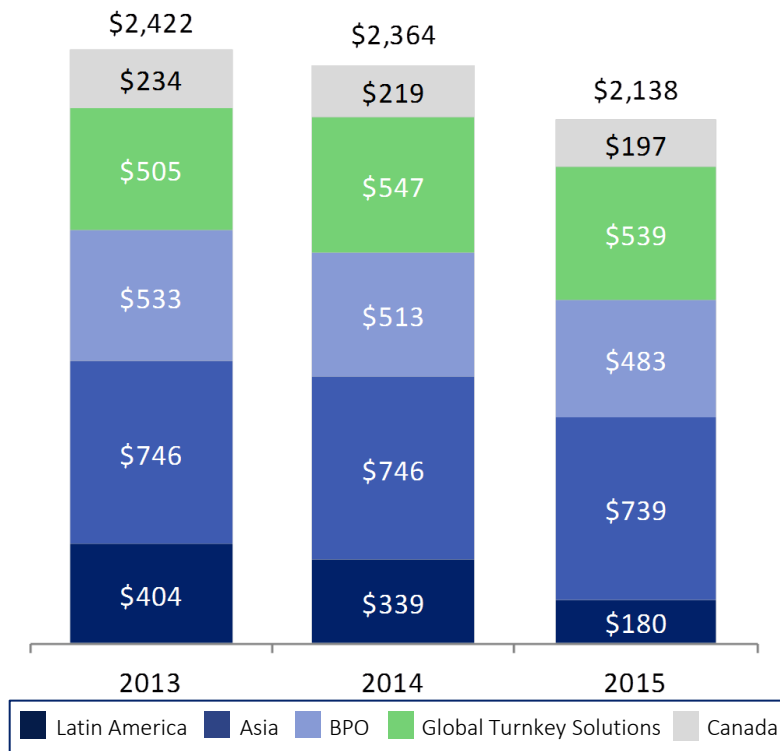
International Segment Overview

Description

Segment includes the company's non- U.S. printing operations in Asia, Canada and Latin America (excluding Mexico), as well as its Business Process Outsourcing (BPO) and Global Turnkey Solutions (GTS) businesses

- **Asia:** With its strategically integrated network of nine locations, provides in-box materials, packaging, labels, and export and domestic book production to major international customers
- **Canada:** Nine strategically located facilities across the country offer commercial printing, statement printing, labels, forms, in-store marketing, sourcing and print fulfillment to major companies in the financial, insurance, transportation, retail education and restaurant verticals
- **Latin America:** Has operations in Brazil, Chile, Central America and the Caribbean and provides highly secure educational testing materials, inserts, books, statements, forms, labels and fulfillment to local and regional customers
- **GTS:** Provides complex supply chain management solutions including product configuration, packaging, kitting, order fulfillment and logistics services for technology, consumer electronics, telecom and medical device customers
- **BPO:** Provides transactional print and outsourcing services including inbound and outbound document processing, creative services, research and analytics, and services to its targeted verticals of insurance, legal, telecommunications, utilities, retail and financial management services.

Net Sales by Segment + Reporting Unit (\$mm)



Key Performance Drivers

- Local economic and political environment
- Consumer spending trends
- Pace of electronic substitution
- Foreign exchange rates
- Growth in packaging and labels

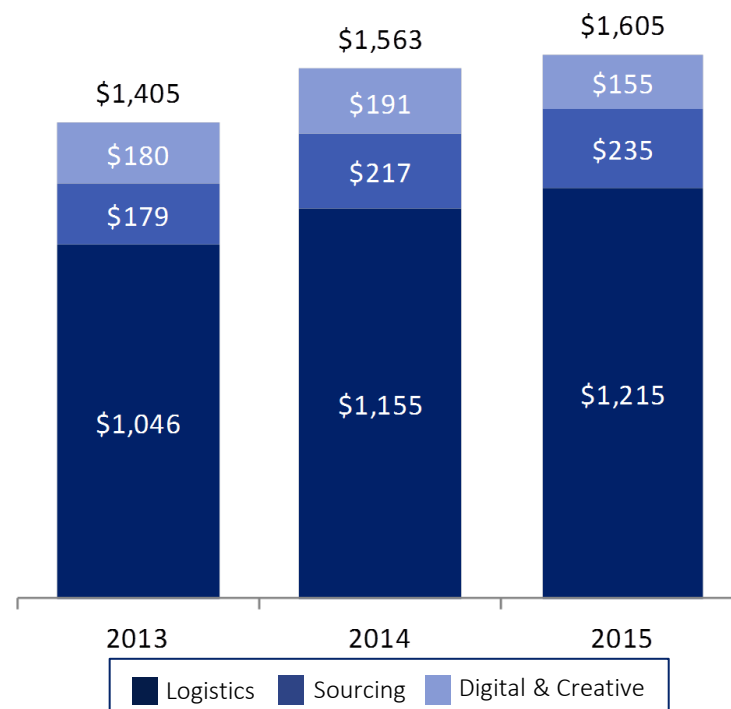
Strategic Services Segment Overview

Description

Segment includes the company's logistics services, sourcing and digital and creative solutions offerings

- Logistics services represents a portfolio of specialized technology-driven distribution services targeting a variety of industry verticals
 - **DLS Worldwide:** A premier third party logistics provider that utilizes a leveraged platform and a nationwide agent sales network to offer customers in all industries a full suite of freight services, including truckload, less-than-truckload, Intermodal, and international freight forwarding
 - **International Services:** A leading international mail and parcel distributor with an extensive 200 country network of postal and foreign distribution partners to manage the unique requirements of international mailers
 - **Print Logistics:** A leading provider of print logistics services with the scale, technology, and USPS regulations expertise to optimize distribution savings for our customers. We distribute retail and newsstand print materials utilizing a nationwide network of consolidation facilities to provide cost-effective distribution solutions
 - **RRD Presort Services:** Freight and postage optimization services provider for letter mail customers that combines mail list processing, commingle, co-palletization and print transportation solutions
 - **Courier Services / Last Mile:** An extensive nationwide courier network that offers customized same day and next day delivery solutions with optimized route planning and web-based tracking. We are also leveraging our unique courier capabilities to build a nationwide position in the growing last-mile delivery segment, with a focus on the online retail and pharmaceutical industries
- Sourcing utilizes our ISO certified platform and proprietary CustomBuy workflow portal to provide print management, communications consulting services, promotional products and supply chain expertise to over 3,400 customers utilizing over 3,000 supplier partners around the globe
- Digital and Creative provides content creation and content management services including photography and videography, image retouching, brand management, list processing, campaign and response management, data analytics, web development and interactive experiences.

Net Sales by Segment + Reporting Unit (\$mm)



Key Performance Drivers

- Continued expansion and diversification of services offerings
- Success of Global Business Solutions strategy
- Impact of fuel surcharge and cost of transportation

Reconciliation of GAAP Net Earnings to Non-GAAP Adjusted EBITDA

| (USD in millions) | Six Months Ended, June 30, 2016 | Twelve Months Ended, | | |
|---|------------------------------------|----------------------|-------------------|-------------------|
| | | December 31, 2015 | December 31, 2014 | December 31, 2013 |
| GAAP net earnings attributable to RR Donnelley common shareholders ⁽¹⁾ | \$25.3 | \$151.1 | \$117.4 | \$211.2 |
| Adjustments | | | | |
| Less: income from discontinued operations, net of tax ⁽²⁾ | (\$65.9) | (\$222.1) | (\$205.9) | (\$232.0) |
| Income (loss) attributable to noncontrolling interests ⁽³⁾ | 0.5 | (12.7) | 3.4 | 7.0 |
| Income tax benefit ⁽³⁾ | (40.3) | (11.7) | (84.8) | (144.8) |
| Interest expense - net ⁽³⁾ | 137.4 | 277.4 | 284.5 | 263.0 |
| Investment and other expense - net ⁽³⁾ | 0.6 | 43.9 | 22.2 | 24.8 |
| Depreciation and amortization ⁽³⁾ | 102.5 | 232.5 | 254.6 | 207.7 |
| Restructuring, impairment and other charges - net ⁽⁴⁾ | 13.5 | 62.7 | 72.3 | 46.3 |
| Acquisition-related expenses ⁽⁴⁾ | 2.0 | 0.5 | 7.0 | 4.8 |
| Spinoff-related transaction expenses ⁽⁴⁾ | 24.7 | 11.4 | - | - |
| Pension settlement charges ⁽⁴⁾ | 20.4 | - | - | - |
| Gain on disposals of businesses ⁽⁴⁾ | (12.3) | - | - | - |
| Loss on debt extinguishment ⁽⁴⁾ | - | - | 77.1 | 81.9 |
| Purchase accounting inventory adjustments ⁽⁵⁾ | - | - | 12.1 | - |
| Total Non-GAAP Adjustments ⁽⁵⁾ | \$183.1 | \$381.9 | \$442.5 | \$258.7 |
| Non-GAAP adjusted EBITDA RRD continuing operations ⁽⁵⁾ | \$208.4 | \$533.0 | \$559.9 | \$469.9 |
| Net sales ⁽⁴⁾ | \$3,288.4 | \$6,957.7 | \$7,195.4 | \$6,176.6 |
| Non-GAAP adjusted EBITDA margin % ⁽⁵⁾ | 6.3% | 7.7% | 7.8% | 7.6% |

1. Reflects RR Donnelley's consolidated historical financial statements prepared in accordance with GAAP and does not reflect any adjustments related to the Distribution.
2. Reflects the discontinued operations of the Donnelley Financial Solutions and LSC Communications businesses. This represents the net earnings directly associated with the results of operations of Donnelley Financial Solutions and LSC Communications.
3. Reflects only the results of RR Donnelley continuing operations.
4. Reflects significant items that were previously identified in RR Donnelley's quarterly and annual earnings releases dated August 3, 2016, February 25, 2016, February 25, 2015, and February 25, 2014 and that do not relate to income or expense items included in the Income from discontinued operations, net of tax line item above.
5. The information contained in this line is a non-GAAP measure and thus is not calculated in accordance with GAAP. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Reconciliation of GAAP to Non-GAAP Operating Income and Non-GAAP Adjusted EBITDA and Margin

| (USD in millions) | Six Months Ended June 30, 2016 | | | | |
|--|--------------------------------|--------------------|---------------|------------------|----------------|
| | Variable Print | Strategic Services | International | Corporate | Consolidated |
| Net Sales ⁽¹⁾ | \$1,521.5 | \$784.6 | \$982.3 | \$- | \$3,288.4 |
| Operating expense ⁽¹⁾ | 1,427.6 | 772.6 | 918.9 | 111.7 | 3,230.8 |
| Income (loss) from operations ⁽¹⁾ | \$93.9 | \$12.0 | \$63.4 | (\$111.7) | \$57.6 |
| Operating Margin | 6.2% | 1.5% | 6.5% | NM | 1.8% |
| Non-GAAP Adjustments | | | | | |
| Restructuring, impairment and other charges - net ⁽²⁾ | \$2.8 | \$0.7 | \$5.1 | \$4.9 | \$13.5 |
| Spinoff-related transaction expenses ⁽²⁾ | - | - | 0.4 | 24.3 | 24.7 |
| Acquisition-related expenses ⁽²⁾ | - | - | - | 2.0 | 2.0 |
| Pension settlement charges ⁽²⁾ | - | - | - | 20.4 | 20.4 |
| Gain on disposals of businesses ⁽²⁾ | - | - | (12.3) | - | (12.3) |
| Total Non-GAAP Adjustments | \$2.8 | \$0.7 | (\$6.8) | \$51.6 | \$48.3 |
| Non-GAAP income (loss) from operations ⁽³⁾ | \$96.7 | \$12.7 | \$56.6 | (\$60.1) | \$105.9 |
| Non-GAAP operating margin ⁽³⁾ | 6.4% | 1.6% | 5.8% | NM | 3.2% |
| Depreciation and Amortization ⁽¹⁾ | 60.0 | 9.7 | 31.9 | 0.9 | 102.5 |
| Non-GAAP adjusted EBITDA ⁽³⁾ | \$156.7 | \$22.4 | \$88.5 | (\$59.2) | \$208.4 |
| Non-GAAP adjusted EBITDA margin ⁽³⁾ | 10.3% | 2.9% | 9.0% | NM | 6.3% |

1. Reflects only the results of RR Donnelley continuing operations.

2. Reflects significant items that were previously identified in RR Donnelley's quarterly and annual earnings releases dated August 3, 2016, February 25, 2016, February 25, 2015, and February 25, 2014 and that do not relate to income or expense items included in the Income from discontinued operations, net of tax line item above.

3. The information contained in this line is a non-GAAP measure and thus is not calculated in accordance with GAAP. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Reconciliation of GAAP to Non-GAAP Operating Income and Non-GAAP Adjusted EBITDA and Margin

| (USD in millions) | Twelve Months Ended December 31, 2015 | | | | |
|--|---------------------------------------|--------------------|----------------|------------------|----------------|
| | Variable Print | Strategic Services | International | Corporate | Consolidated |
| Net Sales ⁽¹⁾ | \$3,214.9 | \$1,604.6 | \$2,138.2 | \$- | \$6,957.7 |
| Operating expense ⁽¹⁾ | 3,006.7 | 1,564.0 | 2,055.3 | 105.8 | 6,731.8 |
| Income (loss) from operations ⁽¹⁾ | \$208.2 | \$40.6 | \$82.9 | (\$105.8) | \$225.9 |
| Operating Margin | 6.5% | 2.5% | 3.9% | NM | 3.2% |
| <u>Non-GAAP Adjustments</u> | | | | | |
| Restructuring, impairment and other charges - net ⁽²⁾ | \$9.1 | \$5.8 | \$43.6 | \$4.2 | \$62.7 |
| Spinoff-related transaction expenses ⁽²⁾ | - | - | - | 11.4 | 11.4 |
| Acquisition-related expenses ⁽²⁾ | - | - | - | 0.5 | 0.5 |
| Total Non-GAAP Adjustments | \$9.1 | \$5.8 | \$43.6 | \$16.1 | \$74.6 |
| Non-GAAP income (loss) from operations ⁽³⁾ | \$217.3 | \$46.4 | \$126.5 | (\$89.7) | \$300.5 |
| Non-GAAP operating margin ⁽³⁾ | 6.8% | 2.9% | 5.9% | NM | 4.3% |
| Depreciation and Amortization ⁽¹⁾ | 134.1 | 19.5 | 75.7 | 3.2 | 232.5 |
| Non-GAAP adjusted EBITDA ⁽³⁾ | \$351.4 | \$65.9 | \$202.2 | (\$86.5) | \$533.0 |
| Non-GAAP adjusted EBITDA margin % ⁽³⁾ | 10.9% | 4.1% | 9.5% | NM | 7.7% |

1. Reflects only the results of RR Donnelley continuing operations.

2. Reflects significant items that were previously identified in RR Donnelley's quarterly and annual earnings releases dated August 3, 2016, February 25, 2016, February 25, 2015, and February 25, 2014 and that do not relate to income or expense items included in the Income from discontinued operations, net of tax line item above.

3. The information contained in this line is a non-GAAP measure and thus is not calculated in accordance with GAAP. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Reconciliation of GAAP to Non-GAAP Operating Income and Non-GAAP Adjusted EBITDA and Margin

| (USD in millions) | Twelve Months Ended December 31, 2014 | | | | |
|--|---------------------------------------|--------------------|----------------|------------------|----------------|
| | Variable Print | Strategic Services | International | Corporate | Consolidated |
| Net Sales ⁽¹⁾ | \$3,268.5 | \$1,563.0 | \$2,363.9 | \$- | \$7,195.4 |
| Operating expense ⁽¹⁾ | 3,083.7 | 1,512.2 | 2,252.9 | 132.7 | 6,981.5 |
| Income (loss) from operations ⁽¹⁾ | \$184.8 | \$50.8 | \$111.0 | (\$132.7) | \$213.9 |
| Operating Margin | 5.7% | 3.3% | 4.7% | NM | 3.0% |
| Non-GAAP Adjustments | | | | | |
| Restructuring, impairment and other charges - net ⁽²⁾ | \$40.1 | \$6.6 | \$21.1 | \$4.5 | \$72.3 |
| Purchase accounting inventory adjustments ⁽²⁾ | 12.1 | - | - | - | 12.1 |
| Acquisition-related expenses ⁽²⁾ | - | - | - | 7.0 | 7.0 |
| Total Non-GAAP Adjustments | \$52.2 | \$6.6 | \$21.1 | \$11.5 | \$91.4 |
| Non-GAAP income (loss) from operations ⁽³⁾ | \$237.0 | \$57.4 | \$132.1 | (\$121.2) | \$305.3 |
| Non-GAAP operating margin ⁽³⁾ | 7.3% | 3.7% | 5.6% | NM | 4.2% |
| Depreciation and Amortization ⁽¹⁾ | 139.7 | 19.4 | 87.7 | 7.8 | 254.6 |
| Non-GAAP adjusted EBITDA ⁽³⁾ | \$376.7 | \$76.8 | \$219.8 | (\$113.4) | \$559.9 |
| Non-GAAP adjusted EBITDA margin % ⁽³⁾ | 11.5% | 4.9% | 9.3% | NM | 7.8% |

1. Reflects only the results of RR Donnelley continuing operations.

2. Reflects significant items that were previously identified in RR Donnelley's quarterly and annual earnings releases dated August 3, 2016, February 25, 2016, February 25, 2015, and February 25, 2014 and that do not relate to income or expense items included in the Income from discontinued operations, net of tax line item above.

3. The information contained in this line is a non-GAAP measure and thus is not calculated in accordance with GAAP. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Reconciliation of GAAP to Non-GAAP Operating Income and Non-GAAP Adjusted EBITDA and Margin

| (USD in millions) | Twelve Months Ended December 31, 2013 | | | | |
|--|---------------------------------------|--------------------|----------------|------------------|----------------|
| | Variable Print | Strategic Services | International | Corporate | Consolidated |
| Net Sales ⁽¹⁾ | \$2,350.0 | \$1,404.7 | \$2,421.9 | \$- | \$6,176.6 |
| Operating expense ⁽¹⁾ | 2,183.1 | 1,363.5 | 2,281.7 | 137.2 | 5,965.5 |
| Income (loss) from operations ⁽¹⁾ | \$166.9 | \$41.2 | \$140.2 | (\$137.2) | \$211.1 |
| Operating Margin | 7.1% | 2.9% | 5.8% | NM | 3.4% |
| Non-GAAP Adjustments | | | | | |
| Restructuring, impairment and other charges - net ⁽²⁾ | \$15.2 | \$6.2 | \$18.8 | \$6.1 | \$46.3 |
| Acquisition-related expenses ⁽²⁾ | - | - | - | 4.8 | 4.8 |
| Total Non-GAAP Adjustments | \$15.2 | \$6.2 | \$18.8 | \$10.9 | \$51.1 |
| Non-GAAP income (loss) from operations ⁽³⁾ | \$182.1 | \$47.4 | \$159.0 | (\$126.3) | \$262.2 |
| Non-GAAP operating margin ⁽³⁾ | 7.7% | 3.4% | 6.6% | NM | 4.2% |
| Depreciation and Amortization ⁽¹⁾ | 94.8 | 17.4 | 91.0 | 4.5 | 207.7 |
| Non-GAAP adjusted EBITDA ⁽³⁾ | \$276.9 | \$64.8 | \$250.0 | (\$121.8) | \$469.9 |
| Non-GAAP adjusted EBITDA margin % ⁽³⁾ | 11.8% | 4.6% | 10.3% | NM | 7.6% |

1. Reflects only the results of RR Donnelley continuing operations.

2. Reflects significant items that were previously identified in RR Donnelley's quarterly and annual earnings releases dated August 3, 2016, February 25, 2016, February 25, 2015, and February 25, 2014 and that do not relate to income or expense items included in the Income from discontinued operations, net of tax line item above.

3. The information contained in this line is a non-GAAP measure and thus is not calculated in accordance with GAAP. The Company believes that these non-GAAP measures, when presented in conjunction with comparable GAAP measures, are useful because that information is an appropriate measure for evaluating the Company's operating performance. Internally, the Company uses this non-GAAP information as an indicator of business performance, and evaluates management's effectiveness with specific reference to these indicators. These measures should be considered in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.