



Third Quarter 2020 Financial Results

Safe Harbor Statement

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During portions of today’s presentation, the Company may refer to results which are non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is available on the Company’s website at investor.theodpcorp.com. These measures exclude charges or credits not indicative of core operations and the tax effects of these items, which may include but not be limited to merger integration, restructuring, acquisition costs, asset impairments and executive transition costs. The exact amount of these charges or credits are not currently determinable but may be significant. Accordingly, the Company is unable to provide GAAP measures or equivalent reconciliations from GAAP to non-GAAP for these financial measures.

Gerry Smith

Chief Executive Officer



Third Quarter 2020 Highlights

Maintained **Safety Measures** for Associates & Customers

Balanced Ecosystem and Low-Cost Model Drove Stronger Performance

- Balanced ecosystem and channel diversity meeting needs of customers in all environments
- Value proposition resonating with customers in work/learn-from-home environment
- Broader offering of products and services addressing customer needs
- Low-cost business model driving efficiencies

Delivered Improved Operating Performance

- Improved sequential revenue performance – up 18% sequentially
- Operating performance near prior year pre-COVID levels
- Strong adjusted Free Cash Flow – \$312 million
- Maintained strong balance sheet; \$1.7B in total available liquidity

Significant Progress on B2B Pivot

- “Maximize B2B” long term restructuring plan
 - ✓ Reduces retail lease liabilities; improves cost structure; generates cash; provides flexibility
- Building upon B2B ecosystem and supply chain capabilities



Confident in our future – Reinstating share buy-back plan

Positioned to Address Evolving Needs of Customers

Evolving Customer Needs

- Working from home
- Learning from home
- Staying connected
- Home office products, services and support
- Essential wellness needs
- Reliability and “need it now”
- Costs management



Global Sourcing & Supply Chain

Expansive & Unique Distribution Network



Multiple Routes to Market

Enterprise Contract; eCommerce; Retail



Broad Products & Services

Expanding Portfolio of Products & Services; Tech & Support



Go-to-Market Engine

~1300 Sales Professionals;
Over 6000 Tech & Field Support



Ecosystem & Low-Cost Model Improving Trends

Ecosystem and diverse routes-to-market served businesses and consumers' evolving needs

- eCommerce sales up double digit versus prior year
- Retail continued strong demand from businesses and consumers with increasing average order volumes
- Omni sales up 32% year-over-year; BOPIS nearly doubled; Same-day delivery up
- Channel balance partially offset lower demand in Contract channel due to COVID impact

Serving customers in all environments with broader offering of products/solutions

- Home Office, Technology & Workspaces strong increases in demand
- Cleaning & Breakroom; PPE continued solid demand
- Adjacency categories 47% of total BSD revenues

Supply chain reliably serving customers

- Reliably serving customers in high demand environment
- Private fleet and diverse 3PL relationships

Low-cost model drives cost efficiencies

- BAP and Maximize B2B programs driving lower costs



Business Units Highlights for 3Q20

Business Solutions Division (BSD)

- COVID environment negatively impacted Contract Channel, but improved sequential trends
- Ecosystem providing balance – eCommerce strong demand and “work/learn from anywhere” up
- Strong net new customer wins; Robust pipeline
- Mix shift in channel and product set
- Positioned to capture growth as business environment recovers







Retail Division

- Critical access for businesses and consumers
- Strong operating performance despite back-to-school shift
- Cost efficiencies and improved operating model
- “Start Proud” Program and community support

CompuCom

- COVID continues to impact performance
- Slower project work and lower product sales
- Stable annuity services business
- Evaluating options to drive future value and growth

ODP: Strong Position to Drive Future Growth

<p>Strong Balance Sheet</p>	<p>Leverage Broad B2B Ecosystem</p>
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>\$1.7B Available Liquidity</p> </div> <div style="text-align: center;">  <p>\$743M in Cash</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="text-align: center;">  <p>\$1B Available Under ABL</p> </div> <div style="text-align: center;">  <p>ABL Credit Facility Extended to 2025</p> </div> </div>	<ul style="list-style-type: none"> • Global Sourcing & Supply Chain • Key customer and vendor relationships • Balance distribution & strong go-to-market engine • Positioned to drive future growth
<p>Execute Maximize B2B Plan</p>	<p>Drive Low-Cost Business Model</p>
<ul style="list-style-type: none"> • Reduce retail lease liabilities • Reduce cost & move to variable cost driven model • Generates resources to fuel B2B pivot and growth 	<ul style="list-style-type: none"> • Low-cost business model “wins” • Variable cost model • BAP and Maximize B2B programs

Anthony Scaglione

Executive Vice President & Chief Financial Officer



Third Quarter 2020 Summary

	Third Quarter	
(\$ in millions, except per share amounts)	2020	2019
Sales	\$2,539	\$2,782
Operating Income	\$102	\$108
Adjusted Operating Income ⁽¹⁾	\$138	\$137
Net Income	\$57	\$60
Diluted Earnings Per Share ⁽²⁾	\$1.04	\$1.09
Adjusted Earnings per share (diluted) ⁽¹⁾⁽²⁾	\$1.80	\$1.53
Adjusted EBITDA ⁽¹⁾	\$186	\$191
Operating Cash Flow	\$309	\$212
Free Cash Flow ⁽³⁾	\$295	\$180
Adjusted Free Cash Flow ⁽⁴⁾	\$312	\$209

- COVID-19 pandemic and fewer stores impacted revenue and operating results
- Balanced channels to market and work/learn from home and essential products demand partially offset COVID impacts
- Low-cost model approach drove SG&A improvements helping to drive YOY improvements in adjusted operating income.
- 3Q20 adjusted operating income⁽¹⁾ of \$138 million versus \$137 million in 3Q19
 - ✓ Adjusted EBITDA⁽¹⁾ of \$186 million, versus \$191 million in 3Q19
- Prudent cash management: 3Q20 Adjusted Free Cash Flow⁽⁴⁾ of \$312 million versus \$209 million in 3Q19

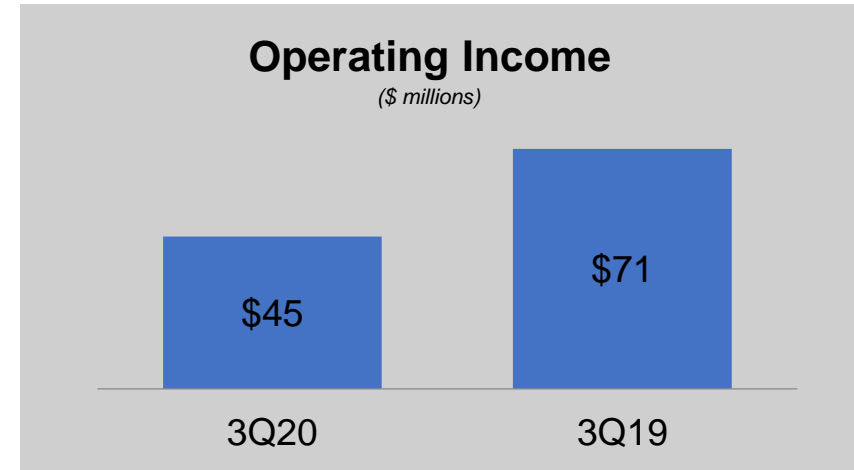
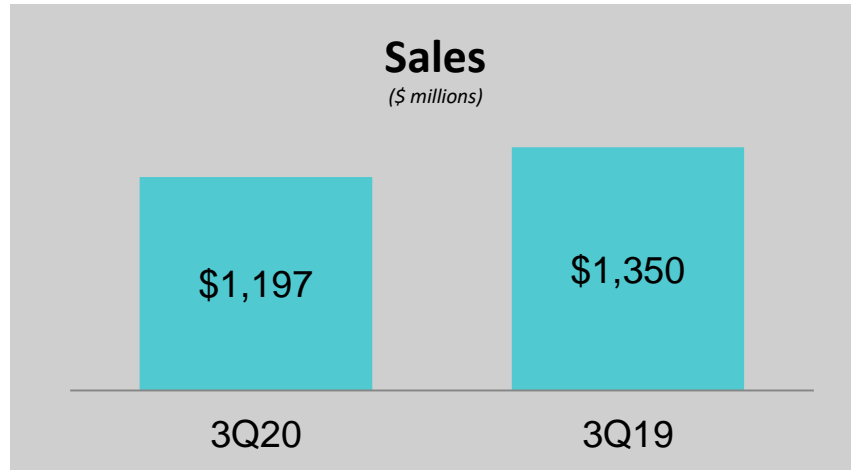
(1) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

(2) After obtaining shareholder approval on May 11, 2020, the Company's Board of Directors determined to set a reverse stock split ratio of 1-for-10 for a reverse stock split of the Company's outstanding shares of common stock, and a reduction in the number of authorized shares of the Company's common stock by a corresponding ratio. The reverse stock split was effective on June 30, 2020. All share and per share amounts in this presentation have been retroactively adjusted for the prior period presented to give effect to this reverse stock split.

(3) As used in this presentation, Free Cash Flow is defined as cash flow from operating activities less capital expenditures. Free cash flow is a non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

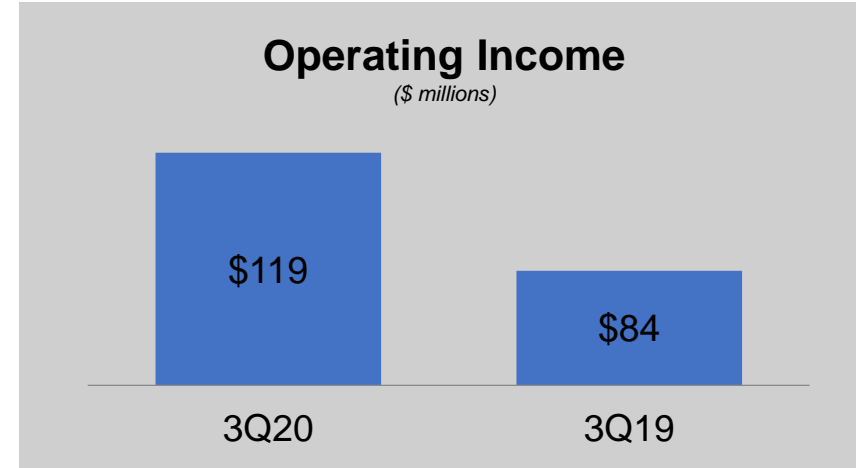
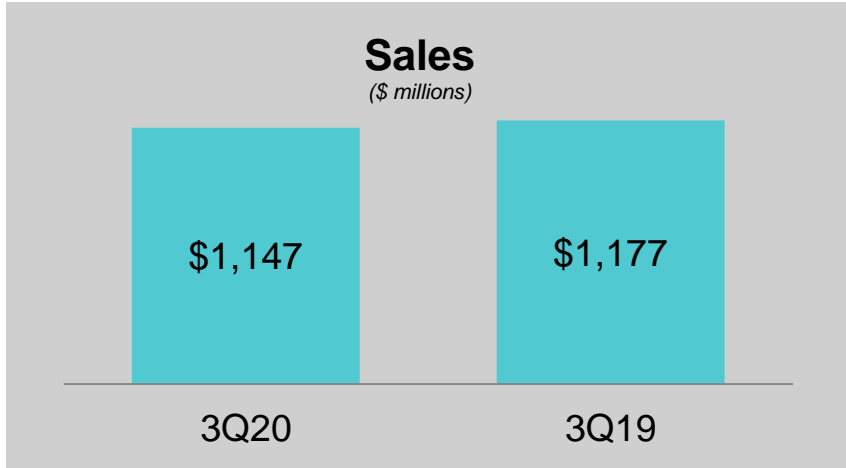
(4) As used in this presentation, Adjusted Free Cash Flow excludes cash charges associated with the Company's Business Acceleration Program of \$4 million and its Maximize B2B Restructuring Plan of \$13 million in the third quarter of 2020, and cash charges associated with the Company's Business Acceleration Program of \$29 million in the third quarter of 2019. Adjusted Free Cash Flow is a non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com."

Business Solutions Division – 3Q20



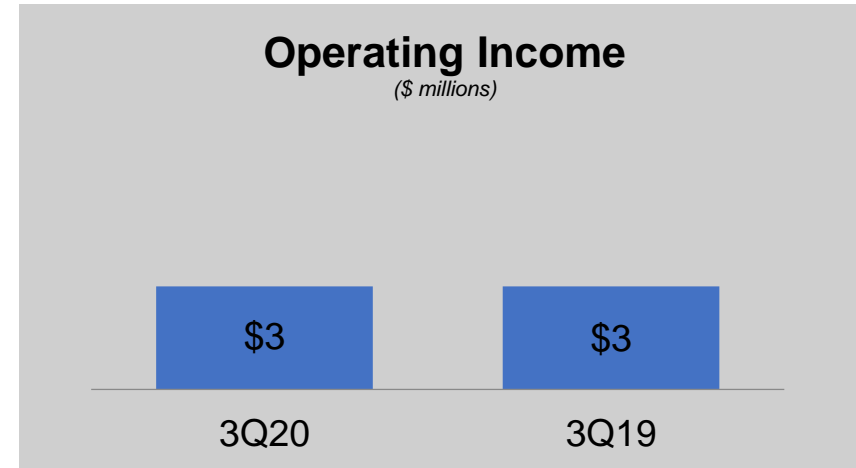
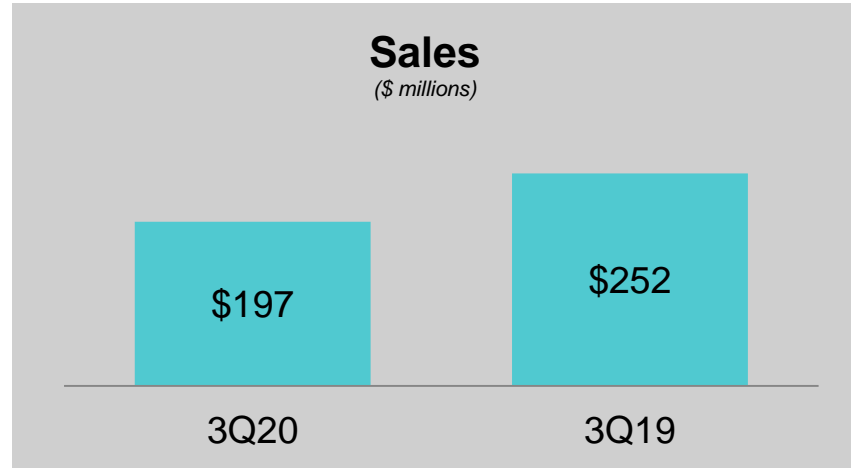
- 3Q20 reported sales decreased 11% versus 3Q19
 - ✓ Largely due to COVID-19 disruptions to businesses and schools negatively impacting sales in Contract channel
 - ✓ Compared to 2Q20, reported sales performance improved 17%
- eCommerce channel and Adjacency categories demand partially offset impact to Contract channel
 - ✓ eCommerce sales demand up 20% year-over-year
 - ✓ Strong sales of home office related products including technology, peripherals, and workspaces; Strong sales of cleaning/breakroom & PPE
 - ✓ Adjacency categories account for 47% of total BSD revenue
- 3Q20 operating income of \$45 million versus \$71 million in prior year
 - ✓ Lower sales and product mix due to COVID-19 pandemic partially offset by a reduction in SG&A achieved through cost efficiency programs

Retail Division – 3Q20



- 3Q20 reported sales declined 3% versus 3Q19
 - ✓ Planned store closures and fewer transactions drove revenue decline (73 fewer retail outlets year-over-year)
 - ✓ Back to school selling season impacted by COVID, shifting sales into 4Q20 and 1Q21
 - ✓ Demand for work/learn from home products and cleaning supplies partially offset declines in supply categories
 - ✓ Strong increase in Buy On-Line Pick-up In Store (BOPIS), up 82%
- Product sales flat with last year; service revenue down 22%
 - ✓ Increased demand for work & learn from home; Service revenue negatively impacted by COVID
- 3Q20 operating income of \$119 million, up 42% versus \$84 million in 3Q19
 - ✓ 320 bps margin improvement as a percentage of sales
 - ✓ Lower SG&A costs, improvement in distribution/inventory management costs, and lower operating lease costs

CompuCom Division – 3Q20



- 3Q20 reported sales impacted by COVID-19
 - ✓ Down 22% versus last year
 - ✓ Lower product sales and project-related customer-imposed delays; lower service volume
 - ✓ Stability in annuity service sales
- 3Q20 operating income of \$3 million, flat with 3Q19
 - ✓ Cost efficiencies related to Business Acceleration Program improved operating margin versus 3Q19
- Performing end-to-end business review
 - ✓ Evaluating options to drive future value

Balance Sheet / Cash Flow Highlights*

<p>Strong Available Liquidity</p>	<ul style="list-style-type: none"> • Total available liquidity of approximately \$1.7 billion at end of 3Q20 ✓ \$1.0 billion available credit under asset-based lending facility <ul style="list-style-type: none"> - Paid down \$300 million of ABL facility ✓ \$743 million in cash and cash equivalents
<p>Operating Cash Flow</p>	<ul style="list-style-type: none"> • Operating cash flow of \$309 million in 3Q20 and included cash outflows related to: <ul style="list-style-type: none"> ✓ \$17 million in restructuring costs, primarily associated with the BAP ✓ \$4 million in acquisition and integration-related costs
<p>Capital Expenditures & Other</p>	<ul style="list-style-type: none"> • Capital expenditures of \$14 million in 3Q20 • Lower investment in retail operations; continued investments in B2B platform, distribution network, eCommerce
<p>Adjusted Free Cash Flow*</p>	<ul style="list-style-type: none"> • Adjusted Free Cash Flow of \$312 million in 3Q20 vs. \$209 million in prior year period

* Free Cash Flow is a non-GAAP financial measure and is defined as cash flows from operating activities less capital expenditures. Adjusted Free Cash Flow is a non-GAAP financial measure that excludes cash charges associated with the Company's Business Acceleration Program of \$4 million and its Maximize B2B Restructuring Plan of \$13 million in the third quarter of 2020, and cash charges associated with the Company's Business Acceleration Program of \$29 million in the third quarter of 2019. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

Q&A