



Second 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 numbers. 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, loss on extinguishment and modification of debt and executive transition costs.

Gerry Smith

Chief Executive Officer



Second Quarter Highlights

Safety Priority #1 – Maintained Safety Measures to Help Protect Associates and Customers

Ecosystem and Balanced Approach Drove Operating Performance During Global Pandemic

- COVID-19 pandemic created difficult business environment impacting performance
- Ecosystem and strong execution helped drive positive adjusted operating results
- Prudent cash management and maintained liquidity

Significant Progress on B2B Pivot

- Holding company reorganization
- Initiated “Maximize B2B” restructuring plan
 - ✓ Enhances B2B platform for future growth; Improves cost structure
- Strengthened management team

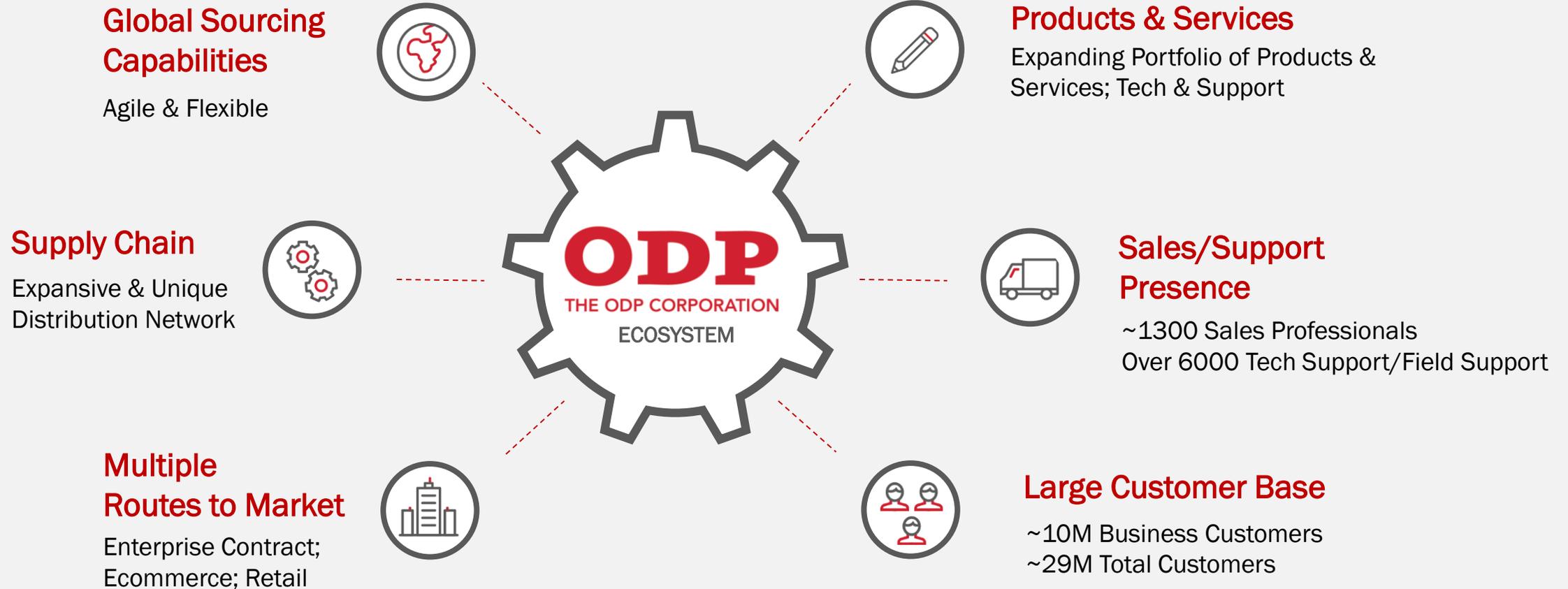
Expanded Value Proposition

- Grew adjacency categories; Initiated and launched new PPE product category
- New business “wins” at CompuCom and BSD
- Supply Chain as a Service

Maintained Strong Balance Sheet and Liquidity Position



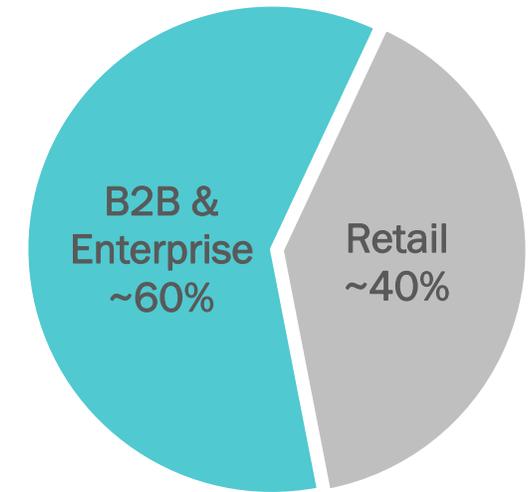
ODP's Expanded and Broad Ecosystem



Balanced Ecosystem Helped Offset COVID-19 Impacts ⁶

Strong execution and Diverse Platform helped offset COVID-19 impact

- Balanced Platform: Diverse routes-to-market & expanded product offerings helped mitigate impact
 - ✓ Ecommerce channel sales up double digit versus prior year
 - ✓ Retail operational during pandemic; solid demand from businesses and consumers
 - ✓ Adjacency categories grew – ~48% of total BSD revenues
- Essential products & support for work/learn from home
- Ecosystem agility: Initiated and launched new PPE category



Continued to Win new Business

- BSD continues to win new business customers, renewals, new PPE customers
- CompuCom wins renewals, new business
- Ecommerce customers increased nearly 50% over last year

Disciplined execution drove positive adjusted operating results/prudent cash management

- Low cost model
- Positive adjusted operating income & adjusted EBITDA

Maintained strong balance sheet with \$1.5 billion in total available liquidity

ODP Positioned to Navigate Crisis & Pursue Growth

<p>Strong Balance Sheet</p>	 <p>\$1.5B Available Liquidity</p>	 <p>\$762M In Cash</p>	 <p>\$708M Available under ABL</p>	 <p>ABL Credit Facility Extended to 2025</p>
<p>Low Cost Business Model/ Conserve Cash</p>	<ul style="list-style-type: none"> • Low cost business model approach/variable cost model • Continued focus on cash preservation • Prudent working capital management 			
<p>Pursue Growth Opportunities</p>	<ul style="list-style-type: none"> • Leverage Ecosystem: Global sourcing/supply chain: Channel Mix; Essentials & PPE • Support work/learn-from-home; Support business and school re-openings • CompuCom well positioned to support distributed work forces • Expand value proposition to customers with balanced portfolio and channel mix 			
<p>Strategic Plan On-Track</p>	<ul style="list-style-type: none"> • Continued focus on growing B2B; Broad product offerings; Services • Strength of Ecosystem fuels results • Positioned to drive future growth 			

Anthony Scaglione

Executive Vice President & Chief Financial Officer



Second Quarter 2020 Summary

	Second Quarter	
(\$ in millions, except per share amounts)	2020	2019
Sales	\$2,158	\$2,588
Operating Income (loss)	\$(456)	\$(15)
Adjusted Operating Income ⁽¹⁾	\$10	\$71
Net Loss	\$(439)	\$(24)
Diluted Earnings (loss) Per Share ⁽²⁾	\$(8.19)	\$(0.43)
Adjusted Earnings (loss) per share (diluted) ⁽¹⁾⁽²⁾	\$(0.07)	\$0.68
Adjusted EBITDA ⁽¹⁾	\$59	\$125
Operating Cash Flow	\$(8)	\$(58)
Free Cash Flow ⁽³⁾	\$(23)	\$(103)
Adjusted Free Cash Flow ⁽⁴⁾	\$(7)	\$(48)

- COVID-19 outbreak and fewer stores impacted revenue and operating results
- Essential products and eCommerce channel growth partially offset effect of pandemic impacts
- Recognized non-cash goodwill and intangibles impairment charges of \$363 million at CompuCom and in Contract business
- Adjusted EBITDA⁽¹⁾ of \$59 million, versus \$125 million in 2Q19
 - ✓ 2Q20 adjusted operating income⁽¹⁾ of \$10 million versus \$71 million in 2Q19
- Prudent cash management: 2Q20 Adjusted Free Cash Flow⁽⁴⁾ of \$(7) million versus \$(48) million in 2Q19

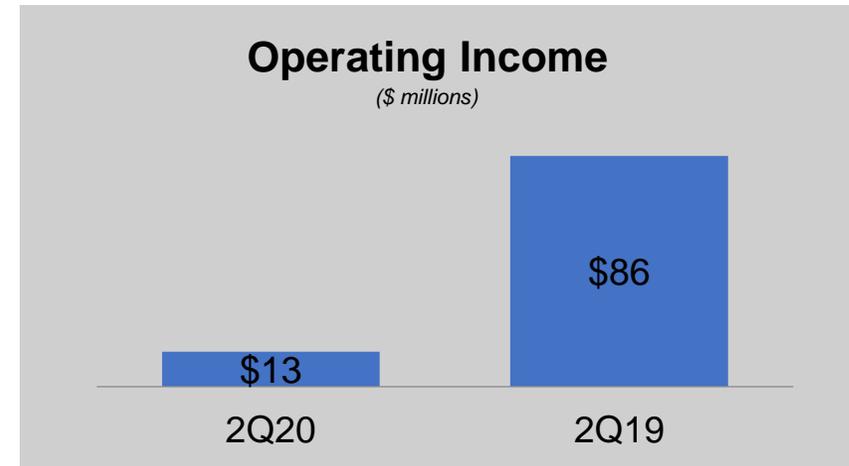
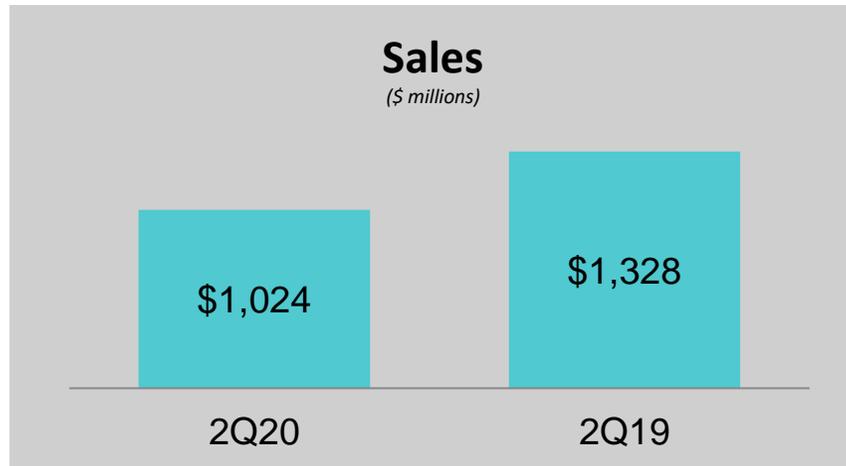
(1) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

(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 all periods 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.

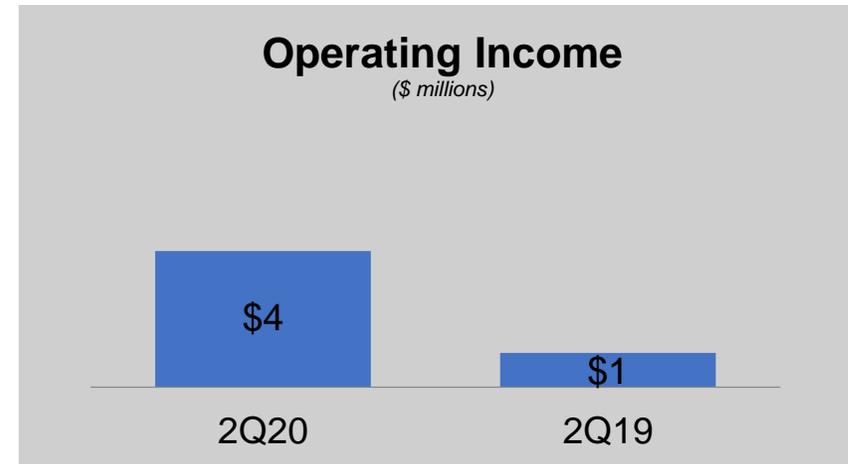
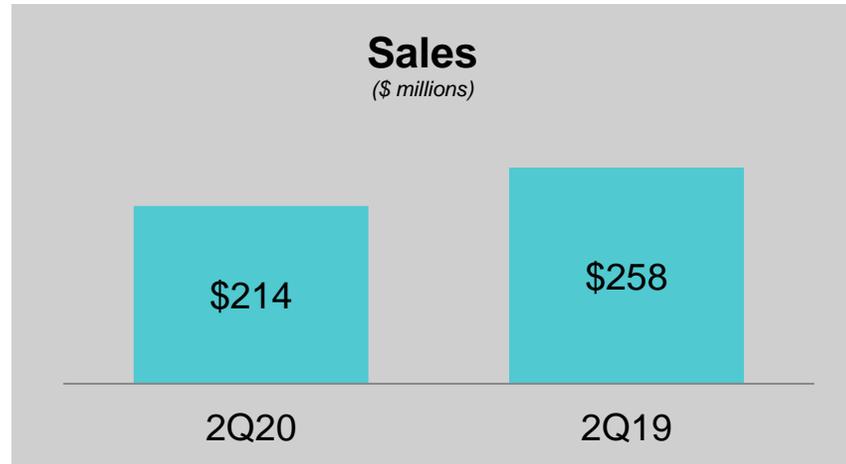
(4) As used in this presentation, Adjusted Free Cash Flow excludes cash charges associated with the Company's Business Acceleration Program of \$13 million and its Maximize B2B Restructuring Plan of \$3 million in the second quarter of 2020, and the Federal Trade Commission cash settlement of \$25 million and cash charges associated with the Company's Business Acceleration Plan of \$30 million in the second 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 – 2Q20



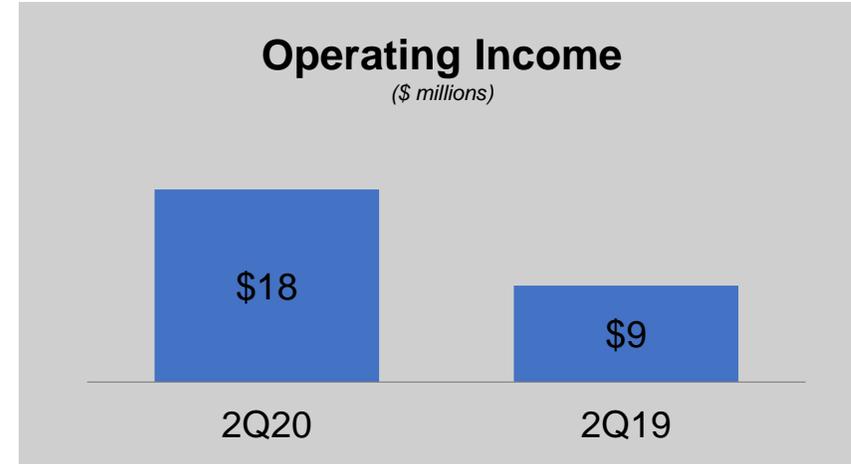
- 2Q20 reported sales decreased 23% versus 2Q19
 - ✓ Largely due to COVID-19 disruptions to businesses and schools
 - ✓ Double digit growth in eCommerce sales and essential product growth helped off set impact to contract channel
 - ✓ Cleaning and breakroom sales up 20%; Technology sales up 17% YOY
- Growth in adjacency categories
 - ✓ Adjacency categories grew and account for 48% of total BSD revenue
 - ✓ Launched Personal Protective Equipment (PPE) product category
- 2Q20 operating income of \$13 million versus \$86 million in prior year
 - ✓ Lower sales, product mix and higher distribution costs related to COVID-19

CompuCom Division – 2Q20



- 2Q20 reported sales impacted by COVID-19
 - ✓ Down 17% versus last year; Lower sales due to project-related customer-imposed delays; lower service volume
 - ✓ Targeted actions to reduce unprofitable sales activities to improve profitability
- 2Q20 operating income of \$4 million versus a \$1 million in 2Q19
 - ✓ Cost efficiencies related to Business Acceleration Program drove operating improvement versus 2Q19
- Executing plan to drive performance
 - ✓ Strong customer support enhancing credibility; Building awareness; Driving refocused strategy
 - ✓ Support for distributed nature of work
 - ✓ Increased use of automation and technology to improve efficiencies; simplifying operating structure
 - ✓ Pursuing cross-selling opportunities with BSD

Retail Division – 2Q20



- 2Q20 reported sales declined 9% versus 2Q19
 - ✓ Traffic impact from COVID-19 and 60 fewer retail outlets YOY drove revenue decline
 - ✓ Higher average order volume and sales per shopper; channel mix and essential product sales partially offset declines
 - ✓ 152% increase in Buy On-Line Pick-up In Store (BOPIS)
- Product sales down 4%, service revenue down 38% as compared to prior year
 - ✓ Product sales down due to the effects of COVID-19
 - ✓ Service revenue down due to copy and print services and subscription offerings were impacted from the effects of COVID-19
- 2Q20 operating income of \$18 million, up ~100% versus \$9 million in 2Q19
 - ✓ 110 bps margin improvement as a percentage of sales
 - ✓ Lower SG&A; improvement in distribution and inventory management costs; lower operating lease costs

Balance Sheet / Cash Flow Highlights*

<p>Strong Available Liquidity</p>	<ul style="list-style-type: none"> • Total available liquidity of approximately \$1.5 billion at end of 2Q20 ✓ \$708 million available credit under asset-based lending facility ✓ \$762 million in cash and cash equivalents
<p>Operating Cash Flow</p>	<ul style="list-style-type: none"> • Operating cash flow of \$(8) million in 2Q20 and included cash outflows related to: <ul style="list-style-type: none"> ✓ \$16 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 \$15 million in 2Q20 • 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 \$(7) million in 2Q20 vs. \$(48) million in prior year period

* Balance sheet and cash flow financial measures are for continuing operations only; Free Cash Flow is a non-GAAP financial measure and is defined as cash flows from operating activities less capital expenditures. Free Cash Flow is defined as cash flow 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 \$13 million and Maximize B2B Restructuring Plan of \$3 million in the second quarter of 2020, and the Federal Trade Commission cash settlement of \$25 million and cash charges associated with the Company's Business Acceleration Plan of \$30 million in the second 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.

Q&A