

## **Federal Income Tax Information Regarding the Distribution of Common Stock of Donnelley Financial Solutions, Inc. and LSC Communications, Inc.**

On October 1, 2016, R. R. Donnelley & Sons Company (“RR Donnelley”) distributed approximately 80.75% of the outstanding common stock of Donnelley Financial Solutions, Inc. (“Donnelley Financial”), its financial communications and data services company, and approximately 80.75% of the outstanding common stock of LSC Communications, Inc. (“LSC”), its publishing and retail-centric print services and office products business, to RR Donnelley stockholders (the “Distributions”). In the Distributions, holders of RR Donnelley’s common stock of record as of the close of business on September 23, 2016, (the “Record Date”), received one share of LSC common stock and one share of Donnelley Financial common stock for every eight shares of RR Donnelley’s common stock held on the Record Date.

On September 30, 2016, RR Donnelley filed with the Secretary of State of the State of Delaware an amendment (the “Reverse Stock Split Amendment”) to its restated certificate of incorporation to effect a reverse stock split of the Company’s outstanding and treasury common stock whereby every three shares of the Company’s outstanding and treasury common stock would become one share of the company’s common stock, and a corresponding reduction in the number of authorized shares of the Company’s common stock from 500,000,000 to 165,000,000. The Reverse Stock Split Amendment was effective 12:02 a.m. Eastern Time October 1, 2016, one minute following the completion of the Distributions.

RR Donnelley obtained an opinion from outside legal counsel to the effect that the stockholders of RR Donnelley should not recognize any gain or loss for income tax purposes upon receipt of the common stock of Donnelley Financial and LSC in the Distributions (except in connection with cash received in lieu of fractional shares, if any). Stockholders will, however, recognize gain or loss upon a subsequent sale of the shares of RR Donnelley or upon sale of the common stock of Donnelley Financial and LSC received in the Distributions. A RR Donnelley stockholder’s holding period for the common stock of Donnelley Financial and LSC received in the Distributions should include the period for which that stockholder’s RR Donnelley common stock was held. For a more detailed discussion of the material United States federal income tax consequences and risk factors related to the Distributions, please see the Information Statements filed by Donnelley Financial and LSC with the United States Securities and Exchange Commission.

The stockholders of RR Donnelley will be required to allocate the aggregate tax basis in their RR Donnelley common stock held immediately prior to the Distributions among the shares of common stock of Donnelley Financial and LSC received in the Distributions (including fractional shares, if any, for which cash was received) and their shares of RR Donnelley common stock (including fractional shares, if any, for which cash was received). The excess of the cash received in lieu of a fraction of a share over the basis allocable to such fractional share should be treated as capital gain from the sale of such fractional share.

Based on the New York Stock Exchange market closing price on October 3, 2016 (the first trading day after the Distributions) for each of RR Donnelley, Donnelley Financial and LSC, the

companies believe it is appropriate for each shareholder of RR Donnelley to allocate 19.96% of pre-distribution tax basis in shares of RR Donnelley to shares of Donnelley Financial received in the Distributions, 24.86% to shares of LSC received in the Distributions, and 55.18% to shares of RR Donnelley, including in each case any fractional share interest for which cash was received. If you hold shares of RR Donnelley with different tax bases, you must allocate your federal income tax basis on a “block-by-block” basis. The following is an example of how the basis allocation would be so applied:

Assumptions:

Shares of RR Donnelley common stock owned	100
Illustrative tax basis per share	\$14.00
RR Donnelley Shareholder's aggregate tax basis (@ \$14 per share) (A)	\$1,400
Shares of LKSD common stock received in distribution (including the 0.5 fractional share for which cash was received) (8:1 RRD-LKSD distribution ratio)	12.5
Shares of DFIN common stock received in distribution (including the 0.5 fractional share for which cash was received) (8:1 RRD-DFIN distribution ratio)	12.5
Shares of RRD common stock following the 1 for 3 reverse stock split (including the 0.333333 fractional share for which cash was received)	33.333

**Tax Basis Allocation:**

	# of Shares Owned	NYSE Closing Price (10/3/2016)	Fair Market Value (10/3/2016)	% of Total Fair Market Value (10/3/2016) (B)	Allocated Tax Basis = (A) x (B)
LKSD Common Stock	12.5	\$28.61	\$357.63	24.86%	\$348.07 (24.86% of \$1,400)
DFIN Common Stock	12.5	\$22.97	\$287.13	19.96%	\$279.46 (19.96% of \$1,400)
RRD Common Stock <sup>2</sup>	33.333	\$23.81	\$793.67	55.18%	\$772.47 (55.18% of \$1,400)
<b>TOTALS</b>			<b>\$1,438.42</b>	<b>100%</b>	<b>\$1,400.00</b>

(1) No fractional shares of RR Donnelley common stock will be issued to RR Donnelley shareholders in connection with the reverse stock split. RR Donnelley shareholders will receive cash in lieu of fractional shares.

(2) The 1 for 3 reverse stock split for RR Donnelley, which was previously approved by RR Donnelley’s Board of Directors and shareholders, became effective immediately following the distributions on October 1, 2016.

United States Treasury Department Regulations require that “Significant Distributees”, defined as certain shareholders who, immediately before the Distributions, owned 5% or more (by vote or value) of the total outstanding RR Donnelley common stock, or owned RR Donnelley securities with an aggregate tax basis of \$1 million or more, sign and attach to their federal income tax return that includes October 1, 2016 a statement containing certain information about the Distributions. A sample statement is enclosed.

*The information in this letter, the sample statement and the example does not constitute tax advice. In addition, these materials do not purport to be complete or to describe the tax consequences that may apply to particular categories of stockholders. Each stockholder should consult their own tax advisor as to the tax consequences of the distribution under U.S. federal, state, local and foreign tax laws.*

ATTACHMENT TO U.S. FEDERAL INCOME TAX RETURN FOR THE PERIOD  
INCLUDING OCTOBER 1, 2016 FOR SIGNIFICANT DISTRIBUTEES:

STATEMENT PURSUANT TO §1.355-5(b) by [INSERT NAME AND TAXPAYER  
IDENTIFICATION NUMBER (IF ANY) OF TAXPAYER], A SIGNIFICANT DISTRIBUTEE.

1. The undersigned owned R. R. Donnelley & Sons Company common stock on October 1, 2016. On such date the undersigned received one share of Donnelley Financial Solutions, Inc. common stock and one share of LSC Communications, Inc. common stock for every eight shares of R. R. Donnelley & Sons Company common stock owned.

2. The names and Employer Identification Numbers of the distributing and controlled corporations are:

Distributing Corporation

R. R. Donnelley & Sons Company  
35 West Wacker Drive  
Chicago, IL, 60601  
EIN: 36-1004130

Controlled Corporation

Donnelley Financial Solutions, Inc.  
35 West Wacker Drive  
Chicago, IL, 60601  
EIN: 36-4829638

Controlled Corporation

LSC Communications, Inc.  
35 West Wacker Drive  
Chicago, IL, 60601  
EIN: 36-4829580

3. On October 1, 2016, immediately prior to the distributions, the aggregate tax basis of the R. R. Donnelley & Sons Company common stock owned by the undersigned was \$\_\_\_\_\_.

4. The aggregate fair market value of the stock and other property (including money) the undersigned received pursuant to the distributions is \$\_\_\_\_\_.

\_\_\_\_\_  
Signature

Print Name:

Taxpayer Identification Number:

Date: