

Fact Sheet

Xerox Corporation is the world's largest document management company. A nearly \$16 billion technology and services enterprise, Xerox develops and markets innovative technologies, products and solutions that customers can depend upon to improve business results. Xerox provides the industry's broadest portfolio of document systems and services, ranging from high-speed color presses to digital imaging and archiving services. Operations are guided by customer-focused and employee-centered core values, augmented by a passion for innovation, speed and adaptability.

Xerox Corporation

At a Glance

Chairman and CEO: Anne M. Mulcahy

2005 revenue: \$15.7 billion

2005 income: \$978 million

Employees: 55,000 worldwide, including 30,000 U.S.

Operates in: 160 countries

Founded: In 1906 as The Haloid Company; named Haloid Xerox in 1958; named Xerox Corporation in 1961

Fortune 500 ranking: No. 142

NYSE: XRX

Headquarters: 800 Long Ridge Road, Stamford, CT 06904;
800-ASK-XEROX

Since our inception, we have operated under the guidance of six core values:

- We succeed through satisfied customers.
- We deliver quality and excellence in all we do.
- We require premium return on assets.
- We use technology to develop market leadership.
- We value and empower our employees.
- We behave responsibly as a corporate citizen.

XEROX GLOBAL SERVICES

Consulting and outsourcing services for any enterprise

- Business process services to help companies simplify document-driven processes.
- Office services to analyze and improve technology infrastructure.
- Management of IT help desks, technology procurement, and print/copy centers for in-house operations and special events.
- Document outsourcing and communication services to improve commercial print operations.
- Digital imaging, archiving and indexing services to make information easier to manage and find.
- Key offerings include: Office Assessment Services, Records Management, Litigation Services, Sarbanes-Oxley and HR Compliance Services.

XEROX IN PRODUCTION ENVIRONMENTS

Commercial printing systems and services for graphic arts and production environments

- Color and black-and-white digital printers and presses.
- Wide-format and continuous-feed printers and copiers.
- Publishing solutions for books, on-demand documents, transactional applications, personalized printing and more.
- Workflow software to simplify how print jobs are created and managed.
- Key offerings include: Xerox iGen3®, DocuTech®, DocuPrint®, Xerox Nuvera™, DocuColor®, FreeFlow®.

XEROX IN THE OFFICE

Printers and services for small businesses to global enterprises

- Color and black-and-white multifunction systems that combine printing, copying, faxing and scanning.
- Solid ink and laser network printers.
- Digital office copiers.
- Software to boost worker productivity and streamline how information is stored and shared.
- Key offerings include: WorkCentre®, Phaser®, DocuShare®, CentreWare®, Office Document Assessment.

XEROX INNOVATION

Research and development

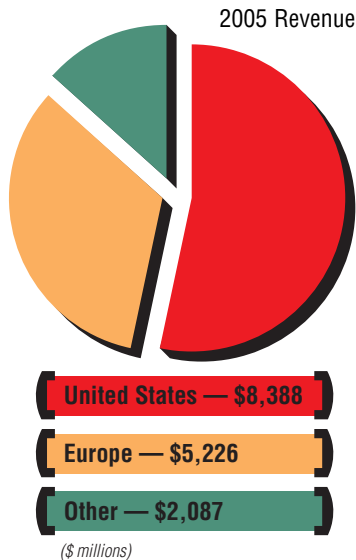
- Five centers that span the United States, Canada and Europe.
- Focus on color science, computing, digital imaging, work practices, electromechanical systems, novel materials, and other disciplines.
- 6 percent of revenue dedicated to research, development and engineering.
- 60 percent more patent applications filed in 2005 over the previous year; about 8,100 active U.S. patents in the current portfolio.

Xerox Around the World

Xerox customers include small businesses, graphic communications companies, government entities, education institutions, Fortune 1000 corporate accounts, and firms in document-intensive industries such as healthcare, legal and financial services. Xerox offerings are sold through its global sales force; through a network of independent agents, dealers, value-added resellers and systems integrators; and through phone and Internet sales channels.

- 8,000 sales professionals, 12,000 managed service employees at customer sites, and 13,000 technical service employees.
- Over 7,000 agents and concessionaires and over 10,000 technology resellers that extend Xerox's local and global reach.
- Alliances with top IT and business partners that integrate Xerox systems and services into their customer solutions.

Revenue by Geography



Awards and Achievements

- In 2005, Xerox brought 49 new products to market that won more than 260 industry awards.
- J.D. Power and Associates named Xerox the first document management company to receive certification for excellence in customer service and support.
- Diversity and workplace programs have earned honors from *Fortune*, *DiversityInc*, *Black Enterprise*, *Essence*, *Latina Style*, the *Human Rights Campaign* and many others.
- Community and environmental efforts have earned Xerox awards from the U.S. Chamber of Commerce, the World Environment Center, the National Wildlife Federation and three top supplier diversity honors from the U.S. Small Business Administration.
- Xerox is consistently ranked among the "Most Admired Companies" in its industry by *Fortune* magazine, including a No. 1 ranking for "social responsibility" in the computers industry for 2006.

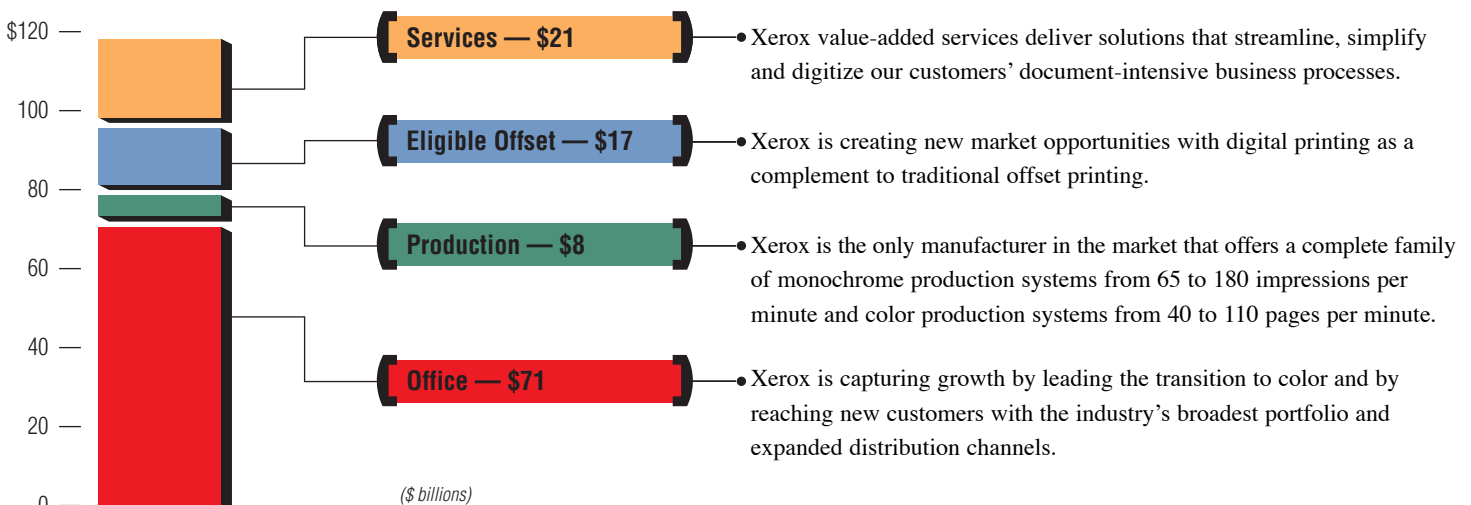
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Market Opportunity

The document industry is transitioning from older technology of light-lens devices to digital systems, from black and white to color, and from paper documents to electronic documents. These trends play to the strengths of Xerox's product and service offerings and represent opportunities for future growth within the \$117 billion market we serve.

Xerox serves a **\$117** billion market.



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