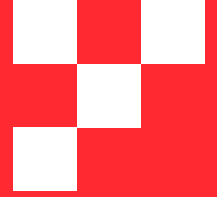


THE DOCUMENT COMPANY
XEROX[®]

2004-2005
Fact Book
2004-2005



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Xerox at a Glance



Chairman and Chief Executive Officer
Anne M. Mulcahy

Mission Statement

OUR STRATEGIC INTENT IS TO HELP PEOPLE FIND BETTER WAYS TO DO GREAT WORK — BY CONSTANTLY LEADING IN DOCUMENT TECHNOLOGIES, PRODUCTS AND SERVICES THAT IMPROVE OUR CUSTOMERS' WORK PROCESSES AND BUSINESS RESULTS.

Values

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 employees.
- We behave responsibly as a corporate citizen.

Headquarters

800 Long Ridge Road
Stamford, CT 06904

Founded

1906 in Rochester, N.Y., as The Haloid Company; named Xerox Corporation in 1961.

Business

Xerox Corporation is a technology and services enterprise that helps businesses deploy smart document management strategies and find better ways to work. It offers an array of innovative document solutions, services and systems — including color and black-and-white printers, digital presses, multi-function devices and digital copiers — designed for offices and production-printing environments. It also offers associated supplies, software and support.

2003 Revenue
\$15.7 billion

2003 Income
\$360 million

2003 Earnings
\$0.36 per share

2003 Commitment to
Research & Development
\$868 million, or about 5.5 percent of revenue

Employees

About 61,100 worldwide, including 35,600 in the United States, as of year-end 2003.

Xerox on the Web

www.xerox.com



Overview

Xerox Corporation is a technology and services enterprise...

that helps businesses deploy smart document management strategies and find better ways to work. Its intent is to constantly lead with innovative technologies, products and solutions that customers can depend upon to improve business results.

Overview

Xerox provides the document industry's broadest portfolio of offerings. Digital systems include color and black-and-white printing and publishing systems, digital presses and "book factories," advanced and basic multifunction systems, laser and solid ink network printers, copiers and fax machines. Xerox's services expertise is unmatched and includes helping businesses develop online document archives, analyzing how employees can most efficiently share documents and knowledge in the office, operating in-house print shops or mailrooms, and building Web-based processes for personalizing direct mail, invoices, brochures and more. Xerox also offers associated software, support and supplies such as toner, paper and ink.

Headquartered in Stamford, Conn., Xerox is No. 130 among the Fortune 500 and has 61,100 employees worldwide. The company's operations are guided by customer-focused and employee-centered core values — such as social responsibility, diversity and quality — augmented by a passion for innovation, speed and adaptability.

The Business of Xerox

The company's strategic focus is on three primary markets: high-end production and commercial print environments, networked offices from small to large and value-added services. Two unifying themes



cross all areas and play to Xerox's core strengths: color, and solutions that tailor Xerox devices to solve a customer's problem.

Of the \$15.7 billion in 2003 revenue, the United States accounted for \$8.5 billion; Europe accounted for \$4.9 billion; and Latin America, Canada and other countries accounted for \$2.3 billion. Also in 2003:

- Revenue derived from Xerox's services offerings represented about \$3.4 billion, which includes document outsourcing.
- Color revenue, including sales of everything from network printers to digital color presses and related services and supplies, grew to \$3.3 billion.
- And 28 percent of all Xerox equipment-sale revenue came from color equipment, reflecting the growing market demand for color systems.

Xerox fueled market-share gains over the past two years by launching 38 digital office and production products, delivered through a broad set of sales channels. About 50 percent of Xerox's 2003 equipment-sale revenue was derived from these new, industry-leading systems.

Xerox and Quality

Xerox products are consistently rated among the world's best by independent testing organizations. Since 1980, Xerox and Fuji Xerox have won 25 national quality awards in 20 countries, including the world's three most prestigious. In the United States, Xerox is a two-time winner of the Malcolm Baldrige National Quality Award: for Xerox Business Services in 1997 and for Xerox Business

YOUR LATEST FINANCIAL STATEMENT OR TELEPHONE BILL LIKELY WAS PRINTED BY XEROX: THE COMPANY HAS THE NO. 1 MARKET-SHARE POSITION IN PRODUCTION COLOR SYSTEMS, PRODUCTION BLACK-AND-WHITE PRINTING, AND PRODUCTION BLACK-AND-WHITE PUBLISHING IN BOTH EUROPE AND THE UNITED STATES.

Source: 2003 combined market-share reports

Products and Systems in 1989. Xerox Europe, formerly Rank Xerox, won the first European Quality Award in 1992. Fuji Xerox won the Deming Prize, Japan's highest quality award, in 1980.

Building on the company's experience in quality, in late 2002 Xerox began an enterprise-wide effort integrating Six Sigma and Lean Manufacturing tools and processes into a comprehensive strategy called Xerox Lean Six Sigma. It is a disciplined, data-driven method of reducing waste and variation in processes so they consistently deliver products and services at the quality levels, speeds and prices that customers value — and therefore improve Xerox business results. More than 25 dedicated Xerox Lean Six Sigma deployment managers and more than 300 "Black Belts" lead projects in every business throughout the company.

Xerox and Diversity

Xerox has had a long-standing commitment to maintaining an inclusive, progressive workplace environment that values all ways of thinking, cultural differences and new perspectives. Xerox views diversity in the workplace as a moral imperative and a business and competitive advantage. People of all ages and from different backgrounds bring fresh perspectives and create innovative solutions. Diversity practices are deployed throughout all core operations. Under the company's balanced



work force strategy, senior managers are expected to proactively manage diversity objectives through staffing, retention, promotions, leadership development and work environment initiatives.

At the end of 2003, Xerox's U.S. work force was 15.4 percent African-American, 8.2 percent Hispanic, 5.4 percent Asian and 0.8 percent Native American. Women made up 33 percent of the total U.S. work force of 35,600. About 43 percent of Xerox senior executives are women or people of color or both.

Caucus groups are another piece of the diversity story. These independent groups of Xerox employees date from the 1960s. The six caucuses, akin to networking and mentoring groups, are instrumental in advocating openness, opportunity and inclusion for the entire Xerox community and work with management to achieve common business objectives. Caucuses exist for African-American, Hispanic, Asian, women, African-American women, and gay/lesbian employees.

Xerox has been consistently recognized by independent organizations for its employee diversity successes as well as for its commitment to supplier diversity. Since 1985, Xerox has purchased more than \$4.4 billion in goods and services from minority- and women-owned businesses in the United States.

Xerox and Work-Life

Xerox is committed to helping employees balance the demands of their professional and personal lives, in the belief that such balance helps employees to be more satisfied and productive on the job. Xerox offers a variety of alternative work arrangements and benefits including flex hours, job sharing

Overview



and telecommuting, help for first-time home buyers, child-care subsidies, dependent-care counseling and referral, adoption assistance, help with parenting and educational concerns, and assistance with elder-care issues.

Xerox and Community Investments

Xerox's social responsibility efforts are an extension of the company's belief that a successful corporation must be an active participant in society. The company carries out most of its philanthropy through The Xerox Foundation. It assists more than 400 social, civic and cultural organizations. Xerox also provided more than 40 grants to university research programs championed by a Xerox scientist, and it offered scholarship support at more than 140 colleges and universities to prepare students for careers in business, science and technology and to enhance learning opportunities for minorities and women.

In all, the Foundation contributed \$11 million in 2003 across five areas: education and work force preparedness, science and technology, cultural affairs, national affairs, and employee/community activities. Employee/community activities are supported primarily through four programs.

The Xerox Community Involvement Program helps fund teams of employees who work on specific community projects of their choosing. In 2003, more than 13,600 employees participated in XCIP projects across the country, and more than 404,800 employees have worked on 15,381 projects since 1974.

Under the Social Service Leave Program, employees are granted paid leaves of up to one year to work on social action projects of their choice. The program, one of few corporate sabbatical programs designed to provide opportunities for employees to work full-time in their communities, is believed to be the oldest of its kind in American business. Since the program began in 1971, 453 employees have been granted a leave, including nine employees for 2004.

The Foundation also matches employee gifts to higher education under the Xerox Employee Matching Gifts Program — about 2,120 gifts in 2003. And under the Employee United Way program, it educates employees about United Way services and administers employee contributions. In 2003, Xerox people and the Foundation together gave more than \$4 million to United Way.

Xerox and Corporate Governance

Xerox aims to be a role model in ethical behavior and business practices, nurturing a culture of integrity, openness and inclusion. The company's 11-member board of directors is 90 percent independent. Xerox people worldwide receive frequent training on how to apply the company's Code of Conduct to their everyday work activities. In addition, the Xerox Ethics Helpline offers employees an opportunity to seek guidance and raise issues concerning business standards and ethics. All governance policies, charters and codes are available on the Xerox corporate Web site.

Xerox and the Environment

Xerox is a pioneer in designing and building "waste-free" products. In a world of finite resources, Xerox uses materials and energy efficiently to minimize waste and emissions. Each year, Xerox saves several hundred million dollars through product remanufacturing and parts reuse processes, diverting well over 100 million pounds of waste from landfills. All Xerox-designed copiers, printers and multifunction systems are developed to be remanufactured at the end of their initial life cycles.

Each new generation of Xerox products offers increasing functionality while conserving energy and materials and requiring fewer hazardous substances throughout the product life cycle. Hundreds of Xerox products have met the environmental performance requirements of the world's

1938

A Brief History of Xerox



Chester Carlson, a patent attorney and part-time inventor, made the first xerographic image in his makeshift laboratory in Astoria, Queens, in New York City, on Oct. 22, 1938. He spent years trying to sell his invention without success. Business executives and entrepreneurs didn't believe there was a market for a copier when carbon paper worked just fine. And the prototype for the copier was unwieldy and messy. Some 20 companies, IBM and General Electric among them, met his invention with what Carlson called "an enthusiastic lack of interest."

Finally in 1944, the Battelle Memorial Institute in Columbus, Ohio, contracted with Carlson to refine his new process, which Carlson called "electrophotography." Three years later, The Haloid Company, a maker of photographic paper in Rochester, N.Y., approached Battelle and obtained a license to develop and market a copying machine based on Carlson's technology. Haloid later obtained all rights to Carlson's invention. Carlson and Haloid agreed the word "electrophotography" was too cumbersome. A professor of classical languages at Ohio State University suggested "xerography," derived from the Greek words for "dry" and "writing."

Haloid coined the word "Xerox" for the new copiers, and in 1948, the word Xerox was trademarked. Inspired by the early, modest success of its Xerox copiers, Haloid changed its name in 1958 to Haloid Xerox Inc. The company became Xerox Corporation in 1961 after wide acceptance of the Xerox 914, the first automatic office copier to use ordinary paper.

September 2004 marks the 45th anniversary of the Xerox 914. More than 200,000 units were made around the world between 1959 and 1976, the year the company stopped production of the 914. In 1985, 26 years after its introduction, Xerox announced that it would no longer renew 914 service contracts in the United States. Instead, a time and materials repair service was offered for the more than 6,000 units still in operation. Today, the Xerox 914 is part of American history as an artifact in the Smithsonian Institution.

most widely recognized certifications — including Canada's Environmental Choice EcoLogo and the international ENERGY STAR®.

Xerox multifunction systems offer inherent environmental benefits. In 2003, Xerox expanded its line with new WorkCentre® and WorkCentre Pro® models. The systems are modular and easy to upgrade so customers can buy only the functions they need, conserving resources. Advanced controller technology allows the system to perform several functions — print, copy, fax or scan — at once, making it possible for a multifunction system to replace several standalone machines. Scanning options help reduce the need to mail hardcopy documents, helping customers reduce paper inventory.

Xerox Phaser® solid ink printers are notable for conserving materials. They weigh about 25 percent less than typical color laser printers, and they produce about 95 percent less waste during use because they require no cartridges and minimal consumable supplies.

Xerox also offers high-quality recycled papers with up to 100 percent post-consumer waste content. Xerox machines are optimized for their use. A growing number of papers are manufactured using elemental chlorine-free or totally chlorine-free bleaching and de-inking processes. As one of the largest resellers of cut-sheet paper in the world, Xerox ensures the practices of its paper suppliers are consistent with its environmental goals. In 2003, Xerox issued to its paper suppliers a set of environmental requirements, which support Xerox's

commitment to source paper from suppliers that practice sound environmental management and sustainable forestry.

Xerox has integrated environmental considerations into its manufacturing operations through implementation of an ISO 14001-conforming environmental management system. All Xerox manufacturing sites have achieved certification to this standard. In 2003, Xerox made a formal commitment to expand efforts to further reduce energy consumption and associated greenhouse gas emissions.

The Xerox Trademark

Xerox is a famous trademark and trade name. Xerox as a trademark is properly used only as a brand name to identify the company's products and services. The Xerox trademark should always be used as a proper adjective followed by the generic name of the product: e.g., Xerox printer. The Xerox trademark should never be used as a verb. The trade name Xerox is an abbreviation for the company's full legal name: Xerox Corporation.

The "digital X" is Xerox's marketing symbol, often accompanied by the company's signature "The Document Company — Xerox." The symbol's upper right quadrant depicts the pixels of digital imaging and the movement of documents between the paper and electronic worlds.

XEROX, The Document Company and the digital X are registered trademarks of Xerox Corporation.

Stock Information

Xerox common stock (XRX) was listed on the New York Stock Exchange in 1961 and on the Chicago Stock Exchange in 1990. It is also traded on the Boston, Cincinnati, Pacific Coast, Philadelphia, London and Switzerland exchanges.

Xerox is incorporated in New York.



EACH YEAR, XEROX SAVES SEVERAL HUNDRED MILLION DOLLARS THROUGH PRODUCT REMANUFACTURING AND PARTS REUSE PROCESSES, DIVERTING WELL OVER 100 MILLION POUNDS OF WASTE FROM LANDFILLS.



Research, Technology, Development



Scientists and engineers in the Xerox Innovation Group **drive invention**, innovation and integration throughout the corporation.

Xerox is a company that's founded on — and thrives on — innovation. The Xerox Innovation Group explores the unknown, invents next-generation technology and creates new business and shareholder value through its five worldwide research centers and associated operations. XIG includes everything from the scientists who invent new technology... to the experts who help secure intellectual property through patents... to the managers who deliver the technology to Xerox business groups, use it as the foundation for new businesses, or license it to an outside company to bring value to their products.

XIG divides its functions into three areas: research and technology, intellectual property management and licensing, and business unit operations. XIG business units and spinoff companies generate revenue by providing software, services and new devices to their customers.

Xerox continues to push the frontiers of research and technology by reinventing its machines and systems, rethinking how people work, and redefining “the document.” XIG also collaborates with Xerox business groups to select and implement the architectures and technologies that enable winning product and component platforms.

Research and technology activities are conducted at centers in the United States, Canada and Europe and often in collaboration with Fuji Xerox. In 2003, Xerox spent \$868 million on research and development, or about 5.5 percent of its \$15.7 billion in revenue. The \$727 million spent by Fuji Xerox raised the total Xerox group commitment in R&D to about \$1.6 billion in 2003.

Xerox Innovation Group

800 Long Ridge Road
Stamford, CT 06904

Hervé J. Gallaire, *XIG president
and Xerox chief technology officer*

Research and Technology

Imaging and Services Technology Center

800 Phillips Road
Webster, NY 14580

Sid Dalal, *vice president and center manager*

The Imaging and Services Technology Center, founded in 2003, is the focal point for Xerox's core competencies in digital imaging and in document solutions and services. Its researchers are in Webster, N.Y., and in El Segundo and Palo Alto, Calif. Expertise in the center includes digital imaging, electrical engineering, computer science,



data mining, and social sciences including anthropology, psychology and sociology.

ISTC researches and develops new software architectures and systems for two primary areas. First, it supports Xerox's traditional office and production systems with benchmark digital imaging and workflow technologies that are key components in the rapid growth of color printing. These technologies enable applications and features for personalized printing, on-demand printing and other areas. It also creates technologies that will support customers after the sale, such as software that can help machines correct or repair themselves or automatically re-order supplies.

Second, its research helps form the foundation of offerings for Xerox's Global Services' production and document management businesses. For example, ISTC's expertise in work process analysis

LEADING THE WORLD IN IMAGING SCIENCE AND TECHNOLOGY
REQUIRES THE BRIGHTEST AND BEST: APPROXIMATELY 1 IN 12
XEROX EMPLOYEES ARE SCIENTISTS OR ENGINEERS.

is used by Services personnel when conducting productivity analyses at customer sites. In addition, expertise in operations research has led to services around "lean" production techniques that help commercial print shops boost productivity.

Wilson Center for Research and Technology

800 Phillips Road

Webster, NY 14580

Steven B. Bolte, *vice president and center manager*

Since its founding in 1960, the Wilson Center has attained international recognition for its pioneering work on xerography, which provided the technical and patent basis for Xerox imaging products from the 1960s to today. It continues to discover new ways to put images on paper and other media and to enhance images electronically.

Today, Wilson Center scientists focus on leading the company's drive to providing customers with affordable color technology, and on extending Xerox's product functionality to create valuable customer services. They leverage proprietary and leading-edge external technologies to inject innovative elements into platforms used as the basis for Xerox product families. Their work spans the entire scope of document production, including image evaluation, image processing, marking processes,

Xerox is... invention innovation integration

media handling, microsystems, embedded systems controls and device controls. In particular, they develop future marking engine platforms that emphasize color, improved media latitude, benchmark image quality and lower cost of ownership.

Xerox Research Centre of Canada

2660 Speakman Drive

Mississauga, Ontario

L5K 2L1, Canada

Rafik O. Loutfy, *vice president and center manager*

XRCC is Xerox's materials research center, enabling the flow of leading-edge imaging materials from research concepts to supplies solutions. Founded in 1974, XRCC leverages its core competencies in materials design, synthesis, characterization, evaluation and scale-up to deliver — with partners — environmentally sound materials and processes that support higher-quality and lower-cost color and monochrome printing.

Specifically, XRCC conducts fundamental and applied materials research in toners, inks, photo-receptors and specialty substrates to support xerographic and direct printing technologies. An example of its breakthrough research is a chemical toner called "EA Technology," which yields sharper image quality, higher reliability and faster warm-up time.

Research in organic electronic materials for digital document media, displays, and printed organic electronic consumables is also being carried out to bridge the gap between paper and electronic documents.



How Xerox Innovates

Xerox Research Centre Europe

6 chemin de Maupertuis
38240 Meylan
Grenoble, France

Monica Beltrametti, *vice president and center manager*

Founded in 1993, XRCE guides Xerox research activities in Europe. The center coordinates research, engineering and the TeXnology Showroom, a customer showcase for Xerox research and a technology exchange forum. The center also develops connections within the wider European scientific community through collaborative projects and partnerships.

XRCE creates innovative document technologies for the Xerox office and global solutions and services businesses. The group focuses on services that help people access and share documents and knowledge, regardless of device, format, platform or language, from the desktop or at a distance. R&D competencies lie in content analysis (natural language), machine learning, document structures, image processing and work practices. XRCE research programs combine results from several research threads to transfer technology applications to the Xerox business groups; current programs include office applications, work practice services, and knowledge and content.

Palo Alto Research Center Inc.

3333 Coyote Hill Road
Palo Alto, CA 94304

Mark Bernstein, *president and center director*

PARC is a wholly owned subsidiary of Xerox and an integral part of Xerox's strategy for long-term research investment. Founded in 1970 as part of Xerox Research, PARC was incorporated in 2002 as an independent research business.

As the birthplace of technologies such as laser printing, Ethernet, the graphical user interface, and ubiquitous computing, PARC has an established track record for transforming industries and creating commercial value. PARC has delivered lasting value to Xerox, for example, as laser printing became a multibillion-dollar business for Xerox. PARC is the birthplace of Xerox's DocuPrint network printing

XEROX PRODUCTION PRINTERS AND PRESSES ARE PROS AT MAKING PAPER MOVE FAST: THEY ACCELERATE AND DECELERATE PAPER USING 3 G'S OF FORCE — THE SAME FORCE A PASSENGER WOULD FEEL IF A CAR GOING 70 MPH BRAKED TO 0 MPH IN ONE SECOND.

software, the dual-beam lasers used in many Xerox products, and the scheduling software of the Xerox iGen3® Digital Production Press.

Xerox continues to embed relevant PARC technology into its product and solutions offerings. PARC is also delivering its innovations to a wider range of non-competitive industry partners than ever before. Together, PARC and Xerox are defining a new vision for how pioneering research creates commercial impact. Current research includes diverse areas such as semiconductor lasers, microelectromechanical systems (MEMS), scalable smart environments, wireless networks, security, linguistic analysis, information interaction, community knowledge sharing, and biomedical sciences.

Other XIG Operations


Xerox Intellectual Property Operations

1350 Jefferson Road
Rochester, NY 14623

Harry Williams, *vice president*

XIPO manages the protection and commercialization of Xerox's intellectual property and plays a significant role in the patent filing process. In 2003, Xerox received 628 U.S. patents. This group develops and implements IP strategies and policies in alignment with corporate technology, product and market strategies. It analyzes, rates and, as appropriate, recommends invention disclosures for either patent prosecution, public disclosures or trade secret retention. XIPO ensures that other companies respect Xerox intellectual property rights by enforcing Xerox rights through various licensing and other settlement arrangements, by defending Xerox from the assertions of others, or by obtaining strategic cross-licenses with key companies.





In addition, XIPO works closely with IPValue Management, an external firm focused on commercializing intellectual assets, to leverage Xerox technologies through licensing opportunities. Through XIPO and IPValue, Xerox licenses its portfolio of about 8,000 active patents that span digital imaging, marking systems, materials, and solutions and services technology.

Xerox Innovation Group Enterprises

800 Long Ridge Road

Stamford, CT 06904

Hervé J. Gallaire, *acting manager*

This group includes Xerox business units managed by XIG and separate companies that have been formed to commercialize Xerox technology. Those units and companies serve as new businesses for Xerox and as additional commercialization paths for Xerox-developed technology. In the start-up phase, they can tap into established Xerox resources, including corporate engineering, marketing and professional services support, beyond the reach of most new businesses. Over time, each unit or company will be merged into Xerox Corporation, become an independent or publicly traded company, or be sold. Xerox may retain a minority or majority ownership stake. Today XIGE consists of two entities:

- DocuShare Business Unit, which develops and sells DocuShare® document management software. DocuShare allows multiple users to access, manage and share digital content within a secure, online environment, using standard Web browsers. With more than 1 million users, DocuShare is a user-friendly, easy-to-install system that works with a variety of platforms and document formats.
- Gyricon LLC, established in 2000, is commercializing the SmartPaper™ electronic paper technology developed at Xerox PARC. The company's initial products are wireless electronic signs for retailers and the recently developed SyncroSign™ Message Board. For more information, visit www.gyriconmedia.com.



Xerox Engineering Center

800 Phillips Road

Webster, NY 14580

Sophie V. Vandebroek, *vice president and Xerox chief engineer*

The Xerox Engineering Center, which reports into both XIG and Business Group Operations, manages Xerox's platform planning and product delivery effectiveness, striving to make technology innovation a strong foundation for Xerox's profitable revenue growth. The center's responsibilities include nurturing strong engineering leaders; enabling benchmark growth in systems, hardware/materials and software technologies; prioritizing the Xerox R&D portfolio; keeping strategic technology roadmaps and platform architectures current; and strengthening Xerox engineering capabilities through Web-enabled tools and processes. Global platform development is coordinated with Fuji Xerox. The XEC also drives consistency in the "look and feel" of all Xerox products and their systems coherence — as demonstrated in the interoperability and the seamless fit of Xerox products in customers' environments.



Equipment, Services, Software, Supplies

Xerox provides hundreds of systems and services that help customers **create, manage and share documents**: high-end digital production printers, office multifunction systems, toner and paper, outsourced document management and more.

These products and services primarily originate from two main business operations — called Business Group Operations and Xerox Global Services — which are focused on the production market, the office market and the services market. Both entities contribute to Xerox's mission to give customers better ways to do great work. They manage the design, engineering and marketing of Xerox imaging equipment, supplies, software and services. In 2003, Xerox began working with Visioneer Inc. and Proview Technology Inc. on a retail line of Xerox DocuMate desktop scanners, Xerox digital projectors and Xerox flat-screen computer monitors that are marketed and supported by those partner companies.

Business Group Operations

70 Linden Oaks Parkway

Rochester, NY 14625

Ursula M. Burns, *president*

Business Group Operations brings together all of the marketing, engineering, product development and acquisition, and manufacturing for Xerox's office and production markets. Of Xerox's 2003 revenue, the production segment represented about \$4.5 billion and includes monochrome products



that print over 90 pages per minute and color products over 40 pages per minute. The office segment represented \$7.7 billion, and it includes all systems operating below those speed levels. BGO also manages the supplies business, the Xerox Engineering Center and the Xerox Channels Group. The following are some of its key product divisions and offerings.

Production Systems Group

800 Phillips Road

Webster, NY 14580

Gilbert J. Hatch, *president*

Xerox is among the printing industry's digital pioneers and continues to lead efforts to help businesses profit from the ongoing digital printing revolution. Xerox ignited the customized production-printing industry in 1977 by introducing high-speed laser printing for producing computer data-based output. In 1990, the DocuTech® Production Publisher spawned today's fast-growing, print-on-demand industry.

Building on that legacy, PSG provides both color and black-and-white products for three main environments: production publishing, transaction



BECAUSE IT USES XEROX-PROPRIETARY SOLID INK TECHNOLOGY, THE PHASER 8400 COLOR PRINTER CONSUMES FEWER MATERIALS TO PRODUCE COLOR PRINTS — RESULTING IN MORE THAN 90 PERCENT LESS WASTE THAN COMPARABLE COLOR LASER PRINTERS FROM COMPETITORS.

printing and enterprise-wide printing. The group offers total document solutions and services that can scan, view, manage and produce documents, as well as a variety of pre-press and post-press workflow options to fully meet customer demands. Xerox is a leader in product and software open architecture and flexibility, as well as in production workflow and systems integration. Its workflow strategy, called FreeFlow, includes a collection of offerings that help print providers simplify work processes, attract new business, and better manage print jobs all the way from the initial order to the final invoice.

Xerox's primary high-end product families are DocuPrint® for enterprise printing, Nuvera™ and DocuTech® for digital on-demand printing, and DocuColor® for digital full-color printing. Products range from entry-level, black-and-white cut-sheet printers to high-speed continuous-feed production



printers and full-color production printing systems such as the DocuColor 6060.

In 2002 Xerox launched its iGen3 Digital Production Press, the industry's most advanced and cost-effective digital color press. It is revolutionizing the color print market, as it combines the image quality of offset printing with the speed and technical capabilities of digital printing.

PSG offers solutions to enable just-in-time printing, customized publishing and book publishing. PSG also is responsible for wide-format hardware, software and supplies for the technical document market and the graphic arts market.

Xerox Office Business Group

26600 SW Parkway
Wilsonville, OR 97070

Timothy Williams, *president*

Since the invention of the plain-paper copier, Xerox has transformed the way people work in an office. From the single-person office to the departmental workgroup, from the knowledge worker to the graphic designer, Xerox supports every office environment. The Xerox Office Business Group develops and manufactures a range of color and black-and-white multifunction, printer, copier and fax products, which are marketed and sold by the Xerox Channels Group through several sales channels.

Xerox office digital copiers, copier-printers and advanced multifunction systems — which print, copy, scan, fax and e-mail — belong to one of three product families: CopyCentre®, WorkCentre® and WorkCentre® Pro. These products range in speeds from 16 to 90 pages per minute. Xerox midrange color multifunction systems include the DocuColor 3535 and WorkCentre Pro 40 Color products.

The Xerox Office Business Group also provides Xerox Phaser® color and black-and-white network printers. Xerox is a strong player in the U.S. office color printer market, with about 15 percent market share. Xerox printers, such as the Phaser 8400 and Phaser 7750, are making color printing fast, easy and affordable for all business environments. Xerox uses a variety of printing technologies including laser, LED and the Xerox-exclusive solid ink.

create
manage
share

What Xerox Offers

Rounding out Xerox's offerings are software solutions and services developed to enhance worker productivity. For example, CentreWare® Web is designed to help customers effectively manage all network printing devices in their company, regardless of brand, through a Web browser. DocuShare® allows people to share and store online documents more efficiently, and FlowPort® bridges the paper and digital worlds by using a unique encoded cover sheet to send scanned documents directly to e-mail or other destinations. Xerox also provides in-depth analyses of how office environments operate and the processes their workers use so that it can recommend the optimal mix of office systems.

Xerox Supplies Business Group

800 Long Ridge Road

Stamford, CT 06904

Brian E. Stern, *president*

Xerox is one of the world's leading providers of imaging and document supplies. From toner, inks and print cartridges to various types of paper and printing materials, supplies are an important part of the company's overall business. XSBG develops and markets a range of paper and specialty media products designed for Xerox digital printers. Xerox papers and specialty media include text and cover grades, coated papers, labels, transparencies, carbonless cut-sheet papers, business cards and more — all designed in the Xerox Media Technology Center to ensure optimal machine performance.

Xerox is also the leading innovator in toner, photo-receptor and fuser technology. From its pioneering work with carbon-based organic toner formulations in the 1950s — creating the copier marketplace — to current work with chemically grown EA toner, Xerox has consistently set the pace for the industry. Its research and development and manufacturing partnership with Fuji Xerox positions Xerox as the world's largest toner manufacturer.

XSBG also develops and distributes "Its Compatible" toner cartridges — laser toner cartridges designed for selected Hewlett-Packard printers. Since entering this market in 1997, Xerox has established itself as a high-quality alternative to HP, with the largest line of brand-name compatible cartridges in the industry.



Xerox Global Services

70 Linden Oaks Parkway

Rochester, NY 14625

Thomas J. Dolan, *president*

Xerox Global Services helps clients reduce costs and create value by making smarter connections between their people, processes and technology. It works with clients to streamline and simplify their document- and information-intensive business processes — everyday processes like customer communications, billing, training and records management. A team of more than 14,000 employees, including consultants and technical experts, provide a full range of capabilities to identify and assess a client's opportunity, design and implement solutions, and manage the resulting work processes.

Xerox Global Services delivers both process innovation and managed services.

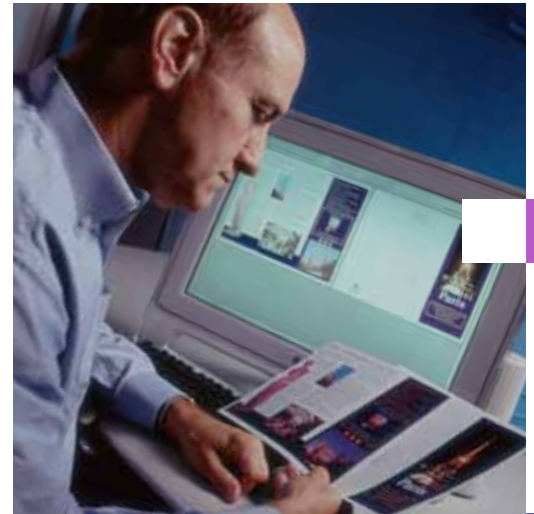
XEROX'S MEDIA TECHNOLOGY CENTER IS THE WORLD'S ONLY ORGANIZATION THAT CONDUCTS R&D ON ALL THREE TECHNOLOGIES IN THE PRINTING PROCESS: PRINTING HARDWARE; MEDIA, SUCH AS PAPER; AND MARKING MATERIALS, SUCH AS TONER. THE MTC PERFORMS UP TO 91 SEPARATE TESTS TO ENSURE XEROX PAPER AND RELATED PRODUCTS MEET OR EXCEED THE TOUGHEST PERFORMANCE STANDARDS.

Business Innovation Services help clients improve the way they work and implement business-process change through consulting, work-process design and systems integration. These services streamline and improve a client's document-intensive business processes. The engagements begin with an assessment using Lean Six Sigma methodologies, a quality process that ensures objectives are clearly defined and results are measurable.

- Customer Communications Services improve communication and information flow between a company and its customers. For example, a direct mail campaign can be individualized to target specific customers and their interests.
- Product Lifecycle Services improve time to market, cut costs and enhance effectiveness of documentation that supports products throughout their lifecycles, such as automotive manuals that need to be updated annually as each new car model is introduced.
- Office Services use the Office Document Assessment methodology to analyze the way customers work. Then Xerox can help customers deliver cost savings through better use of existing office equipment, consolidation of assets, and use of a single point of contact for supplies or service.
- Document Imaging and Repository Services make traditional paper documents digital-based and more accessible in whatever format the information is needed, for example, scanning hardcopy invoices and putting them online so that a service representative can quickly access the data and provide timely and efficient customer service.

Managed Services provide support for clients' critical business processes, which can be performed either in-house or off-site. They include:

- A centralized help desk service that provides a complete customer care solution; diagnostics and repair of failed hardware; consultation, solution



design and implementation as well as support for IT assets such as personal computers and printers; and delivery of remote proactive network management and security services.

- Imaging and Scanning Services that streamline the image and retrieval process, in part by converting hard-copy documents to digital and then hosting them in a secure, organized online library.
- Global Knowledge and Language Services that provide globalization, translation and localization, writing, publishing and e-learning services.

Xerox Production Services help customers with high-volume printing needs in the production environment to manage documents and document-production processes from start to finish and across the enterprise. Production Document Assessments help clients with document engineering and graphic design, forms management, production publishing, and mail fulfillment and distribution. This group provides an opportunity for customers to outsource their entire document business process, using Xerox as the expert to reduce costs, improve productivity and offer greater levels of service for their document management needs.



Customer Operations and Sales Channels



Xerox products are sold through a **variety of channels**, including direct sales, telebusiness, resellers, agents, concessionaires and the Web.

Customer Operations

These geographically based organizations primarily sell office and production products directly to Xerox customers, although they may also manage additional sales channels. They also deliver support and people-based services in the U.S., Canada and Europe. Other territories are managed by Xerox's Developing Markets Operations (see page 18).

North American Solutions Group

Xerox Square
100 S. Clinton Ave.
Rochester, NY 14644
Michael C. Mac Donald, *president*

The North American Solutions Group sells and services Xerox office and high-end products and solutions throughout the United States and Canada. NASG employs about 25,000 direct sales, services and support experts who serve customers through its geographic and industry-focused business units; for example, the graphic arts industry unit focuses on commercial printers, quick printers and similar enterprises. NASG also works closely with other Xerox business groups to make sure Xerox responds effectively to a wide range of customer requirements.

Xerox Services is the largest NASG component. They operate outsourced document management services, such as running a customer's in-house printing center or mailroom. They deliver technical services, such as installing digital products or performing product repairs, and they implement solutions created for Xerox customers. In addition, they manage customer satisfaction and training programs for the entire organization.

Xerox Omnifax is a direct sales force organization that specializes in mid-range multifunction products and workgroup fax devices in cooperation with the

NASG direct sales force. The roughly 100 representatives serve Fortune 1000 customers in the United States, supported by NASG service engineers. Xerox acquired Omnifax in 1999.

Xerox Capital Services LLC is a joint venture company owned by GE Vendor Financial Services, a unit of GE Commercial Finance, and Xerox Corporation. Xerox Capital Services manages order processing, lease administration, billing and collections for Xerox customers in the United States. It was created in 2002.

Xerox Canada Inc.

5650 Yonge St.
North York, Ontario
M2M 4G7, Canada
Doug Lord, *president and CEO*

Xerox Canada was established in 1953 and has offices in most major Canadian cities. In addition to providing direct sales, marketing and service support of Xerox products and solutions with the North American Solutions Group, Xerox Canada sells products through other channels such as resellers, agents, dealers and the two Xerox TeleWeb centers in St. John, New Brunswick, and Halifax, Nova Scotia.

The Xerox Research Centre of Canada is in Mississauga, a Toronto suburb. The total Xerox population in Canada includes nearly 5,000 people at Xerox Canada, XRCC and the TeleWeb operations. Xerox Corporation owns 97 percent of the Canadian subsidiary; the remaining 3 percent is held by shareholders.

Xerox Europe

Oxford Road, Uxbridge
Middlesex, UB8 1HS
United Kingdom
Armando Zagalo de Lima, *president*

Xerox Europe markets Xerox products, services and associated offerings across 17 countries. It is focused on three main areas: offices from small to large, production print and graphic arts environments, and services that include consulting, systems design and management, and document outsourcing.

Xerox Europe also has manufacturing and logistics operations in Ireland, the United Kingdom and Holland, and has the Xerox Research Centre Europe in Grenoble, France. Xerox Europe employs nearly 16,000 people and dates from 1956, when Xerox made its first foray into international markets with Rank Xerox, a joint venture with The Rank Organisation plc. Xerox bought out Rank's interest in 1997.

Xerox Office Group in Europe delivers office systems and services to end users via an indirect channel network of concessionaires, corporate resellers, system integrators, and others.

Sales Channels

Complementing Xerox's direct-sales efforts is a variety of sales channels that allow customers to do business with Xerox in several ways.

Xerox Channels Group

1350 Jefferson Road
Rochester, NY 14623
Emerson U. Fullwood, *president*

The Xerox Channels Group leads product marketing for the global Xerox office business, including

WHAT DOES XEROX OFFICIALLY CELEBRATE AS ITS BIRTHDAY?
1958 — THE YEAR THE HALOID COMPANY CHANGED ITS NAME TO
HALOID XEROX INC.

printers, copiers, fax machines, basic multifunction devices and advanced multifunction systems. It also sets the go-to-market strategy for agents, dealers, resellers and direct sales, and works closely with the North American Solutions Group, Xerox Europe and Developing Markets Operations sales and distribution partners to implement these strategies.

North American Agent Operations, part of the Xerox Channels Group, operates the Authorized Sales Agent program. About 600 independent businesses act as Xerox Authorized Agencies with approximately 2,500 agency sales representatives. This channel, initiated in 1982, sells the complete line of Xerox offerings to primarily small- and medium-sized businesses across North America.

The **North American Dealer Channel** markets workgroup fax and midrange digital multifunction devices through more than 400 Xerox Authorized Dealers and independent office equipment dealers. These dealers are independent businesses — locally owned and managed — with showroom, office and warehouse facilities.

Through the Xerox Channels Group, Xerox provides a range of programs and tools designed to help independent **Value-Added Resellers** and direct-response partners worldwide grow their business with Xerox color and black-and-white network printers, as well as workgroup fax and multifunction devices. Resellers are the primary sales channel for

Xerox office printers, with about 10,000 resellers in North America carrying Xerox products.

In Europe, the **Concessionaires Channel** consists of Xerox solution providers that serve small and medium-sized businesses on a local basis in 16 countries. The concessionaire channel was formed in 1984. Today, this network includes 600 independent concessionaires with more than 4,500 sales and tele-sales representatives.

e-Business and TeleWeb

800 Long Ridge Road
Stamford, CT 06904
James H. Lesko, *president*

The e-Business and TeleWeb organization, part of the Corporate Operations Group, focuses on bringing e-business processes into Xerox, as well as managing and deploying TeleWeb, customer management and xerox.com capabilities worldwide.

Xerox.com provides a global Web presence, serving more than two dozen countries with a common platform that is customized for each country's language and requirements. The site has extensive information about Xerox products, supplies, solutions and services, including animated "virtual demos" that outline the features of Xerox products. It offers ways to buy Xerox products, either directly from Xerox or through online channel partners. Equally important, the site offers extensive post-sale support tools, ranging from knowledge databases that help customers troubleshoot problems to account management applications that let customers create personalized catalogs.

Global TeleWeb operations let customers do business with Xerox over the phone (in North America, 800-ASK-XEROX) and on the Web. Since 1999, the channel has grown to several TeleWeb "contact centers" in North America, Europe and developing markets countries. Global TeleWeb takes inbound and outbound calls to sell products, supplies and services, often complemented by Web-based tools and demonstrations. It also places outbound calls to generate sales leads for a variety of Xerox channels. Highly trained Virtual Sales Executives deliver proposals online, implement demonstrations or complete transactions over the phone and Web — broadening Xerox's customer contact.



Manufacturing and Business Support

These groups **provide critical systems**, services and support to Xerox business operations and employees, whether managed locally or as centralized corporate initiatives.

Worldwide Manufacturing and Supply Chain

800 Phillips Road
Webster, NY 14580

Wim T. Appelo, *vice president*

This group, which reports to Business Group Operations, is responsible for worldwide manufacturing and distribution of Xerox products and service parts. In addition, it distributes consumables, such as toner, photoreceptors and other replaceable parts. WM&SC works closely with the Xerox Supplies Business Group on the design and manufacture of Xerox supplies.

Manufacturing and Supply Chain essentially encompasses all aspects of equipment delivery, including procurement of materials and products, manufacture of equipment, and delivery of finished products to customers.

WM&SC maintains the company's central global purchasing function, handling purchasing for non-production contracts, such as travel and office supplies, and for production materials, such as plastics, circuit boards and acquired products. It also designs and implements Xerox environment, health and safety initiatives and programs.

Xerox manufacturing and distribution facilities are managed to the highest quality and environmental standards; all manufacturing factories are ISO 9000 and 14001 certified. Extensive employee training and involvement is practiced, and the use of quality tools, such as Lean Six Sigma, is pervasive. In several regions, Xerox's manufacturing and distribution workers are represented by labor



unions or works councils, including the Union of Needletrades, Industrial and Textile Employees (UNITE), which represents about 2,500 workers in the United States and Canada. Xerox is the only union-represented office equipment manufacturer worldwide.

XEROX CAPITAL SERVICES LLC, WHICH MANAGES CUSTOMER ADMINISTRATION AND LEASING FOR XEROX IN THE UNITED STATES, HANDLES MORE THAN 12 MILLION INVOICES AND 1.2 MILLION CUSTOMER CALLS ANNUALLY.

Manufacturing and distribution facilities are located around the world. The company's largest site is in Webster, N.Y., where among other products it makes fusers, photoreceptors and iGen3 systems and components. Increasingly, Xerox works with partners such as Fuji Xerox, Flextronics International and others on aspects of design, manufacturing and distribution. Suppliers and partners continue to produce Xerox equipment and components under the same high quality standards that customers rely on from Xerox.



Corporate Operations Group

800 Long Ridge Road
Stamford, CT 06904
James A. Firestone, *president*

The Corporate Operations Group leads the strategy and operational support functions that are managed as centralized corporate initiatives. It is also responsible for Fuji Xerox relations and Xerox International Partners.

As part of COG, Corporate Strategy and Alliances provides business analysis that serves to shape Xerox's strategic direction. It also develops and maintains Xerox's relationships with key business partners. Corporate Marketing and Communications directs Xerox advertising, public relations, marketing, business intelligence and internal communications. The e-Business and TeleWeb organization leads www.xerox.com and the TeleWeb call centers. Xerox Information Management manages and delivers information systems and services to support Xerox core business processes.

External and Legal Affairs

800 Long Ridge Road
Stamford, CT 06904
J. Michael Farren, *vice president*

External and Legal Affairs manages Xerox's interaction with governments and government organizations around the world. It represents the company across a range of trade, tax, legal, financial, compliance, intellectual property and related issues — both internationally and at a state and federal level in the United States. The group also helps lead Xerox's activity with associations such as The Business Roundtable, the U.S. Chamber of Commerce, the National Association of Manufacturers and others.

Office of the Chief Financial Officer

800 Long Ridge Road
Stamford, CT 06904
Lawrence A. Zimmerman, *chief financial officer*

This office leads Xerox's financial operations, planning, internal controls and audit operations worldwide. It guides the capital structure of the corporation, including developing worldwide funding strategies; interfaces with the capital markets and credit rating agencies; and manages Xerox's relationships with financial analysts and others in the investment community.

Office of the Chief Staff Officer and Chief Ethics Officer

800 Long Ridge Road
Stamford, CT 06904
Héctor J. Motroni, *chief staff officer
and chief ethics officer*

This office leads critical functions that support Xerox people, such as Human Resources, which drives programs and policies to make Xerox a top place to work. The chief staff officer is also responsible for Corporate Real Estate and General Services, which provides travel and meeting services, records, and forms management, an internal Xerox resource library, facilities management and more.

The Business Ethics and Compliance office ensures Xerox maintains a culture of integrity, openness and inclusion; provides an Ethics Helpline for employees to seek guidance or raise issues; and conducts ethics training and annual policy acknowledgements. Enterprise Risk Management helps the company identify potential risks that may affect the achievement of its business objectives, categorize those risks, and systematically assess, monitor and mitigate each one.

Xerox Lean Six Sigma

Xerox Square
100 S. Clinton Ave.
Rochester, NY 14644
Arthur C. Fornari, *corporate deployment champion*

The goal of Xerox Lean Six Sigma is to help the company become more focused, faster and flexible with lean work processes capable of building and sustaining both profits and revenue growth.

The organization helps select projects based on their economic value to Xerox, track overall financial results, provide a program framework and resources, and identify and train the "Black Belts" who lead projects through a disciplined, five-step problem-solving process. By the end of 2003, Xerox had 25 full-time deployment managers, more than 300 Black Belt candidates, and 900 people in Green Belt training. By the end of 2004, Xerox expects to have 1 percent of its employee population working as Black Belts, integrating Lean Six Sigma tools into daily operations and into the services and solutions Xerox offers to its customers.

service & support

Tapping Worldwide Growth Opportunities

Developing Markets Operations is focused on growth opportunities for Xerox products and services in the **emerging markets and developing economies** of the world.

Developing Markets Operations is responsible for marketing, direct sales, distribution programs and service operations for the full line of Xerox products, supplies and services in more than 120 countries outside of the United States, Canada, Western Europe, Japan and the Pacific Rim. Major markets within DMO include Africa, Central and South America, Eastern Europe, Eurasia, India, Mexico, the Middle East and Russia. In these developing economies, which serve more than half of the world's population, DMO manages the Xerox business through operating companies, subsidiaries, joint ventures, affiliates, concessionaires, distributors, resellers and dealers.

The same cultural, business and ethical values that are the foundation of the strong global reputation and recognition of the Xerox brand guide Developing Markets Operations. In 2003, DMO had more than \$1.6 billion in annual revenue.

Developing Markets Operations

800 Long Ridge Road
Stamford, CT 06904
Jean-Noël Machon, *president*

Latin American Countries and Regions

Xerox of Brazil Ltd.

Av. Rodrigues Alves, 261
3º Andar, Gamboa,
CEP 20 220 360
Rio de Janeiro, Brazil
Pedro Fábrega, *vice president and general manager*

Xerox Brazil is a technology leader and offers the full complement of Xerox sales, services and support. It has marketing and sales headquarters in Rio de Janeiro, and it operates manufacturing facilities in Manaus and Salvador and a software development center in Vitoria. The company also operates a document processing and production center near São Paulo. Xerox Brazil serves the market through direct sales and service representatives in major population centers, and an indirect channel of concessionaires and dealers in other areas. The company was formed in 1965 and employs about 2,100 people.

Xerox Latin Group

800 Long Ridge Road
Stamford, CT 06904
Richard Adamo, *vice president and general manager*

The Xerox Latin Group provides the full range of Xerox products and services. The group manages marketing, sales, product support and business services operations in all markets in Central and South America and the Caribbean except Brazil. In larger markets including Argentina, Chile, Colombia, Mexico, Peru and Venezuela, operations are managed through wholly owned subsidiaries. Smaller markets are served by distributors.



Xerox International Group

International Group Operations

Waterside, Oxford Road, Uxbridge
Middlesex, UB8 1HS
United Kingdom

Jule E. Limoli, *vice president and general manager*

DMO groups its Eastern operations, including Africa, Eurasia, central and eastern Europe, India, the Middle East and Russia into this U.K.-based organization. Some of its larger country operations are listed here.

Xerox International Distributor Operations

Waterside, Oxford Road, Uxbridge
Middlesex, UB8 1HS
United Kingdom

Roy Harding, *general manager*

Established in 1987, Distributor Operations is responsible for developing the Xerox business in more than 60 countries across Africa and South Africa, as well as in the Middle East through a combination of joint-equity ventures (as in Saudi Arabia and the United Arab Emirates) and partnerships with local distributors.

Central and Eastern Europe Region

Kasap Sokak, Konak Azer Han No. 12
Esentepe 08280
Istanbul, Turkey

Oliver Ferraton, *general manager*

This group serves as the regional headquarters for Xerox's operations in central and eastern Europe, comprising Poland, Hungary, Czech Republic, Slovakia, Slovenia, Croatia, Bosnia-Herzegovina, Yugoslavia, Albania and Macedonia. The company operates through a combination of a direct sales force and an expanding network of local partners and resellers.

Xerox Egypt

2 Lebanon St.
Mohandessin
El Giza, Cairo, Egypt

David Dias, *general manager*

Xerox Egypt opened its operations in 1978 and is a Xerox majority-owned venture with the Egyptian Finance Company. The operation employs about 400 people. A manufacturing facility in Sixth of October City opened in 1985. Xerox Egypt operates through both a direct sales force and a network of dealer-concessionaires and distributors.



Xerox Eurasia Region

5 Ogorodnaya Sloboda Pereulok
Moscow 101000, Russia

Igor Simonov, *general manager*

Xerox first exhibited its products in Russia in the late 1960s and opened a sales office in Moscow in 1974. Today, Xerox Russia is conducting business through sales operations in major centers as well as through a network of dealers and resellers. Xerox has eight offices in different regions of Russia and employs about 300 people. The operation has an extensive network of local partners, distributors and resellers.

From Moscow, Xerox also manages its operations in the Eurasian region. Principal countries include Romania, Bulgaria, Estonia, Latvia and Lithuania, Azerbaijan, Kazakhstan, Uzbekistan, Tajikistan, Ukraine and Belarus.

Xerox India

DLF Square, DLF City Phase 2
Jacaranda - Marg
Gurgaon 122 002, India

Andrew Horne, *general manager*

Xerox India, incorporated as Xerox Modicorp Ltd., began operations in 1983 with joint ventures involving Xerox and Modicorp, an Indian company. In 1999, the joint ventures were merged, and the enterprise became a Xerox majority-owned subsidiary. Xerox India operates manufacturing and software development centers in Rampur and New Delhi and markets a wide range of Xerox products and services. The company employs about 800 people and is expanding its countrywide network of local partners, dealers and resellers.

Xerox Israel

10 Kehilat Venezia St.
Neot Afeka
Tel Aviv 69400, Israel

Yoram Levanon, *general manager*

Xerox has served the Israeli market since 1993. Xerox Israel Ltd. was established in 2000 as a successor to a local distributor and representative in Israel. As a wholly owned subsidiary, Xerox Israel is expanding the range of Xerox products, services and solutions offered through a direct sales force and a growing network of indirect distribution channels.



Fuji Xerox, a 25/75 Joint Venture...

...with Xerox and Fuji Photo Film Co. Ltd., is the hub of Xerox operations in Japan and the markets in the Pacific Rim.

This successful enterprise, incorporated in 1962, markets the Xerox brand throughout most of Asia, is responsible for the design and manufacture of many digital color copiers and printers for Xerox worldwide, and is an active partner in research and development.

With more than \$9 billion in annual revenue, Fuji Xerox Co. Ltd. derives approximately 74 percent from business in Japan, 11 percent from Xerox, and 15 percent in the Asia Pacific region outside of Japan. It is the market leader in Japan in digital and color products.

Xerox's 2003 consolidated profits include \$58 million contributed by the equity method of accounting from Fuji Xerox. Fuji Xerox revenues are not consolidated in Xerox accounting statements, and its fiscal year is April through March.

Fuji Xerox invested \$724 million in research and development in 2003. Fuji Xerox R&D expenditures are principally focused on the Office segment.

The company has manufacturing facilities in Ebina, Niigata, Suzuka, Takematsu, and Toyama, Japan; Shanghai and Shenzhen, China; Inchon, South Korea; and Tao Yuan, Taiwan. Fuji Xerox has 34,000 employees, including 13,000 in Fuji Xerox Co. Ltd. in Japan. For more information, visit www.fujixerox.co.jp/eng/.

Fuji Xerox Co. Ltd.

2-17-22 Akasaka
Minato-ku, Tokyo 107-0052, Japan
Yotaro Kobayashi, *chairman*
Toshio Arima, *president*
Hideaki Takahashi, *deputy president*

Some Key Divisions:

International Business Group

New World Tower, 29th Floor
300 Huai Hai Middle Road
Shanghai 200021, China
Jiro Shono, *president*

The International Business Group manages the Fuji Xerox business in Asia outside of Japan, including **Fuji Xerox Asia Pacific Pte. Ltd.** — which conducts business in Australia, Indonesia, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam — and **Fuji Xerox (China) Limited Inc.**, created after Fuji Xerox acquired Xerox's China operations in December 2000. It conducts business in China and Hong Kong.

FX Palo Alto Laboratory Inc.

3400 Hillview Ave., Bldg. 4
Palo Alto, CA 94304
James Baker, *president and chief executive officer*

Incorporated in 1995, the lab researches software and information technology for Fuji Xerox. Research is often conducted in collaboration with Xerox. Together, Xerox and Fuji Xerox have consistently rated among the world's top technology innovators.

A Powerful Partnership

Xerox International Partners, established in 1991 as a joint venture between Fuji Xerox Co. Ltd. and Xerox Corporation, sells digital marking engines, full-system printers and digital copiers to original equipment manufacturers for resale under the OEM brand name.

XIP products are developed and manufactured by both companies and may also be sold under the Xerox brand name. Xerox is a 51 percent partner, Fuji Xerox is a 49 percent partner, and both are equally represented on the XIP owner's board.

Based in Palo Alto, Calif., XIP is led by Sunil Gupta, president and chief executive officer of the organization.

Alliances

Xerox has a proven track record of collaboration with other leading companies to better serve customers in today's high-tech, fast-changing global marketplace. Xerox manages alliances at two levels: corporate-level alliances, and business group alliances and partnerships.

Corporate alliances are material relationships with other technology companies that typically span Xerox business groups and geographies. Most corporate alliances help Xerox and its partners reach new customers with broader, more valuable offerings. Some of Xerox's corporate alliances:

Adobe Systems, a leader in establishing standards for page description languages and document workflow, including PostScript® and PDF®. The alliance enhances Xerox's ability to deliver world-class document systems and solutions to all levels of the enterprise.

EDS, a global information technology services company. Xerox and EDS are working together to integrate and deliver products and solutions that support customers' entire enterprises. This alliance provides the seamless integration of document management services, from desktop to data center, including a joint offering called Managed Output Services. MOS helps customers increase office productivity, drive down operating costs and increase user productivity.

Microsoft, a technology leader in operating systems and business application software. This alliance continues to improve the compatibility, ease of use, and total cost of ownership of Xerox document systems and services when integrated with Microsoft products. Xerox and Microsoft are also collaborating to deliver enhanced office services and solutions leveraging the .NET framework, the Xerox Office Business Group family of systems and Xerox Global Services' force.

Sun Microsystems, for its strength in the platform and Web services spaces. The alliance with Sun reflects a strong, wide-ranging and complementary partnership that employs components and technologies from both companies to deliver enterprise solutions and services to Xerox and Sun customers.

Xerox also manages alliances within its three primary business groups: Production Systems Group, Xerox Office Business Group and Xerox Global Services. These alliances combine the strengths of Xerox and its partners to bring superior offerings to customers. They typically involve focused collaboration with software, hardware and services firms. Each of the alliance programs in the business groups are specifically tailored to provide the required support, planning and information exchange to optimize the sales and profit performance of the relationship. More information can be found at www.xerox.com/partners.

Corporate Award Highlights



Xerox's commitment to being an employer that supports an inclusive work environment has consistently been recognized over the years by external organizations. Among recent highlights:

DiversityInc:

Ranks Xerox No. 10 in "Top 50 Companies for Diversity," as well as No. 1 for GLBT employees, No. 2 for African-American employees, and No. 3 for Asian-American employees.

Diversity Best Practices/Business Women's Network:

Ranks Xerox among the Top 10 "Best of the Best: Corporate Awards for Diversity and Women 2003-2004."

Fortune:

Ranks Xerox No. 17 on America's "50 Best Companies for Minorities."

Hispanic Magazine:

Names Xerox to its "Corporate 100: The One Hundred Companies Providing the Most Opportunities for Hispanics."

Human Rights Campaign's Corporate Equality Index:

Notes Xerox is one of only 21 companies to earn a perfect score.

Latina Style:

Names Xerox among the "50 Best Companies for Latinas to Work For."

National Association for Female Executives:

Ranks Xerox among the "Top 30 Companies for Executive Women."

Revista Exame:

Names Xerox Brazil to "100 Best Companies to Work For" list for sixth time in seven years.

Selling Power:

Ranks Xerox among the Top 10 sales companies in the United States.

Toronto Globe and Mail's Report on Business:

Calls Xerox Canada for the second consecutive year one of the "50 Best Employers in Canada."

Directors and Officers

Working Together, Achieving Success...

Chairmen

2002–present	Anne M. Mulcahy
1991–2001	Paul A. Allaire
1985–1991	David T. Kearns
1971–1985	C. Peter McColough
1966–1971	Joseph C. Wilson
1961–1966	Sol M. Linowitz
1960–1961	Harold S. Kuhns
1958–1960	John B. Harnett
1953–1958	Homer A. Piper
1946–1952	Joseph R. Wilson
1944–1946	Raymond F. Leimen
1938–1944	Gilbert E. Mosher

Chief Executive Officers

2001–present	Anne M. Mulcahy
2000–2001	Paul A. Allaire
1999–2000	G. Richard Thoman
1990–1999	Paul A. Allaire
1982–1990	David T. Kearns
1968–1982	C. Peter McColough
1961–1967	Joseph C. Wilson

Presidents

2000–2001	Anne M. Mulcahy
1997–2000	G. Richard Thoman
1986–1991	Paul A. Allaire
1977–1985	David T. Kearns
1971–1977	Archie R. McCardell
1966–1971	C. Peter McColough
1946–1966	Joseph C. Wilson
1938–1946	Joseph R. Wilson
1912–1938	Gilbert E. Mosher
1906–1912	George C. Seager

Directors

Glenn A. Britt
Chairman and
Chief Executive Officer
Time Warner Cable
Stamford, Conn.

Richard J. Harrington
President and
Chief Executive Officer
The Thomson Corporation
Stamford, Conn.

William Curt Hunter
Dean and Distinguished
Professor of Finance
University of Connecticut
School of Business
Storrs, Conn.

Vernon E. Jordan, Jr.
Senior Managing Director
Lazard Freres & Co., LLC
New York, N.Y.
Of Counsel
Akin, Gump, Strauss,
Hauer & Feld, LLP
Attorneys-at-Law,
Washington, D.C.

Hilmar Kopper
Former Chairman and
Chief Executive Officer
Deutsche Bank AG
Frankfurt, Germany

Ralph S. Larsen
Former Chairman and
Chief Executive Officer
Johnson & Johnson
New Brunswick, N.J.



Anne M. Mulcahy
Chairman
Chief Executive Officer
2002–present

Leadership

Anne M. Mulcahy
Chairman and
Chief Executive Officer
Xerox Corporation
Stamford, Conn.

N.J. Nicholas, Jr.
Investor
New York, N.Y.

John E. Pepper
Vice President Finance
and Administration
Yale University
New Haven, Conn.
Retired Chairman
and Chief Executive Officer
The Procter & Gamble Company
Cincinnati, Ohio

Ann N. Reese
Executive Director
Center for Adoption Policy Studies
Rye, N.Y.

Stephen Robert
Chancellor, Brown University
Chairman
Robert Capital Management, LLC
New York, N.Y.

Corporate Officers

Anne M. Mulcahy
Chairman
Chief Executive Officer

Ursula M. Burns
Senior Vice President
President, Business Group Operations

Thomas J. Dolan
Senior Vice President
President, Xerox Global Services

James A. Firestone
Senior Vice President
President, Corporate Operations Group

Hervé J. Gallaire
Senior Vice President
President, Xerox Innovation Group
and Chief Technology Officer

Gilbert J. Hatch
Senior Vice President
President, Production Systems Group
Business Group Operations

Michael C. Mac Donald
Senior Vice President
President, North American Solutions Group

Jean-Noël Machon
Senior Vice President
President, Developing Markets Operations

Héctor J. Motroni
Senior Vice President
Chief Staff Officer
Chief Ethics Officer

Brian E. Stern
Senior Vice President
President, Xerox Supplies Business Group
Business Group Operations

Lawrence A. Zimmerman
Senior Vice President
Chief Financial Officer

Wim T. Appelo
Vice President
Worldwide Manufacturing
and Supply Chain

Harry R. Beeth
Vice President
Controller

Guilherme M.N. Bettencourt
Vice President
Chairman, Xerox Comercio
e Indústria (Brazil)
Developing Markets Operations

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Vice President
Senior Vice President, Sales Operations
North American Solutions Group

Richard F. Cerrone
Vice President
Senior Vice President and
General Manager, Office Europe
Xerox Europe

Christina E. Clayton
Vice President

Patricia A. Cusick
Vice President
Chief Information Officer
Corporate Operations Group

J. Michael Farren
Vice President
External and Legal Affairs
Acting General Counsel

Anthony M. Federico
Vice President
Platform Development,
Production Systems Group
Business Group Operations

Emerson U. Fullwood
Vice President
President, Xerox Channels Group
Business Group Operations

Gary R. Kabureck
Vice President
Chief Accounting Officer

James H. Lesko
Vice President
President, e-Business and TeleWeb
Corporate Operations Group

Rafik O. Loutfy
Vice President
Center Manager, Xerox Research
Centre of Canada
Xerox Innovation Group

John E. McDermott
Vice President
Corporate Strategy and
Alliances
Corporate Operations Group

Diane E. McGarry
Vice President
Chief Marketing Officer
Corporate Operations Group

Patricia M. Nazemetz
Vice President
Human Resources

Russell Y. Okasako
Vice President
Taxes

Rhonda L. Seegal
Vice President
Treasurer

Frank D. Steenburgh
Vice President
Senior Vice President,
Business Growth
Production Systems Group
Business Group Operations

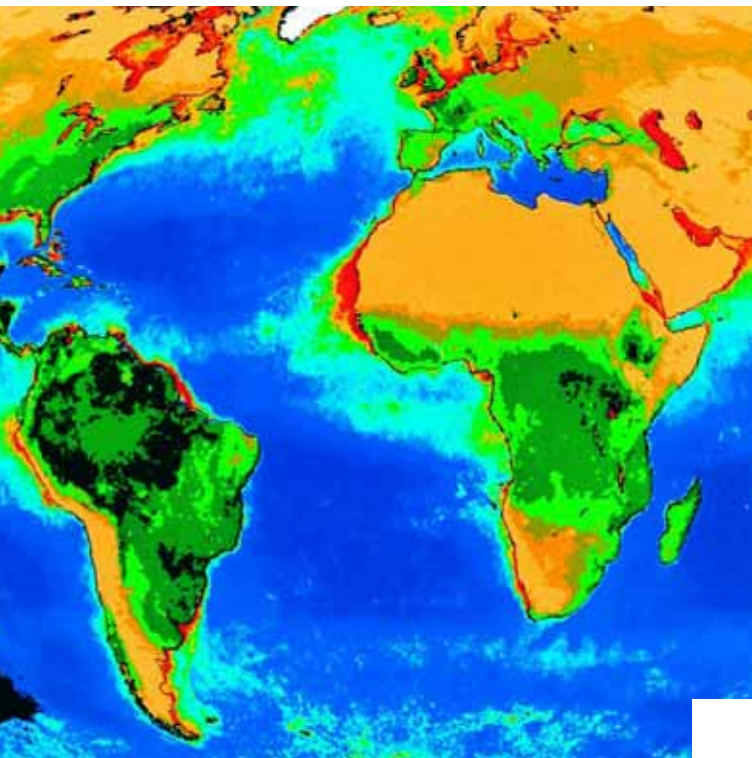
Leslie F. Varon
Vice President
Investor Relations and
Corporate Secretary

Timothy Williams
Vice President
President, Xerox Office
Business Group
Business Group Operations

Armando Zagalo de Lima
Vice President
President, Xerox Europe

Lance H. Davis
Assistant Treasurer
Director, Global Risk
Management

A Global Company



U.S. Locations

Administration

California
El Segundo
Santa Ana

Connecticut
Stamford

District of Columbia
Washington

Florida
Miami Lakes

Illinois
Chicago

New York
Rochester

Oregon
Wilsonville

Texas
Lewisville
Irving

Virginia
Leesburg
McLean

Manufacturing, Engineering and Assembly

California
El Segundo

New York
Webster

Ohio
Cincinnati

Oklahoma
Oklahoma City

Oregon
Wilsonville

Research

California
El Segundo
Palo Alto

New York
Rochester
Webster

Customer Operations

For the location of the nearest sales office, call 800-ASK-XEROX.

International Locations

Administration

Canada
Toronto

United Kingdom
Uxbridge

Manufacturing, Engineering and Assembly

Brazil
Manaus

Canada
Mississauga
Oakville

Egypt
Cairo

India
Rampur

Ireland
Dundalk

Netherlands
Venray

Spain
Coslada

United Kingdom
Mitcheldean

Research

Canada
Mississauga

France
Grenoble

United Kingdom
Welwyn Garden City
(Development Center)

Customer Operations

Angola
Argentina
Austria
Belarus
Belgium
Brazil
Bulgaria
Canada
Chile
Columbia
Costa Rica
Croatia
Curacao
Czech Republic
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Finland
France
Germany
Greece
Guatemala
Hungary
India
Ireland
Israel
Italy
Jamaica
Kazakhstan
Latvia
Mexico
Morocco
Netherlands
Nicaragua
Norway
Panama
Paraguay
Peru
Philippines
Poland
Portugal

Romania
Russia
Slovak Republic
Slovenia
South Africa
Spain
Sweden
Switzerland
Turkey
Uganda
Ukraine
United Arab Emirates
United Kingdom
Uruguay
Uzbekistan
Venezuela
Yugoslavia

Fuji Xerox Operations

Administration

China
Beijing
Shanghai

Hong Kong

Japan
Tokyo

Singapore

Manufacturing

China
Shanghai
Shenzhen

Indonesia
Jakarta

Japan
Ebina
Suzuka
Takematsu
Toyama

Philippines
Manila

South Korea
Inchon

Taiwan
Tao Yuan

Research

Japan
Ebina
Nakai
Takematsu
Yokohama

United States
Palo Alto

Customer Operations

Australia
China
Indonesia
Japan
Malaysia
New Zealand
Singapore
South Korea
Taiwan
Thailand
Vietnam

Major Products

Currently Marketed in the U.S.

Multifunction

FaxCentre Workgroup

FaxCentre F12
 WorkCentre Pro 575
 WorkCentre Pro 580
 WorkCentre Pro 765
 WorkCentre Pro 785

WorkCentre Systems and Copier-Printers

DocuColor 12
 DocuColor 1632
 DocuColor 2240
 DocuColor 3535
 Document Centre 425 ST
 Document Centre 426
 Document Centre 430
 Nuvera 100
 Nuvera 120
 WorkCentre M15
 WorkCentre M15i

WorkCentre M20

WorkCentre M20i
 WorkCentre M24
 WorkCentre M35
 WorkCentre M45
 WorkCentre M55
 WorkCentre PE16
 WorkCentre Pro 416
 WorkCentre Pro 421
 WorkCentre Pro 423
 WorkCentre Pro 425
 WorkCentre Pro 428

WorkCentre Pro Advanced Systems

WorkCentre Pro 32 Color
 WorkCentre Pro 40 Color
 WorkCentre Pro 35
 WorkCentre Pro 45
 WorkCentre Pro 55
 WorkCentre Pro 65
 WorkCentre Pro 75
 WorkCentre Pro 90

Copiers

CopyCentre C20
 CopyCentre C32 Color
 CopyCentre C35
 CopyCentre C40 Color
 CopyCentre C45
 CopyCentre C55
 CopyCentre C65
 CopyCentre C75
 CopyCentre C90
 Document Centre 420
 Document Centre 425
 Xerox 2101
 5680
 5690
 5885
 5892
 5995

Color Products

Graphic Arts Systems

DocuColor 2045
 DocuColor 5252
 DocuColor 6060
 DocuPrint 92C
 iGen3 Digital
 Production Press

Multifunction

WorkCentre M24
 WorkCentre Pro 32 Color
 WorkCentre Pro 40 Color

Printers

Phaser 6100
 Phaser 6250
 Phaser 7300
 Phaser 7750
 Phaser 8400

Copier-Printers

DocuColor 12
 DocuColor 1632
 DocuColor 2240
 DocuColor 3535

Copiers

CopyCentre C32 Color
 CopyCentre C40 Color

Xerox has unrivaled expertise in the science and practice of color imaging.

Printers/Printing Systems

Transaction

DocuPrint 75/75MX EPS
DocuPrint 90
DocuPrint 92C
DocuPrint 100/100MX EPS
DocuPrint 115/115MX EPS
DocuPrint 135/135MX EPS
DocuPrint 155/155MX EPS
DocuPrint 180/180MX EPS
DocuPrint 350 CF
DocuPrint 425 CF
DocuPrint 500 CF
DocuPrint 525 CF
DocuPrint 700 CF
DocuPrint 850 CF
DocuPrint 1000 CF
DocuPrint 1050 CF

Networked/Office

DocuPrint N4525
Phaser 3130
Phaser 3400
Phaser 3450
Phaser 4500
Phaser 5400
Phaser 6100
Phaser 6250
Phaser 7300
Phaser 7750
Phaser 8400

Graphic Arts Systems:

Black and White

DocuTech 75
DocuTech 90
DocuTech 6100
DocuTech 6115
DocuTech 6135
DocuTech 6155
DocuTech 6180
DocuTech EPS
Nuvera 100
Digital Production System
Nuvera 120
Digital Production System
Xerox 2101

Graphic Arts Systems: Color

DocuColor 2045
DocuColor 5252
DocuColor 6060
iGen3 Digital Production Press

Wide Format Printers

Xerox 510
Xerox 721
Xerox 6030
Xerox 6050
3030 Engineering Copier
3040 Engineering Copier

Software

Office Environment

CentreWare Web—Xerox Device
Management Software
DocuShare—Xerox Document
Repository Software
FlowPort—Xerox Image Routing Software
PhaserSMART—Xerox Web-based
Support Software
PrintingScout—Xerox Print Job
Completion Notification
PrintXchange
XCounter—Xerox Page Accounting Software
Xerox Copier Assistant
Xerox Web Document Submission Software

Production Environment

DigiPath Professional
DigiPath Xpress
DigiPath PDF Productivity Suite
Xerox FreeFlow Digital Workflow Collection

Supplies

Compatible Laser Print Toner Cartridges
Custom Solutions
Digital Carbonless Paper
Digital Color Imaging Cast-Coated Covers
Digital Color Imaging Coated and
Uncoated Papers and Covers
Digital Publishing Papers and Covers
DocuCard ID Card
Labels
Multipurpose Papers, Index and Covers
Presentation and Binding Supplies
Specialty Application Products—brochures,
business cards, greeting cards, etc.
Synthetic Media Solutions
Tabs and Dividers
Transparencies

Other Hardware Products

DocuMate Scanners
DP1011 Digital Projector
FreeFlow Scanner 665
XL3, XL5, XL7 Series Monitors



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by Year of U.S. Announcement

For a complete list of U.S. products organized by product category, visit www.xerox.com/factbook.

1949

Model A Copier (Ox Box): First manually operated commercial xerographic printer.

1950s

1955

Copyflo: First semi-automatic xerographic printer; makes continuous copies on ordinary paper.

1959

914: First automatic office copier to make copies on plain paper; 7 copies per minute.

1960s

1963

813: First desktop copier to make copies on plain paper; 7 copies per minute.

1964

Long Distance Xerography (LDX): First system for high-speed document fax transmission using scanners, networks and printers; targeted for businesses with centralized, high-volume applications.

2400: First Xerox duplicator (high-volume copier); 40 copies per minute.

1860: Plain-paper printer produces reduced-size copies from originals of a variety of materials as large as 3 feet by 10 feet.

1966

Xerox Magnafax Telecopier: Also known as the Telecopier I; a joint venture between Xerox and Magnavox

Company; first non-xerographic desktop fax machine capable of sending and receiving documents over any distance using a regular telephone.

660: Fastest table-top, plain-paper copier to date; 11 copies per minute.

1968

Copyflo 600: Engineering printer enlarges tiny images from microfilm and reproduces them onto plain paper at 600 prints per hour.

1969

7000: First Xerox duplicator to reduce; makes two-sided copies manually; 60 copies per minute.

1970s

1970

4000: First in the second generation of copiers and duplicators; first to provide automatic two-sided copying; 45 copies per minute.

400: First portable fax machine.

1972

1000: Last copier using the 914 technology; 15 copies per minute.

1973

6500: Xerox's first color copier; makes full-color copies on plain paper and transparencies.

410: First automatic desktop fax machine.

1200: First non-impact xerographic printer for computer output.

1974

9200: High-volume, two-sided, plain-paper duplicator; 120 copies per minute.

800 Electronic Typing System: The first Xerox word-processing product; 350 words per minute from magnetic tape or cards.

1975

Telecopier 200: First laser, plain-paper fax machine; one of the first commercial applications of laser technology in business.

1977

9700: First xerographic laser printer; 120 prints per minute.

5400: First Xerox copier with a built-in diagnostic micro computer; 45 copies per minute.

1979

Ethernet: First local area network (LAN) for connecting workstations, printers and other office equipment.

8200: Copier/duplicator that automatically feeds originals and produces collated copies without a sorter; 70 copies per minute.

2080: World's first wide-format engineering copier; launches the wide-format engineering industry.

1980s

1980

8000 Network System: Office network that allows users to electronically create, process, file, print and distribute documents.

1981

8010 Star Information System:

Industry's first desktop computer workstation that combines computing, text editing and graphics creation.

Memorywriter 600 Series: Electronic typewriters with internal memory.

495: Automatic fax machine converts information on a page to digital form and compresses it for faster transmission.

1982

1075: First copier in the Xerox 10 series; 70 copies per minute.

1983

1810 Portable Computer: Fits in a briefcase and operates up to 10 hours on rechargeable batteries.

ECP 42: The first large-format digital color plotter.

1035: Second copier in the 10 Series; the only copier to offer preset modes of both reduction and enlargement; 20 copies per minute.

1984

9900: Duplicator with computerized programming, two-sided copying, stapling and job storage; 120 copies per minute.

1055: Heavily featured copier that offers automatic two-sided copying with second-side image shift and variable reduction and enlargement; 50 copies per minute.

1985

FaxMaster: First software for integration of fax and computer.

6085 Professional Computer System: Sophisticated workstation also runs various software programs.

1090: First Xerox high-volume copier handles a variety of originals, reduces and enlarges, and makes two-sided copies; 92 copies per minute.

XPS 700 Series: Publishing systems include terminals for editing and design pagination, composition software and connections to electronic printers.

1986

4020: Color inkjet printer that produces documents with integrated text and high-resolution graphics in seven colors.

990 Viewer/Printer: Makes prints as large as 18 by 24 inches from 35mm microfilm aperture cards or roll film.

2510: Engineering copier produces copies up to 36 inches wide on paper, vellum or polyester film.

1012: Desktop copier with an industry-first, three-year warranty; 15 copies per minute.

9790: High-volume laser printer with high-capacity disk storage and central processing power to print merged text and graphics; 120 prints per minute.

1005: Color copier reduces and enlarges; 5 full-color copies per minute.

Conference Copier: Allows one person to take notes for everyone at a meeting using a writing board linked to copier; 99 copies at a time.

7020: First Xerox fax machine to use ordinary, cut-sheet paper; also functions as a copier with automatic speed dial.

CE 3000: Large-format digital color printer.

1987

1065: Fully featured mid-volume copier; 62 copies per minute.

Pro Scan System: Computer system scans in technical drawings and maps, allowing them to be edited on the screen and then printed or stored electronically.

1988

8836 Laser Plotter: First wide-format engineering laser plotter.

5090: Fastest duplicator to date at 135 copies per minute; staple stitches and thermal binds pages.

5008: First Xerox personal copier; 8 copies per minute.

4090: High-quality laser printer that handles 4 different paper stocks simultaneously; 92 prints per minute.

1989

Remote Interactive Communications: Diagnostic system that transmits copier performance data via telephone lines; first offered as accessory for the 1090 copier.

5042: Mid-volume copier reproduces images from books and other bound documents without damaging bindings; 35 copies per minute.

Xerox Encryption Unit: Electronic encryption device mathematically encodes computer signals so they may travel in top security on ordinary local area networks.

5080: Engineering printer allows electronic editing of documents up to 36 inches wide.

1990s

1990

GlobalView: Networked computing system for workgroups with the icon-based graphical interface. Includes the integration of text, graphics and data; the sharing of documents across networks; and the transmission of electronic mail.

Telecopiers 7032, 7033: High-speed, plain-paper facsimile products designed for hub applications in high-volume fax work environments.

DocuTech Production Publisher, Model 135: First in series of digital publishing systems for business publishing from computer workstations; scans, files, prints, finishes; 135 prints per minute.

5065: First Xerox copier with built-in Remote Interactive Communications; 62 copies per minute.

7220, 7240, 7260: First Xerox fax products available through retail channels; act as convenience copiers and full-function telephones.

3010 Editor: First multifunction digital fax/copier allows users to revise images using an editing pad.

5011 R/E: Convenience copier makes up to 15 copies per minute; reduces and enlarges at 65, 75 and 130 percent of original.

4018: High-speed digital engineering printer/plotter accepts images from a variety of sources including scanners and optical-disk storage devices; reproduces images on plain paper.

1991

5100: Copier designed for distribution in the United States, Europe and Japan; 100 copies per minute.

8840-D: High-speed engineering printer/plotter uses plain paper; used with computer-aided design and drawing management systems.

5775: Digital color copier controlled by a touch screen; 7 copies per minute.

4850hc: Highlight-color laser printer that prints black and one color (red, blue or green); up to 50 prints per minute.

4135: Cut-sheet, high-volume laser printer; up to 135 prints per minute.

4197: Xerox's first magnetic ink character recognition (MICR) laser printer for the desktop.

4235: Laser printer that can be connected to a remote data center while being used simultaneously as a local workgroup printer; up to 35 prints per minute.

4213: Desktop laser printer that offers two-sided printing; up to 13 prints per minute.

5009, 5009 R/E: Copiers for the small office/home office; R/E model reduces and enlarges; 8 copies per minute.

6540 Workstation: UNIX-based workstation with enhanced graphics capabilities for working with technical, scientific and financial data.

1992

PaperWorks: Software links personal computers at remote locations through fax machines.

DocuTech Network Publisher: Accepts electronic and hard-copy originals for large printing and publishing jobs.

DocuTech Signature Booklet Maker: Produces saddle-stitched, folded and trimmed booklets from documents printed on a DocuTech system.

7033 LAN Fax Server: Allows PC users on Novell local area networks to send and receive faxes from workstations.

4700 Digital Color: First full-color, networked laser printer; industry's fastest to date at 7½ prints per minute in color, 30 prints per minute in black and white.

7041: Plain-paper, laser-based fax machine transmits a standard business page in 6 seconds.

7124S: Engineering fax/copier transmits and receives documents up to 24 inches wide from personal computers.

3050, 3090: Wide-format, plain-paper engineering copiers for architects and engineers.

5205: Personal copier for the home office; 3 copies per minute.

DocuPlex: Networked engineering document management system allows users to store, retrieve, edit and distribute engineering documents.

1993

5126: Office copier for copying bound volumes; 26 copies per minute.

5312, 5314: Convenience copiers with reusable toner copy cartridges; 12 copies per minute.

5385: Departmental copier offers highlight color.

4890hc: Highlight color, laser printer prints in black plus red, blue or green; 92 prints per minute.

4004: Personal inkjet printer; 3 prints per minute.

MajestiK 5760, 5765: Full-color, digital copier-printers designed for short-run printing; 6 color copies per minute.

8900 Series II: Electrostatic color plotters for the engineering industry make prints up to 44 inches wide.

1994

3060: Plain-paper, mid-volume engineering copier with zoom optics.

Visual Recall: Document management software indexes text for key-word searches, with graphical depiction of text to be searched.

4900: Desktop color laser printer; 3 prints per minute for color, 12 for monochrome.

DocuTech 6135: Network production printer; 135 prints per minute.

8808: High-resolution desktop laser printer designed for graphics and printing documents up to 11 by 17 inches.

3002, 3004, 3006: Compact digital document devices that fax, PC fax, print, copy and scan; designed for the small office.

7042: High-speed, plain-paper, laser fax reduces telephone line charges by transmitting documents quickly; 6 pages per second.

DocuPrint 4635, 4635MX: Production laser printers; 4635MX prints checks and other financial documents with Magnetic Ink Character Recognition security symbols.

Xerox Documents on Demand:

Production-oriented document management software that simplifies the input, storage, customizing and printing of materials; transforms paper masters into digital documents.

1995

5614: First in the 56 copier series, designed to address a broad range of environmental issues including paper recycling and energy conservation.

ES8180: World's fastest engineering copier-printer to date; delivers 18 prints per minute, up to 24 inches wide, with highlight color.

7336: Engineering scanner module; wide-format scanner for engineering drawings.

SmartPaper Toolkit, DataGlyphs Software Developer's Kit:

Complementary technologies for encoding and decoding information for computer-readable data on ordinary paper, which makes it easier to bring information on paper back into electronic form.

Bookmark35 Copy Station: Copier with angled copying surface to protect book bindings.

InterDoc: Software that allows printing departments to receive and produce digital file submissions from customers over the Internet.

Xprint 4915, 4920, 4925: Networked color laser printers with "Intelligent Color" technology that allows office workgroups to integrate color and black-and-white documents using a single printer.

Regal 5790: Fastest Xerox color copier-printer to date; 9 prints per minute in color; for Macintosh, PC and UNIX networks.

Document WorkCentre 250:

Multifunction printer, fax machine, scanner and copier with TextBridge OCR software for the small office/home office.

Document Centre Systems 20 and 35:

First in the Document Centre System family of digital, networked office document systems; products print, scan, fax and copy documents for workgroups of up to 50 people.

CentreWare: Software enables Document Centre Systems to perform multiple functions simultaneously.

2230ij: Xerox's first wide-format inkjet printer for engineering, technical and scientific communities; a black-and-white printer with highlight-color capabilities.

1996

DocuPrint 4517: Networked, desktop laser printer; 17 prints per minute.

DocuColor 40: World's fastest digital color copier-printer to date; functions as stand-alone copier and network printer; 40 prints per minute.

Document Fax Centre Pro 735: High-capacity, plain-paper laser fax system that doubles as a convenience copier.

5624, 5626: Convenience copiers that comply with the EPA's "Energy Star" standards for energy savings; 24 copies per minute.

8855 Digital Reprographics System:

Provides high-speed, high-volume digital printing that can connect directly to client or in-house workstations at 400 dpi resolution.

2240ij: Wide-format color printer for the engineering market.

PrintXchange: Software that simplifies printing across networks and links several types of printers.

1997

Automated Fulfillment Factory:

A print-on-demand system for managing and producing time-critical documents; targeted toward the insurance, manufacturing, real estate and telemarketing sectors.

8830: Engineering printer that can be connected to virtually any PC or network.

DocuColor 5750: Digital color copier-printer; least-expensive color system for the office to date; 6 full-color or 24 monochrome copies per minute.

Document Centre 220, 230, 240, 265:

Digital office copiers that are first in the next generation of office document products; modular digital devices can be upgraded from stand-alone copiers to fully integrated office systems; 20, 30, 40 and 65 pages per minute. The 220ST and 230ST and LP models provide network capabilities.

DocuShare: Document-management software that allows users to post, manage and share information on corporate intranets.

DocuTech 6180: Digital production publisher; 180 pages per minute; 600 dpi laser output.

DocuPrint 180: Digital production printer for cut-sheet laser printing of transaction-based documents; 180 pages per minute.

DocuColor 70: Digital color press; 70 impressions per minute.

5892: Industry's most compact, high-speed departmental copier to date; footprint of only 68 by 35 inches; 92 copies per minute.

Document WorkCentre Pro 745:

Plain-paper, laser-based multifunction fax system for workgroups of up to 25 people.

Document HomeCentre: First Xerox desktop color product for the small-office/home-office market; combines a detachable color scanner, color inkjet printer and color copier.

DocuPrint N32, N24: First in a series of network laser printers intended to challenge Hewlett-Packard's dominance in the retail printer market; 32 and 24 pages per minute.

DocuColor 5799: Mid-range digital color copier-printer that produces 9 full-color or 36 monochrome images per minute.

DocuPrint 96, DocuPrint 96 MX:

Production cut-sheet printer for the 100 print-per-minute printer market and smaller corporate data centers; MX model is for check printing.

DocuPrint 135 LMX: Check printer; large-format model for boosting productivity in commercial check production operations.

Intranet Docs: A Web server-based software enabling universal, real-time access to wide-format digital documents.

1998

DocuPrint P12: First Xerox laser printer for the retail market; 12 pages per minute.

5885: High-volume copier equipped with advanced features including book binding, and to date the fastest ledger-size copying in its class; 85 pages per minute.

Document WorkCentre Pro 635, 645, 657:

Series of laser-based multifunction fax machines that offer fast fax scanning and transmission capabilities.

212, 214: Digital copier-printers offering superior print quality; 12 and 14 copies per minute; available as stand-alone copiers or as copier-printers.

DigiPath: Integrated digital printing software solution that extends the power of the DocuTech family of production publishers by enabling print job submission and document viewing via the World Wide Web.

Document Centre 255DC: Digital copier-printer that offers future network connectivity for office printing and document scanning; 55 pages per minute.

8830 Digital Document System:

Engineering industry's first multifunctional device to offer concurrent printing, scanning and copying capabilities.

PrinterMap: The industry's first and only multi-vendor printer management software to date that allows network administrators to proactively manage and track usage of a range of printers from Xerox and competitors.

XD100, 102, 120f: Personal digital laser copier-printers for the retail market; can connect to the user's Windows PC to operate as a laser printer; 10 copies per minute for the 100 and 102; 12 copies per minute for the 120f.

DocuPrint XJ6C, XJ8C: Color inkjet printers for the retail market; 2½ and 4 color pages per minute.

DocuColor Office 6: Networked color copier-printer; 6 color and 24 monochrome pages per minute.

5890: Compact, high-volume copier; 100 copies per minute.

DocuTech 6100: Entry-level publishing system that prints 96 pages per minute.

DocuPrint C20: Xerox's first entry into the network color inkjet market; 8 monochrome or 4 color pages per minute.

DocuTech 65 Publisher: Smallest and lowest-cost model in the DocuTech publishing series to date; 65 pages per minute.

DocuPrint 180MX: To date, the industry's fastest, highest-quality magnetic ink character recognition printer for producing checks and other negotiable documents.

DocuPrint 65: Small printer that delivers data center quality results from all popular computing platforms at the user's location.

DocuPrint 330, 900, 1300: First three models in a new family of DocuPrint production printers that print from continuous roll paper.

1999

Document WorkCentre Pro 745DL, Pro 745SX: High-performance laser fax systems for business workgroups that have the ability to connect to the network; offers 11-page-per-minute fax and copy printing speeds.

WorkCentre 480cx: Color inkjet printer that also serves as a color scanner, copier, fax and PC fax; 8 monochrome pages or 4 color pages per minute.

WorkCentre XD155df: The industry's first personal digital copier-printer at 15 pages per minute; offers automatic two-sided copying.

3001: Wide-format copier that includes an automated document handler and improved electronic job accounting option.

8825 Digital Document System: Entry-level, multifunction engineering system.

7346 Scanner: Wide-format scanner for engineering drawings.

DocuColor 30 Pro, 30 CP: Digital color copier-printers for entry-level production printing environments; 30 pages per minute.

DocuColor 4 LP: Laser printer that is the first Xerox product to employ intermediate belt transfer technology; 4 full-color pages or 16 black-and-white pages per minute.

BookMark21 Copy Station: Copier with angled copying surface to protect bound documents; coin- and card-operated models available; 21 copies per minute.

WorkCentre Xi70c: First Xerox inkjet multifunction device using a flatbed design; serves as a color printer, copier, scanner and PC fax; the fixed, flatbed design allows for the color copying and scanning of any document.

Document Centre 332, 340: Digital systems that print, copy and scan at 32 and 40 pages per minute; offer best-in-class network and walk-up fax capabilities and feature design enhancements to the product line.

ContentGuard: Comprehensive solution for rights management of digital content, which enables publishers to create new revenue streams through Internet document distribution; includes tools for publishing, electronic commerce, user authorization and usage tracking of digital documents.

Digital Books: Service that uses print-on-demand technology to enable book printers to digitally store titles and instantly print the desired quantity.

Just-In-Time Documentation: Enables graphic arts companies to align more closely with the needs of clients by providing the latest version of documentation in the requested quantity and at the point of need.

DocuColor 12: Color copier-printer that employs the innovative Intermediate Belt Transfer technology to establish a new standard in color copier-printer reliability, capability and image quality; 12½ full-color or 50 black-and-white pages per minute.

DocuColor 4 CP: Networked copier-printer designed for graphic arts and office customers with monthly volumes between 3,000 and 5,000; employs the Intermediate Belt Transfer technology; 4 full-color or 16 black-and-white pages per minute.

DocuPrint 92C: Industry's first black-plus-one-color production printer with 600 dpi print resolution; addresses graphically demanding applications; 92 pages per minute.

DocuPrint NC60: Internet-enabled color laser printer; 4 color or 16 monochrome pages per minute.

DocuPrint P1202: Xerox's first personal laser printer that can support Macintosh environments and PostScript Level 2 printing; manual duplexing, 4 MB standard memory, PCL5e and PCL6 emulation; 12 pages per minute.

Document Booklet System: Signature booklet maker that supports mid-range DocuTech printers; the first signature booklet maker that runs in-line with the DocuTech 6100 production printer.

WorkCentre XK35c: The industry's lowest-priced color printer that copies and scans from a flatbed surface; prints 8 monochrome or 3 color pages per minute; copies 3 black-and-white or 1½ color copies per minute.

FlowPort: Server software designed to capture and integrate paper-based documents into a digital workflow to allow for accessibility, retrieval and distribution — all without the use of a PC.

DocuPrint 900 Plus: Continuous-feed printer prints PostScript and other popular network data streams as fast as 206 feet per minute.

VIPP Tools: Industry's first family of open systems software tools for simplifying the development of marketing applications for non-programmers.

DocumentCentre Color Series 50: Digital networked color copier-printer that brings color to the Document Centre family of multifunction devices; 50 monochrome or 12½ full-color pages per minute.

2000s

2000

WorkCentre XE90fx: Xerox's first entry into the flatbed laser multifunction market; combines a flatbed design with an all-in-one laser printer, fax, copier and scanner.

5900, 5900I, 5990, 5995: Family of departmental copiers combining speed and finishing capabilities; the 5900I includes the Interposer, an in-line device that provides three additional paper drawers from which specialty stocks can be selected and integrated; 5900 and 5900I print 120 pages per minute; 5990 and 5995 print 100 pages per minute.

DocuPrint N3225, N4025: Monochrome laser printers for medium-to-large workgroups, with speeds of 32 and 40 pages per minute; both have extensive production-level paper handling with a 266 MHz processor.

WorkCentre Pro 555, 575, 665, 685, 765, 785: A family of business, multifunction fax products designed to tie worldwide connectivity of the Internet to the fax machine; offer traditional fax, copy, PC or network print, scan and PC or LAN fax capabilities to workgroups up to 25 users.

DocuColor 2060 and 2045 Digital Color Press: World's first sheet-fed digital color presses enabling digital color on demand for the graphic arts market; print 60 and 45 pages per minute.

DocuTech 6155: Part of a new suite in the DocuTech family; prints up to 155 pages per minute; features include 600 dpi image quality and 7,000-sheet paper capacity.

DigiPath Scanner: Improves scanning productivity in the DocuTech family; scans at 65 pages per minute at 600 dpi resolution; includes a 100-sheet automatic document feeder that scans documents as large as 12 by 18 inches.

8855 Digital Document System (DDS): Engineering system for mid-to-high volume market allows scanning and printing directly to and from desktops.

WorkCentre Pro 215: Digital laser copier-printer for the small businesses and workgroups; platen-based, offering automatic two-sided printing and copying, an automatic document feeder and PCL printing capability as standard features.

WorkCentre XD 130df: Digital copier-printer offers a 30-sheet automatic document feeder and automatic two-sided copying; copies at 13 pages per minute and prints at 8 pages per minute.

Imaging Kiosk: Solution that quickly scans legal documents and transfers them to CD-ROM, providing a cost-effective system for capturing, storing and managing reams of legal documents.

Document Centre 400 Series Family 420, 432, 440, 460, 470: Digital copier-printers print, copy, fax and scan; equipped with a new Intel micro-processor that boosts document processing speed; run from 20 to 65 pages per minute.

DocuColor 130CSX Digital Color Press: Digital, color, production-level printing system based on Web-fed technology; targeted toward graphic arts/commercial printer and in-plant facilities markets; up to 130 impressions per minute.

DigiBook 5600: High-productivity, high-quality scanner that is contact free and uses a low-intensity, non-ultraviolet, fiberoptic light source to protect fragile documents and books.

DocuTech 6115: Digital black-and-white printer for the digital publishing industry; prints 115 pages per minute at 600 dpi resolution.

WorkCentre XK50cx: Color inkjet, flatbed multifunction product combines color inkjet printing and scanning, stand-alone color flatbed faxing and copying for the small-office/home-office market; prints up to 12 monochrome and 7 color pages per minute, and copies up to 10 monochrome or 5 color pages per minute.

Phaser 1235: Office color printer featuring "single-pass" technology that is up to four times faster than traditional color laser printers; prints 12 pages per minute.

Phaser 790: Tabloid color laser printer for the graphic arts market offers fast print speed, superior print quality and two-sided printing; prints 6 color or 26 black-and-white pages per minute.

DocuPrint 155 EPS: Black-and-white printing system offers large customers higher print speeds, advanced system integration and printing capabilities; equipped with the Xerox DocuSP controller; prints at 155 pages per minute.

WorkCentre M940, M950: Color multifunction products with a flatbed scanner, allowing users to import color images to desktops as well as to send

and receive faxes via a PC modem; feature eXpress Mode and InkLogic Technology; print speeds up to 12 black-and-white or 7 color pages per minute.

2001

DocuPrint 75: Cut-sheet, digital, monochrome printer for smaller-sized print operations offers printing transaction applications requiring merging of variable data; 600 dpi output, 75 pages per minute.

DocuTech 75: Cut-sheet, digital, monochrome printer engineered for on-demand printing designed with customer replaceable units such as fuser and toner; 600 dpi output, 75 pages per minute.

KnowledgeShare: Document and knowledge management solution that converts paper documents into digital files that can then be e-mailed and shared more easily throughout an organization.

DocuColor 12 Laser Printer: Printer-only version of the DocuColor 12 Copier-Printer provides high image quality that makes it ideal as a proof printer in pre-press departments and production printing operations; prints up to 12½ color or 50 black-and-white pages per minute with 600-by-600 dpi resolution.

Phaser 2135: Office color printer uses single-pass technology transferring a full-color image to paper in a single pass using LED technology; equipped with a 500 MHz Intel processor; prints 21 color or 26 black-and-white pages per minute at 1,200 dpi resolution.

WorkCentre Pro 416: Digital multifunction product that offers important digital features for the small-office market; equipped with scan-once-print-many capability, electronic collation and booklet creation; prints and copies at 16 pages per minute.

Document Centre 490: Digital multi-function system for large offices that combines printing, copying, faxing and scanning; prints and copies at 90 pages per minute.

Phaser 3400: First black-and-white office laser printer to have the Phaser brand; offers an optional network configuration; prints 17 pages per minute.

DocuPrints 1000 CFD, 700 CFD, 350 CFD: Continuous-feed, digital, black-and-white printers designed for high-speed production of publishing and transaction documents; the 700 and 1000 models are made up of twin-engine configurations, which can print in duplex mode; images per minute are 353 for the 350 CFD, 708 for the 700 CFD and 1,002 for the 1000 CFD.

Phaser 7700: Industry's first tabloid color laser printer capable of speeds of 22 pages per minute in color and black and white; uses single-pass laser technology; supports media sizes from 4 by 6 inches to 12 by 18 inches.

Xerox iGen3: Digital production press uses Xerox's patented SmartPress technology; has replaceable parts designed for recycling, uses non-toxic dry inks, and generates no hazardous waste; runs at 100 pages per minute and produces 6,000 full-color 8½-by 11-inch impressions per hour.

1:1 Personalized Marketing

Communications: Solution provides the ability to quickly address individual customer needs for information; for example, it can create personalized marketing brochures.

DocuPrint 90: Cut-sheet, monochrome digital printer for small and mid-size print operations can create on-demand, personalized documents; speeds up to 90 pages per minute at 600 dpi resolution.

DocuTech 90: Entry-level production, monochrome, digital printer that includes the Signature Booklet Maker; speeds up to 90 pages per minute.

WorkCentre Pro 580: Entry-level multifunction fax system designed for the small office and workgroup customers; includes a 33.6 kpbs modem, 3 seconds-per-page scanning and an 80-location speed dial.

2002

Phaser 6200: Color laser printer uses single-pass technology; has a 500 MHz PowerPC processor; 2,400 dpi resolution; prints 16 pages per minute.

Phaser 8200: Solid ink color printer uses single-pass technology, has a 300 MHz processor; prints 16 pages per minute.

Document Centres 535, 545, 555: Digital, black-and-white multifunction systems designed for the small and mid-size workgroups; print at speeds of 35, 45 and 55 pages per minute, respectively.

DocuColor 1632, 2240: Color copier-printers for the office and quick-print firms; use chemically produced EA toner; print 16 and 22 color pages per minute, and 32 and 40 monochrome pages per minute, respectively.

DocuColor 6060: Digital press for commercial, in-plant and quick-print printers that can run complex print jobs, including customized documents, around the clock.

FaxCentre F12: First multifunction fax product that is customer installable requiring no training; offers color scanning and two-sided printing; 12 copies per minute.

Phaser 4400: Fully featured, black-and-white office printer; 1,200 dpi resolution; prints 26 pages per minute and offers Adobe PostScript 3 for precise image and text rendering.

DigiPath Production Software v. 3.0: Industry's only comprehensive workflow software for digital production of both color and black-and-white pages, enabling print providers to run a single digital workflow.

VIPP Software v. 4.0: Industry's first software capable of accepting Web-variable content standard XML data sets as the variable component for VIPP production.

VIPP Thin Printer v. 2.0: System provides the capability to produce indexed Adobe PDFs of VIPP-generated variable information documents for archiving, Web presentation and distribution across computer platforms.

SquareFold Booklet Maker: Device produces a square-fold edge on saddle-stitched booklets that gives DocuTech products the look and feel of a perfect-bound book.

DocuTech LFP: Large-format paper versions of the DocuTech family that enable printing on stocks larger than 11 by 17 inches.

Invisible Control Marks: Solution for high-end printing and publishing systems; uses an invisible ink bar code that eliminates visible bar codes without sacrificing the automated controls they provide; prints bar codes anywhere, even directly over text.

DocuTech EPS: Production printing system designed for customers who require DocuTech's built-in finishing capabilities and the ability to natively print LCDS data streams traditionally associated with DocuPrint systems.

DocuSP 3.6: Enhancement to DocuSP, Xerox's print management software that processes print files and drives printers and digital presses; provides a common workflow platform for 26 Xerox production printers.

Phaser 7300: Workgroup color printer using single pass technology that transfers a full-color image to paper in one pass; features a 500 MHz processor; prints 30 color and 37 black-and-white pages per minute.

WorkCentre Pro 421: Digital multifunction device for small offices and workgroups; includes two-sided printing and copying with a 100-sheet automatic document feeder and two 550-sheet paper trays; 20 pages per minute.

2003

DocuColor 5252: Digital production press for the production color market; prints at 52 pages per minute in full color or black and white.

WorkCentre M24: Color-capable office multifunction product for small workgroups; prints at 13 color or 24 black-and-white pages per minute; has printing, scanning and faxing functions; includes 768 MB printing memory.

DocuColor 3535 Printer-Copier: Color multifunction product using EA toner, designed for office departments, graphic arts firms and in-plant print shops; prints and copies up to 35 color or monochrome pages per minute.

Xerox Copier Assistant: Software used with a personal computer and a Xerox multifunction system, making it easier for people who are blind or visually impaired to operate a digital copier.

Xerox FreeFlow Digital Workflow Collection: Collection of software and solutions based on open standards for the production industry; helps print providers simplify work processes, attract new business and better manage print jobs.

DocuPrint 425, 850: Continuous-feed digital printers for high-volume production of print-on-demand and publishing segments; both print at 195 feet per minute.

Synergix Print System 721p, 510dp: Wide-format, monochrome digital printers for engineering, manufacturing and utility company applications; the

721p is the industry's fastest printer with a print speed of 22 D-sized documents per minute, and the 510dp offers more than 60 configurations.

DocuSP 3.7: Upgrade of the color-capable version of Xerox's traditional monochrome printer controller for the production-print environments; used in Xerox's digital color presses.

Horizon Color Works 2000 Booklet Maker: In-line document finisher that produces professional quality finished documents, including bleed trimming, creasing, folding and stacking.

Xerox Large Format Manual+Book Factory: Configured DocuTech large format printer offering a binding process enabling fully digital, in-line book production from start to finish; solution expands the capability to produce 6- by 9-inch books.

Xerox Lightweight Paper Booklet Factory: Configured DocuTech LWP printer and finisher produces short-run, on-demand reference documents for publications up to 160 pages; solution reduces the thickness and weight of a printed document.

CopyCentre C32, C40: Digital color copiers using EA toner; 32 black-and-white/16 color and 40 black-and-white/22 color pages per minute, respectively.

CopyCentre C35, C45, C55: Monochrome digital copiers for small-to-mid-sized workgroups and offices; copy at 35, 45 and 55 pages per minute, respectively.

CopyCentre C65, C75, C90: Monochrome digital copiers for large-size workgroups and enterprise departments; include finishing features; copy at 65, 75 and 90 pages per minute, respectively.

WorkCentre M15, M15i: Basic copier-printers offer essential features of a digital multifunction device; both copy and print at 16 pages per minute; the 15i adds color scanning and faxing.

WorkCentre M35, M45, M55: Digital copier-printers produce 35, 45 and 55 pages per minute, respectively; they are modular and upgradeable to fully networked office systems.

WorkCentre Pro 32 Color, 40 Color: Color, advanced multifunction devices using EA toner; operate at 32 black-and-white/16 color and 40 black-and-white/22 color pages per minute, respectively.

WorkCentre Pro 35, 45, 55: Monochrome digital multifunction systems are compatible with Macintosh and Unix systems and have the ability to handle Postscript, PCL and TIFF files; operate at 35, 45 and 55 pages per minute, respectively.

WorkCentre Pro 65, 75, 90: Xerox's fastest-to-date, high-performance, network multifunction systems for the office; monochrome print speeds of 65, 75 and 90 pages per minute, respectively.

DocuPrint 75MX: Production laser printer that prints checks and other negotiable documents; designed for the mid-volume and distributed production environments; 75 impressions per minute.

Xerox 2101: Digital copier-printer targeting the black-and-white print-on-demand market segment; offers advanced features such as finishing, printing and network scanning; prints at 101 pages per minute; available as a stand-alone copier.

Phaser 6250: Color laser printer targeted for medium-to-large workgroups; 2,400 dpi resolution; prints 26 pages per minute.



Phaser 3450: Black-and-white laser printer for individuals and small work-groups; 1,200 dpi resolution; prints at 25 pages per minute.

WorkCentre PE15: Basic multifunction product for personal use within any size office; prints and copies in black and white at 17 pages per minute at 600 dpi resolution; faxes at up to 300 dpi and scans at up to 1,200 dpi in full color, which enables it to send color faxes.

DocuShare 3.1: New version of document and content management software that enables the creation of Web pages, Web logs, and other applications.

DocuMate Scanners: The first work-group color scanners developed, marketed and supported by Visioneer Inc. to combine scanning, PDF file creation and document management; first scanners to link directly to DocuShare.

DP 1011 Projector: Compact digital projector developed, marketed and supported by Visioneer Inc. providing one of the brightest projectors in the microportable class.

XL3, XL5, XL7 Series Monitors: Flat-panel monitors, licensed with Proview Technology Inc., are designed for business, educational and home computer viewing applications.

2004 (through June)

Phaser 6100: Color laser printer for the small and mid-sized office market; with two-sided color printing and 65 MB of memory; prints at 21 black-and-white or 5 color pages per minute.

Phaser 3130: Monochrome compact laser printer for the small and mid-sized office market; with 32 MB of memory; prints at 17 pages per minute.

Document Centre 426, 430: Copier-printers with optional scan, e-mail and faxing capabilities for small and medium offices and workgroups; copy and print at 26 and 30 pages per minute, respectively; DC 430 also sold as a digital copier.

DocuShare Records Manager: Web-based document and content management software makes it easier for businesses to comply with government and industry regulations relating to the safeguarding of content and documents.

FreeFlow Print Manager: Xerox's first workflow software product that enables print providers to manage both digital and offset jobs with a single interface.

Phaser 4500: Black-and-white laser printer designed for high-capacity printing; industry's fastest laser printer in its class at 36 pages per minute, 1,200 dpi with edge-to-edge-printing.

Phaser 7750: Color laser printer targeted for graphic design professionals; industry's fastest printer in its class at 35 pages per minute; uses PhaserMatch 3.0 and PhaserCal color software.

Phaser 8400: Color printer based on a new solid ink technology platform, industry's fastest printer in its class at 24 color or black-and-white pages per minute.

PhaserMatch 3.0 and PhaserCal: Color matching and color calibration software for graphic design customers to enhance color quality; both tools are compatible with Windows and Mac OS environments.

WorkCentre 423, 428: Copier-printers, available through Xerox resellers and dealers, targeted for small and mid-sized businesses; copy and print at 23 and 28 pages per minute, respectively; optional scan, fax and Internet fax capabilities; also sold as a digital copier.

WorkCentre M20, M20i: Black-and-white, digital multifunction devices for the office that offer the ID Card Copy feature, copying both sides of a document onto one side of a piece of paper; print and copy speeds at 22 pages per minute; the M20i is designed to be networked.

CopyCentre C20: Standalone, black-and-white, digital copier; 22 pages per minute.

Nuvera 100, 120 Digital Production Systems: First black-and-white, digital production systems with the new name, Nuvera; based on new technology that comes close to offset image quality; print at 100 pages and 120 pages per minute, respectively.

Nuvera 100, 120 Digital Copier-Printers: Copier-printers formerly known as DocuTech 100, 120 Copier-Printers; built on the same breakthrough technology as the Nuvera 100, 120 Digital Production Systems.

DocuPrint 525, 1050 CF: Roll-fed, continuous-feed digital printers that print up to 244 feet per minute; designed for creating publishing and transaction document applications.

Xerox 6030, 6050: Black-and-white, wide-format printing systems designed for printing and scanning architecture, construction, engineering, government and manufacturing industries; 600 by 1,200 dpi.

Xerox FreeFlow Scanner 665: High-speed scanner for professional print operations, which automatically produces professional-quality images previously achievable only through manual editing; scans at 65 pages per minute.

a
heritage
of
innovation...



A History of Excellence



1906

The Haloid Company is founded in Rochester, N.Y., to manufacture and sell photographic paper.

Chester Carlson, inventor of xerography, is born in Seattle, Feb. 8.

1935

Haloid buys Rectigraph Co.

1936

First public offering of Xerox stock.

1938

Chester Carlson makes first xerographic image in his lab in Astoria, Queens, in New York City, Oct. 22.

1942

Carlson receives U.S. patent No. 2,297,691 on Oct. 6 for electrophotography, later called xerography, the technology that revolutionized the world of imaging.

1947

Haloid acquires license to Chester Carlson's basic xerographic patents from Battelle Development Corp. of Columbus, Ohio, a subsidiary of Battelle Memorial Institute.

1948

Haloid and Battelle announce development of xerography.

The word "Xerox" is trademarked.

First of 213 consecutive quarterly dividends is declared.

1949

The first xerographic copier, the Model A, is introduced.

1953

Haloid establishes Canadian sales subsidiary, The Haloid Company of Canada Ltd.

1956

Rank Xerox Limited is formed as joint venture of The Haloid Company and The Rank Organisation plc.

1958

The Haloid Company changes name to Haloid Xerox Inc.

1959

The Xerox 914, the first automatic, plain-paper office copier, is announced.

Haloid purchases all worldwide patents on xerography from Battelle Memorial Institute.

1960

Research and Engineering Center is established in Webster, N.Y.

1961

Haloid Xerox Inc. changes name to Xerox Corporation.

Xerox is listed on the New York Stock Exchange, July 11. Some 7,700 shares are traded, and the stock closes at \$104 for the day.

1962

Fuji Xerox Co. Ltd. is launched as a joint venture of Rank Xerox Limited and Fuji Photo Film Co. Ltd.

1963

Micro-Systems Inc. is acquired.

Electro-Optical Systems Inc. is acquired.

1964

Xerox acquires patent and marketing rights to Central and South America from The Rank Organisation.

1965

Basic Systems Inc. is acquired; renamed Xerox Learning Systems.

Xerox acquires American Education Publications Inc.; renamed Xerox Education Publications; publications include *Weekly Reader*.

Rank Xerox opens manufacturing plant in Venray, Netherlands.

1966

Professional Library Service is acquired.

Learning Materials Inc. is acquired.

1967

Cheshire Inc. is acquired.

R.R. Bowker Co. is acquired.

1968

Ginn and Company is acquired.

Chester Carlson dies Sept. 19.





1969

Xerox moves its corporate headquarters from Rochester, N.Y., to Stamford, Conn. About 150 employees, including most of the company's executive management, relocate there.

Scientific Data Systems Inc. is acquired.

Xerox acquires majority interest (51.2 percent) in Rank Xerox.

1970

Xerox Computer Services is established.

Xerox Palo Alto Research Center opens in Palo Alto, Calif.

Electrostatic printing is introduced.

1971

Unipub Inc. is acquired.

Joseph C. Wilson, chairman of the board, dies Nov. 22.

Fuji Xerox acquires Takematsu and Iwatsuki manufacturing plants in Japan and opens manufacturing and research plant in Ebina, Japan.

1972

Diablo Systems Inc. is acquired.

1973

Xerox PARC invents prototype of the world's first personal computer, the Alto, with innovations including the first what-you-see-is-what-you-get editor, first commercial use of a mouse, graphical user interface, and bit-mapped display. Its commercial descendant was the 8010 Star.

1974

Xerox International Center for Training and Management Development opens in Leesburg, Va.

Xerox Research Centre of Canada in Mississauga, Ontario, opens.

Rank Xerox opens new factory in Coslada, Spain, and new assembly plant in Lille, France.

1975

"Brother Dominic" advertising campaign is launched: "It's a Miracle."

Versatec Inc. is acquired.

Xerox ends manufacture and sale of mainframe computers.

Xerox settles antitrust complaint with U.S. Federal Trade Commission by agreeing to license existing xerographic patents.

1976

Last Xerox 914 order is taken; field service on the machine is to continue.

1977

The industry's first laser printer, the Xerox 9700 (code-named Dover), is announced.

1978

Xerox receives \$25 million from IBM in agreement that ends litigation and leads to exchange of patent licenses between the two companies.

1979

Xerox Credit Corporation is formed.

1980

Kurzweil Computer Products Inc., maker of reading systems for the blind, is acquired.

First Xerox retail store in the United States opens.

Fuji Xerox wins Deming Prize, Japan's highest award for quality.

1982

The 10 Series copiers are inaugurated: the industry's first to use built-in micro-computers with a low-bandwidth Ethernet as the communications interface.

1983

Xerox acquires Crum and Forster Inc., the insurance group, part of the company's diversification into financial services.

Xerox sells 43 of the 54 Xerox retail stores in the United States to The Genra Group.

Leadership Through Quality, the Xerox total quality process, is announced.

Venray manufacturing facility wins CIMEI Quality Award in the Netherlands.

Large-format digital color printing is introduced.

1984

Xerox Financial Services Inc. is formed.

Rank Xerox wins British Quality Award.

1985

Six publishing companies are sold: AutEx Systems to International Thomson Organisation; Ginn and Company to Gulf+Western Industries Inc.; Xerox Education Publications to Field Corp.; University Microfilms Inc. to Bell & Howell Co.; R.R. Bowker Co. to Reed Holdings Inc.; and Xerox Learning Systems to The Times Mirror Co.

Xerox Financial Services Life Insurance Co. is formed.

1986

Xerox Research Centre Europe (formerly Rank Xerox EuroPARC) opens laboratory in Cambridge, U.K.

Rank Xerox wins British Quality Award, its second.

1987

Rank Xerox South Africa Pty. Ltd. is sold to Fintech Ltd.; becomes Xeratech.

Rank Xerox France wins French Quality Award.

Rank Xerox opens new international headquarters in Marlow, U.K.



Historical Highlights

1988

Xerox acquires Datacopy Corp.

Marketing agreement with Sears, Roebuck & Co. is signed.

Two-millionth Xerox copier is produced.

The Xerox 50 Series of copiers is launched to recognize 50th anniversary of xerography.

1989

Xerox ceases manufacturing personal computers/workstations, which were based on technology developed in the 8010 Star.

Soviet Union's first public copy center opens in joint venture with division of Soviet State Publishing.

Xerox Business Products and Systems organization wins Malcolm Baldrige National Quality Award in the United States.

Xerox Canada wins Canadian national quality award.

1990

U.S. government endorses Xerox Encryption Unit, an electronic device that encodes computer signals for secure transmission.

Xerox Desktop Software Inc. acquires Ventura Software.

Venray, Netherlands, manufacturing facility receives British Assurance Certification for commitment to quality, the first non-British Xerox plant so recognized.

Demand Book Binding Systems Inc. is formed; later renamed ChannelBind Corp.

Rank Xerox ends distribution agreement with Xerotech Limited of South Africa.

Total Satisfaction Guarantee program is announced.

“Putting It Together” advertising campaign is launched.

Fuji Xerox takes over Rank Xerox operations in Australia, Malaysia, New Zealand and Singapore.

Xerox Mexicana S.A. de C.V. wins Premio Nacional de Calidad, the Mexican national quality award.

Rank Xerox Australia wins Outstanding Service Quality Improvement Award of Australia.

1991

Collection and recycling of copy cartridges begin.

Recycled paper for use in Xerox products is introduced.

Color research lab in Webster, N.Y., opens.

Xerox and Fuji Xerox form Xerox International Partners to market desktop and workgroup printers worldwide.

1992

Rank Xerox wins the first European Quality Award.

Xerox wins Gold Medal for International Corporate Environmental Achievement from the World Environment Center.

1993

Rank Xerox Research Centre (now Xerox Research Centre Europe) established in Grenoble, France.

Xerox announces decision to exit the insurance business and other financial services.

Xerox International Center for Training and Management Development renamed Xerox Document University.



Xerox offers 7 million additional shares of common stock.

Partnership with Microsoft Corp. to integrate personal computers and document processing products is announced.

Crum and Forster, the commercial property and casualty insurance company under Xerox Financial Services Inc., is renamed Talegen Holdings Inc. and is restructured into seven stand-alone operating groups.

Worldwide company restructuring, including 10 percent reduction in work force, is announced.

Xerox do Brasil Ltda. wins National Quality Award in Brazil.

1994

“The Document Company — Xerox” is unveiled as new corporate signature; partially digitized, red “X” introduced as new corporate symbol; red replaces blue as the corporate color.

Rank Xerox Norway wins the first Norwegian Quality Award. Xerox Argentina wins Argentina's first National Quality Award.

Electronic Data Systems wins \$3.2 billion contract to operate the Xerox worldwide computer and telecommunications network.

1995

Xerox pays The Rank Organisation plc nearly \$1 billion to increase Xerox's financial stake in Rank Xerox to about 80 percent.

Glass Ceiling Commission gives Xerox the first Perkins-Dole National Award for Diversity and Excellence in American Executive Management.

Xerox wins Environmental Achievement Award from National Wildlife Federation.

Xerox and Scitex Corp. Ltd. of Israel form alliance to develop digital color printers.

Xerox wins \$30 million contract from U.S. Navy to be the sole supplier of shipboard copiers.

U.S. Labor Department honors Xerox with its Opportunity 2000 Award, citing the company's success in promoting women and minorities into management.

Xerox ColorgrafX Systems formed; leads Xerox into the graphic arts industry.

1996

Xerox begins treating insurance operations as discontinued operations for accounting purposes in accordance with its planned exit from financial services businesses.

Board of directors authorizes repurchase of up to \$1 billion in Xerox common stock.

Xerox creates dpiX as a wholly owned subsidiary to manufacture and market high-resolution, flat panel display screens developed at PARC.

Document Sciences Corp., a Xerox technology spinoff company, goes public.

American Foundation for the Blind recognizes Xerox with its Helen Keller Award in Assistive Technology for the company's Reading Edge machine and for pioneering products that help the blind lead independent lives.

1997

Xerox South Africa is created as joint venture between Xerox and Fintech, an electronics company. Xerox had been selling its products in South Africa through Fintech since 1994, after the fall of apartheid.

Xerox and Fuji Xerox endow the Xerox Distinguished Professorship in Knowledge at Haas School of Business, University of California, Berkeley.

Rank Xerox is renamed Xerox Limited, as Xerox buys out its European partner in the joint venture with The Rank Group.

Xerox and the University of Barcelona (Spain) establish laboratory for collaborative research on magnetic materials.

Xerox Business Services wins Malcolm Baldrige National Quality Award in the service category, the second Baldrige Award for Xerox Corporation.

Xerox Adaptive Products Inc., maker of technology products for the blind, is sold to Telesensory Corp.

All major manufacturing sites worldwide receive ISO 14001 certification.

1998

XLConnect Solutions Inc., an information technology services company, is acquired for \$415 million, renamed Xerox Connect.

Fairfax Financial Holdings Limited of Toronto agrees to acquire Crum and Forster Holdings Inc. The deal effectively completes Xerox's exit from the insurance business.

Xerox aligns with nation's leading office product suppliers: U.S. Office Products, Office Depot, Boise Cascade Office Products, Corporate Express and Staples, to offer Xerox paper and supplies.

The biggest anechoic chamber in the Western Hemisphere opens in the Xerox Webster, N.Y., manufacturing facility. The state-of-the-art room is designed to test Xerox products for electromagnetic interference.

Xerox announces worldwide restructuring, including the elimination of 9,000 jobs through voluntary reduction, early retirement and layoffs.

Xerox announces plans to build a manufacturing site in Dundalk, Ireland, and a new customer call center in Dublin — a \$270 million investment.

Xerox and IBM announce a technology and marketing agreement to marry IBM's Lotus Notes and Domino electronic document management environment with the Xerox Document Centre family.

Working Mother magazine names Xerox one of the Top 100 "exceptionally progressive" companies for which to work.

1999

Xerox acquires SET Electronique, a European developer and distributor of high-speed digital printers.



Historical Highlights



Xerox and the town of Webster, N.Y., agreement ends 1992–1994 tax assessment litigation. This results in refunds to Xerox of \$9.7 million, including interest (\$6.5 million before interest).

dpiX, a former Xerox New Enterprise Company, is purchased by dpiX Holding Company LLC, owned by Planar Systems Inc. and a consortium. Xerox retains a 20 percent interest in dpiX.

Xerox acquires Omnifax from Danka Business Systems.

Xerox experiences the worst day in the company's history with the fatal shootings of seven employees in the Honolulu, Hawaii, facility.

Xerox partners with Bertlesman Arvato Ag, one of the world's leading international book producers, to deploy digital print-on-demand technology and solutions worldwide.

2000
Xerox acquires Tektronix Inc.'s Color Printing and Imaging Division for \$925 million.

Launch of the next-generation DocuColor 2000 Series of digital color presses. About 5,000 are sold in the next two years.

Xerox and Hewlett-Packard settle all patent-infringement cases, including the six patent-related lawsuits filed between May 1998 and June 1999.

Xerox sells Xerox Document University campus to WXIII Oxford-DTC Real Estate LLC. Xerox will lease back part of XDU and continue to host education and learning events.

An Olympic first: At the Sydney 2000 Summer Games, Xerox, an official sponsor, burned the results of every competition onto CD-ROMs, creating electronic results books.

Xerox details aggressive turnaround plan with actions centered on improved cash flow and profitability — cutting \$1 billion in costs and selling \$2 billion to \$4 billion of assets — while working toward strengthening its core businesses.

Xerox seals \$310 million deal with Kinko's Inc., providing them with more than 2,000 of the latest Xerox digital color products, high-speed digital printers, and black-and-white digital multi-function machines.

Xerox completes sale of Xerox (China) Ltd. and Xerox (Hong Kong) Ltd. for \$550 million in cash to Fuji Xerox Co. Ltd.

2001
Xerox sells half of its stake in Fuji Xerox Co. Ltd. to Fuji Photo Film Co. Ltd., for more than \$1.3 billion. Xerox retains 25 percent ownership interest, and all product and technology agreements between Xerox and Fuji Xerox continue.

Xerox announces it will exit the SOHO (small-office/home-office) business segment to sharpen the company's focus.

Xerox eliminates stock dividend.

Xerox begins to transfer office manufacturing operations to Flextronics, an electronics manufacturing services company.

2002

Anne M. Mulcahy becomes Xerox chairman.

Xerox incorporates Palo Alto Research Center Inc. as a wholly owned Xerox research company. Xerox continues to embed relevant PARC technology into its offerings.

"A New Way to Look at It™" advertising campaign is launched.

Digital imaging and repository services facility in Hot Springs, Ark., expands and more than quadruples its production capacity.

Settlement agreement reached with the Securities and Exchange Commission, resolving all outstanding accounting issues with the SEC. Xerox neither admits nor denies SEC allegations and agrees to restate its financials for 1997 through 2000 and adjust 2001 results.

\$7 billion revolving line of credit successfully renegotiated, reflecting Xerox's strengthened financial position and improved operational performance.

2002 marks Xerox's most significant product launch year in a decade, with 17 new products and five product platforms, including the Xerox iGen3 Digital Production Press.

Xerox and General Electric agree to an 8-year financing arrangement for GE Vendor Financial Services to become primary equipment financing provider for Xerox customers in the United States through monthly advances against Xerox's new U.S. lease originations.

Xerox earns its 15,000th utility patent, Sept. 17.

Building on Xerox's heritage in quality processes, Xerox Lean Six Sigma deployment begins.

Xerox returns to full-year profitability, resulting from successful implementation of its transformation plan in October 2000.

2003

Xerox Copier Assistant software is launched, which makes it easier for people who are blind or visually impaired to operate a digital copier.

Xerox joins Microsoft and others as a founding sponsor of the Information Work Productivity Center at MIT; center studies how organizations can take advantage of technology to increase productivity.

Xerox transforms its office product lineup, unveils 21 new and enhanced CopyCentre office copiers, WorkCentre copier-printers and WorkCentre Pro advanced multifunction systems.

The IEEE recognizes Xerox with the 2003 Corporate Innovation Recognition award, "for its DocuTech product line, which unified digital electronics, computing and communications with xerography to create the print-on-demand industry." The prestigious award is presented annually "for

outstanding and exemplary contributions" in electrotechnology.

Reflecting strong investor confidence, Xerox completes a \$3.6 billion recapitalization that includes public offerings of common stock, 3-year mandatory convertible preferred stock, and 7-year and 10-year senior unsecured notes as well as a new \$1 billion credit facility. Demand for the offerings exceeds initial expectations, further strengthening Xerox's balance sheet.

Xerox and General Electric agree to a 7-year agreement for GE VFS Canada Limited Partnership, a unit of GE Commercial Finance, to become the primary equipment financing provider for Xerox customers in Canada through monthly prepayments against Xerox's customer contract originations.

Xerox delivers 100th iGen3 Digital Production Press.

2004 (through June)

Social Service Leave Program returns after three-year hiatus. Under the program, Xerox employees receive paid time of up to one year to work for community nonprofit groups.

Two groundbreaking technology platforms launch: Nuvera digital copier-printers that create a new mid-production market segment, and the Phaser 8400, the first office color printer that runs at 24 ppm in color or black and white and costs under \$1,000.

Bolstering its No. 1 market share position in digital production color printing, Xerox achieves 10,000th installation of DocuColor 2000 Series presses.

Xerox sells its ownership stakes in askOnce and Scansoft and the majority of its stake in ContentGuard Inc., successfully monetizing innovation that originated in its labs.

At the world's largest printing trade show, drupa 2004, Xerox rolls out seven digital systems, an expanded suite of services, and workflow tools that reinvent traditional ways of printing and drive profit for customers. Xerox also announces the iGen3 press has printed more than 400 million pages at customer locations worldwide.

Consolidated Graphics Inc., the largest sheet-fed and half-web commercial printing company in the U.S., names Xerox its exclusive provider of digital color print technology.

Xerox marks its 40th year of Olympic sponsorship as a Top Olympic Partner, documenting the legacy of the 2004 Summer Games in Athens, Greece. Following its support of both the Olympic and Paralympic games, Xerox will end its affiliation with the International Olympic Committee to focus its marketing opportunities on other customer initiatives.



Financial Highlights

Five Years In Review

Dollars in millions, except per-share data

	2003	2002	2001	2000	1999
Total Revenue	\$15,701	\$15,849	\$17,008	\$18,751	\$18,995
Income (Loss)*	\$360	\$91	(\$94)	(\$273)	\$844
Net income (Loss)	\$360	\$91	(\$94)	(\$273)	\$844
Diluted Earnings (Loss) per Common Share*	\$0.36	\$0.02	(\$0.15)	(\$0.48)	\$1.17
Common Shareholders of Record at Year-End	56,326	57,300	59,830	59,879	55,766
Employees at Year-End	61,100	67,800	78,900	91,500	93,600

* These values are for continuing operations.

Common Stock Price by Year

YEAR	HIGH	LOW	CLOSE
2003	13.80	8.05	13.80
2002	11.45	4.30	8.05
2001	11.35	4.95	10.42
2000	29.75	4.44	4.63
1999	63.69	19.88	22.69
1998	60.81	33.09	59.00
1997	44.00	25.75	36.94
1996	29.13	19.89	26.31
1995	24.10	16.08	22.84
1994	18.79	14.63	16.50
1993	15.13	11.63	14.69
1992	13.69	11.06	13.21
1991	11.63	5.88	11.42
1990	9.68	4.83	5.92
1989	11.50	9.06	9.54
1988	10.50	8.38	9.75
1987	14.18	8.38	9.44
1986	12.00	8.13	10.00
1985	10.08	6.18	10.00

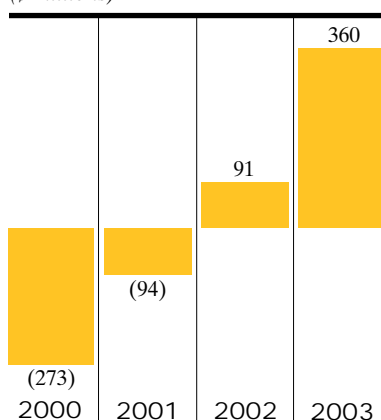
Rank Among the Fortune 500*

YEAR	RANK	YEAR	RANK	YEAR	RANK
2003	130	1988	34	1973	41
2002	116	1987	32	1972	40
2001	120	1986	40	1971	52
2000	109	1985	38	1970	60
1999	87	1984	38	1969	71
1998	63	1983	38	1968	109
1997	72	1982	38	1967	126
1996	51	1981	42	1966	145
1995	41	1980	38	1965	171
1994	22	1979	40	1964	227
1993	21	1978	36	1963	294
1992	22	1977	39	1962	423
1991	22	1976	40		
1990	21	1975	39		
1989	22	1974	41		

* Data above show Xerox's rank in Fortune magazine's annual list of the 500 largest U.S. corporations, based on company revenue for the year cited. The list is published in April, reflecting revenue from the previous calendar year.

Return to Profitability

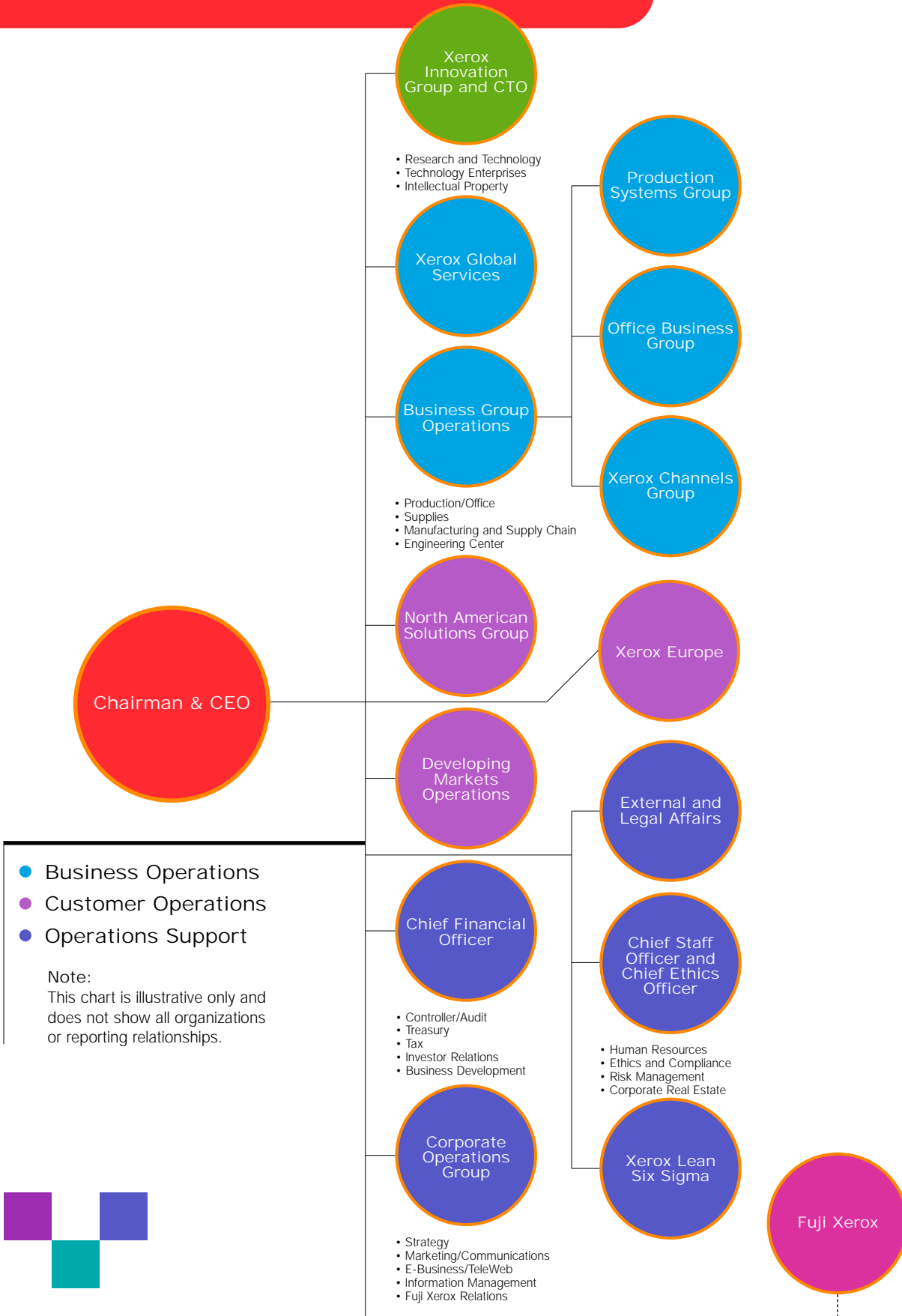
Net Income (Loss)
(\$ millions)



Common Stock Splits and Year

YEAR	SPLIT
1999	2 for 1
1996	3 for 1
1969	3 for 1
1963	5 for 1
1959	4 for 1
1955	3 for 1
1936	3 for 1
1928	5 for 1
1923	3 for 1

Organizational Structure



- Business Operations
- Customer Operations
- Operations Support

Note:
This chart is illustrative only and does not show all organizations or reporting relationships.

Basic definitions of some terms commonly used at and around Xerox.

Affiliate

Direct or indirect subsidiary with exclusive rights to market and support Xerox products and services in developing markets countries. Xerox maintains an equity investment in its affiliates.

Agent

Independent business in North America that takes orders for Xerox products primarily from small- and medium-sized businesses. Agents have exclusive sales territories defined by Xerox (like a European concessionaire).

Channel

How and where a company sells its products, for example, through a reseller, a direct sales representative or the Internet.

Concessionaire

Independent business in Europe established to sell exclusively Xerox equipment. Xerox does not own such companies but does support their business activities (like a U.S. agent).

Consumables

Equipment products such as toner, developer or ink cartridges that can be purchased and installed by the customer as needed.

Content management

Processes involved in organizing, categorizing, and structuring information resources so that they can be stored, published and reused in multiple ways. A content management system can collect, manage and publish content, storing the content either as components or whole documents, while maintaining the “connections” between components.

Continuous-feed printer

Production machine that is fed nonstop by a roll of paper and can cut each printed piece to size. CF printers offer the industry’s fastest print speeds, around 1,000 images per minute.

Controller

Microprocessor that performs the RIP and other control functions for printers. On office/workgroup printers, the controller is inside. On production printers, the controller is typically outside the machine, housed in a separate PC or workstation. It may also be called a “digital front end,” “print server” or “color server.”

Dealer

Independent business that sells certain groups of Xerox products, such as workgroup fax machines, to end-users. Dealers usually buy their products directly from Xerox and other manufacturers for resale to their customers.

Digital copier

Machine that integrates scanning and printing functionality to perform the copy function. Unlike an analog (light-lens) copier, it creates an electronic representation of the image.

Digital press

Machine designed to handle high-volume production-level printing, provide flawless image quality and offer compatibility with multiple finishing options, just like an offset press. But compared to offset, a digital press can produce short-run jobs more economically, integrate with the Internet and incorporate variable data.

Distributorship

Independently owned business, in developing markets countries, that can market, service and supply Xerox products and services appropriate for its territory. Xerox has no ownership interest in its distributorships.

Document

Compilation of information structured for human comprehension; the container for information. Formats include but are not limited to electronic files, e-mail, paper, images and Web content.

Document management

Integrating an organization’s critical business processes with functions such as document imaging, storage, archiving and retrieval to ensure that workers always have ready access to digital and paper document-based information.

Document outsourcing

A managed service in which skilled Xerox operators take over a company’s document production and management needs, freeing the company to concentrate on its core business.

Document supplies

Materials that go through a printer or copier, such as paper, card stock, labels or transparencies.

Enterprise printing

Managing electronic information and hardcopy printing throughout a company’s critical business systems, such as billing or procurement, or throughout an entire environment.

Green World Alliance

An environmental initiative that encourages customers to return used cartridges, toner and other consumables to Xerox, so Xerox can extend the products’ useful lives through remanufacturing.

Imaging services

Taking hardcopy documents and scanning them to make electronic files, also known as images, that can be more easily stored, manipulated, shared and retrieved from a digital repository.

Intellectual property

Unique designs, inventions, ideas and know-how that are protected by patents, copyrights, trademarks, trade secrets or license agreements. Intellectual property is a corporate asset.

Just-in-time printing

Allows documents to be created only at the moment they are needed; for example, coordinating the print run of instruction sheets with the production schedule of the boxes that they need to be dropped into.

Knowledge management

Transforming individual knowledge and experiences into knowledge and experience that can be used by the collective organization. Effective knowledge management has both a social and technological dimension.

Laser printing

Process invented by Xerox that uses lasers to create the image on a print drum, or photoreceptor. Areas on the drum hit by the laser attract toner. The printer transfers the toner from the drum to the paper and fuses the toner in place with heat.

Multifunction product (MFP)

Imaging device that combines multiple functions, such as print, copy, scan and fax, all in one system. Basic MFPs copy and print, plus offer basic fax and scan functionality. Advanced MFPs copy, print and have advanced faxing and scanning capabilities, such as Internet fax and scan-to-file or scan-to-repository.

“New Business of Printing™”

How Xerox describes the ongoing transformation of today’s world of high-end printing, which increasingly uses digital technologies to enable “just-in-time” production, personalization and integration with Web capabilities. Xerox solutions address these new business opportunities.

On-demand printing

Allows commercial printers and other print providers to quickly turn around short, economical print runs of a precise number of documents.

One-to-One (1:1) solutions

Software and hardware that enable automatic customizing or personalizing of individual documents in a mass production run — an essential capability in industries such as direct marketing and financial services.

Photoreceptor

Physical device inside a marking system on which the latent image is written by a laser or LED bar and then developed with toner.

Production publishing

The production of documents on demand from electronic files or masters, such as books, manuals, data sheets and catalogs. These documents may or may not contain variable data.

Raster image processing (RIP)

Core function provided by a printer controller that turns print files into directions so the imaging mechanism knows where to put dots on paper.

Reseller

Independent business that sells certain groups of Xerox products, such as network printers, to end-users. Resellers buy Xerox printers and other vendors’ products from distributors, not directly from the manufacturer.

Single pass printing

Technology that deposits all four colors on the paper in one pass to create a full-color image, rather than the four passes required by traditional color laser printers.

Solid ink printing

Process that uses solid blocks of colored resin-based ink, which are melted and sprayed in minuscule dots onto a turning offset drum, which then transfers the image to paper in a single pass.

Solution

An integrated offering that typically includes hardware, software and services, which solves a problem, improves a work process, or creates a market or competitive advantage.

Telesales

Transactions made through customer inquiries to 800-ASK-XEROX. Skilled marketing representatives qualify and route leads, answer questions and complete sales transactions.

Toner

The “dry ink” for laser printers and copiers used to form xerographic images. It is made either mechanically (pulverizing ingredients into tiny particles) or chemically (growing ingredients from the molecular level into tiny particles of a precise shape and size).

Transaction printing

The production of large volumes of documents from data and information in databases, using systems that dynamically merge data with electronic forms, such as statements, invoices, checks and insurance policies.

Wide-format printing

The production of large-format documents, such as engineering and architectural drawings and posters, on specialized equipment with scanning and printing widths that typically range between 19 and 60 inches.

Workflow

The tools and procedures required in each step of a business process. In the graphic arts industry, workflow typically refers to the pre-press process: file preparation, color proofing, variable data programming, etc.

Xerography

Technology invented by Chester Carlson in 1938 that started the copying revolution and gave birth to Xerox Corporation. An original image is transferred when light is projected onto an electrically charged surface. The image attracts oppositely charged toner particles, which are then fused into place on the copy paper, reproducing the original image. The word “xerography” is derived from the Greek words for “dry” and “writing.”



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800-ASK-XEROX
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Technical Assistance:

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www.xerox.com/news

The Newsroom contains Xerox news releases, high-resolution product photography, executive biographies, awards, presentations, an online *Fact Book* that's updated throughout the year, and other resources designed for the media and consultant communities.



Xerox Corporation is an equal opportunity employer and, as such, affirms in policy and practice to recruit, hire, train and promote, in all job classifications, without regard to race, color, religion, sex, age, national origin, citizenship status, marital status, sexual orientation or gender identity. Furthermore, Xerox will not discriminate against persons who are veterans of the Vietnam era. Similarly, considering the need for reasonable accommodation to their limitation, Xerox will not discriminate against persons because of their handicap, including disabled veterans.

innovation excellence service

Product Award Highlights

It's satisfying to earn a great reading from editors, customers and product reviewers — and Xerox products succeed time and again. Among recent highlights:

Better Buys for Business:

“Editors Choice” awards for the WorkCentre Pro 40, CopyCentre C40 and DocuColor 3535.

CRN:

“Best Product of 2003” in the printer category for the Phaser 6250.

Electronic Publishing:

“Hot Product of 2003” for the DocuColor 3535.

“**Gold Ink**” awards, sponsored by *Printing Impressions* and *Print Media*, for output created on the Xerox iGen3 Digital Production Press.

Graphic Arts Technical Foundation:

“InterTech Technology Award” for the Xerox SquareFold Booklet Maker.

IEEE:

“2003 IEEE Corporate Innovation Recognition Award,” honoring Xerox for its pioneering work that created the DocuTech product line.

Industry Analysts, Inc.:

Rated Xerox color systems best among color product vendors in 13 categories in the June 2003 End User Color Survey.

The International Association of

Printing House Craftsmen:

“International Gallery of Superb Printing Award,” in the Best Digital Print category for output created on the Xerox iGen3.

PC Magazine:

“Editor’s Choice Awards” for Phaser 4500 and Phaser 7750 printers. And the Phaser 7300/DN was among the “Best Products of 2003.”

PC World:

“Best Buy Award” for the Phaser 8400 color printer.

Transform Magazine:

“Reader’s Choice Award” for Xerox excellence in the “multifunction machines” category.



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