

Xerox Corporation – Financial Information

	2007	2008	2009
	(\$ in millions except per share data)		
Consolidated Statements of Income			
Total Revenue	\$ 17,228	17,608	15,179
Total Costs ¹	\$ 10,277	10,753	9,154
Gross Profit	\$ 6,951	6,855	6,025
Total Expenses and Other Income ²	\$ 5,483	6,934	5,398
Net Income	\$ 1,165	265	516
Net Income Attributable to Noncontrolling Interest	\$ 30	35	31
Net Income Attributable to Xerox	\$ 1,135	230	485
Diluted Earnings per Share	\$ 1.19	0.26	0.55

Consolidated Balance Sheets			
Total Assets	\$ 23,543	22,447	24,032
Total Liabilities	\$ 14,852	16,089	16,841
Noncontrolling Interests	\$ 103	120	141
Shareholders' Equity - Xerox	\$ 8,588	6,238	7,050

Debt Position and Financing Leverage			
Total Reported Debt	\$ 7,464	8,384	9,264
Total Finance Assets ³	\$ 8,635	7,872	7,578
Financing Leverage	7:1	7:1	7:1
Financing Debt [Total Finance Assets*7/8]	\$ 7,556	6,888	6,631

Consolidated Statements of Cash Flows			
Cash from Operating Activities	\$ 1,871	939	2,208
Cash Used in Investing Activities	\$ (1,612)	(441)	(343)
Cash Used in Financing Activities	\$ (619)	(311)	692
Net change in cash and cash equivalents	\$ (300)	130	2,570
Cash and cash equivalents at January 1	\$ 1,399	1,099	1,229
Cash and cash equivalents at December 31	\$ 1,099	1,229	3,799

¹ Costs = Cost of sales + Cost of service, outsourcing and rentals + Equipment financing interest

² Expenses and Other Income = Research, development and engineering expenses + Selling, administrative and general expenses + Restructuring and asset impairment charges + Other expenses, net + Acquisition Related Costs

³ Finance Assets = Finance receivables + Equipment on operating leases

