

XEROX BUSINESS EQUIPMENT LIMITED

Registered in England, no. 1838186

Balance sheet as at 31 December 2003

	<u>2003</u> £	<u>2002</u> £
<u>Asset Employed</u>		
Debtors:		
Amounts owed by its parent (note 1)	<u>5,682,693</u>	<u>5,682,693</u>
<u>Capital Employed</u>		
Share capital (note 2)	<u>5,682,693</u>	<u>5,682,693</u>

- a) For the year ended 31 October 2003 the Company was entitled to exemption under Section 249AA(1) of the Companies Act 1985.
- b) Members have not required the Company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.
- c) The directors acknowledge their responsibility for:
 - i) Ensuring the Company keeps accounting records which comply with Section 221; and
 - ii) Preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit and loss for the financial year in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

Approved by the board on 27 October 2004.



M J Barrett
Director

Note to the Accounts:

- 1. Debtors of £5,682,693 (2002: £5,682,693) represents the amount owed by Xerox Overseas Holdings Limited.
- 2. At 31st December 2003 and 31 December 2002 the authorised share capital of Xerox Business Equipment Limited consisted of 5,682,693 Ordinary Shares of £1



each; the issued and fully paid share capital consisted of 5,682,693 Ordinary Shares of £1 each.

3. The Company has not traded and has no income and incurred no expenditure during the financial period. Consequently, the Company has made neither a profit nor a loss during the period.
4. The ultimate holding company is Xerox Corporation, a company incorporated in New York State, United States of America. Copies of its annual report and accounts can be obtained from The Investor Relations Department, Xerox Corporation, PO Box 1600, Stamford, Connecticut 06904, USA.