Xerox to Acquire Advectis, Inc.

September 12, 2007

-- The News: Xerox announces plans to purchase company providing one of the mortgage industry's most widely-used solution for electronic document collaboration.

-- The Context: Xerox's expertise in automating document-driven processes fits with Advectis' BlitzDocs paperless solution for mortgages.

-- The Objective: Reduce the complexity of document-intensive loan applications - accelerate the process, decrease costs for customers and improve the client experience.

ROCHESTER, N.Y. & ATLANTA--(BUSINESS WIRE)--Sept. 12, 2007--Xerox Corporation (NYSE: XRX) plans to buy Advectis(R), Inc. for $32 million. Advectis is the provider of one of the mortgage industry's most widely-used solutions for electronic document collaboration.

Xerox's expertise in document outsourcing and services led the company to Advectis, a privately-owned business based in Atlanta. In a predominately paper-based industry, Advectis' Web-based BlitzDocs Collaboration Suite helps lenders, brokers and investors manage the process needed to underwrite, audit, collaborate, deliver and archive loan documents electronically. Taking paper out of the process, the BlitzDocs(R) patented technology helps users reduce costs associated with the lending process, deliver better service, decrease credit risk by improving documentation processes and build a competitive advantage in capturing new loan applications.

"Anyone who has ever bought a home knows that the mortgage business is dependent on paper. Filling out an extensive number of forms is time and labor-intensive work," said John Kelly, president, Xerox Global Services North America. "We're looking to help clients reduce costs and transform their business by offering a better experience for both end-users and operations. Xerox's expertise in automating document processes is an ideal fit with Advectis' BlitzDocs paperless solution for mortgages. In an industry that is ripe for change, Advectis offers technology that improves productivity for its users while giving lenders better control of their processes."

According to Craig Focardi, research area director for the retail banking practice of research firm TowerGroup, "Enterprise content management systems are reducing the great paper chase in loan origination, where a lender controls the paper loan file and manually redistributes documents multiple times to multiple parties. Lenders are increasingly adopting document imaging and electronic content management as a major area of cost savings, faster loan processing and improved customer service."

The amount of paper associated with this industry leads to inefficient processes which, best case, are productivity drains and, worst case, can lead to a loss of control in the quality of the loans. TowerGroup estimates document management costs in loan origination totaled $3.2 billion last year.

A BlitzDocs electronic loan folder mirrors the paper loan folder used today but improves efficiencies in the loan cycle, allowing mortgage participants to view and process online documents anytime, anywhere. Clients benefit from a network with more than 35,000 broker shops, the top seven mortgage insurance companies and four of the top due diligence providers.

"With this acquisition, Advectis is positioned to create even stronger offerings, services and technologies for our clients," said Greg Smith, co-founder and chief executive officer of Advectis. "Partnering with Xerox makes perfect sense for the future of our business. Our combined expertise and resources means increased collaboration and decreased loan processing costs for BlitzDocs users."

Advectis was founded in 2000 and currently employs about 41 people, most of whom are based at the company's headquarters in Atlanta. Upon completion of the acquisition, all employees are expected to join Xerox. Smith will remain head of the organization, reporting to Kelly.

Xerox's all-cash purchase of Advectis also includes an additional performance-based supplement to the sale price. The acquisition is expected to close in the next 30 days, subject to customary closing conditions.

Xerox's industry-leading document technology and services portfolio includes consulting and outsourcing services, records management, digital imaging, e-discovery for litigation support and managed services in more than 160 countries.

Through its acquisition strategy, Xerox is identifying successful companies whose offerings align with Xerox's commitment to innovation and reducing the complexity of document management. Last year, Xerox acquired Amici LLC, a leading provider of electronic-discovery services, primarily supporting litigation and regulatory compliance, and XMPie, which provides variable information software for the graphic arts and marketing industries.

Customer Contacts:

For more information about Xerox Global Services, visit http://www.xerox.com/globalservices or call 800-ASK-XEROX, ext. 947.

For more information about Advectis, visit http://www.advectis.com or call 678-460-2460.

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For more information on Xerox, visit http://www.xerox.com or http://www.xerox.com/news. For open commentary and industry perspectives, visit http://blogs.xerox.com/ or http://www.xerox.com/thoughtleadership. XEROX(R) is a trademark of XEROX CORPORATION.

CONTACT: Xerox Corporation
Carl Langsenkamp, 585-423-5782
carl.langsenkamp@xerox.com
or
Mike Moeller, 203-968-3135
michael.moeller@xerox.com
or
Advectis, Inc.
Judson Phillips, 678-460-2483
jphillips@advectis.com

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