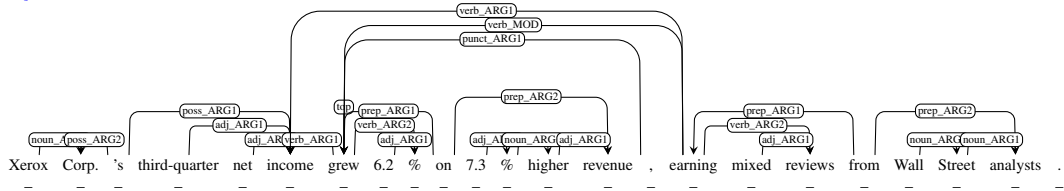
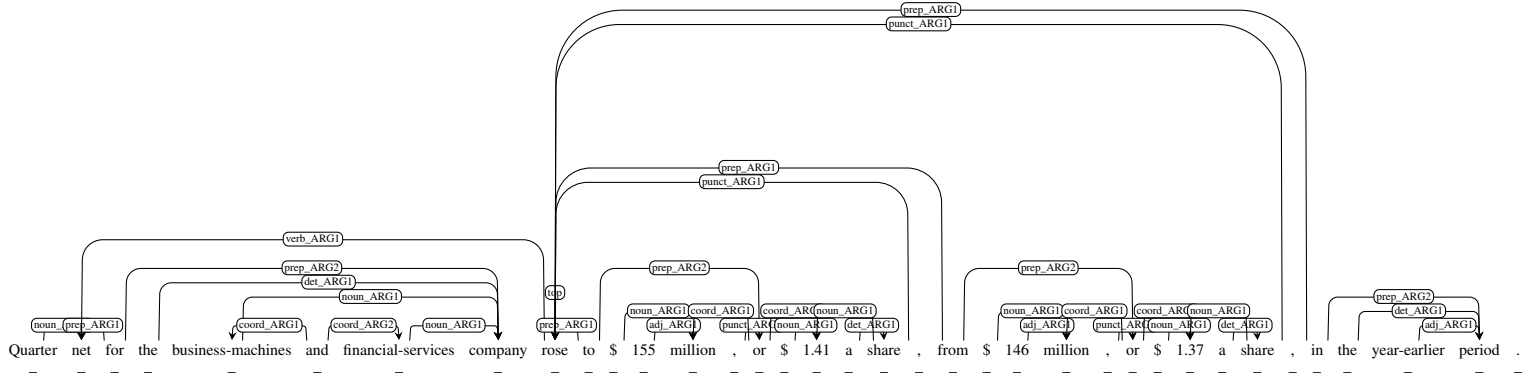


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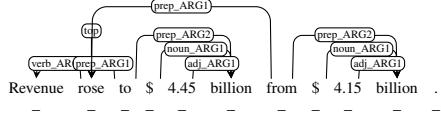
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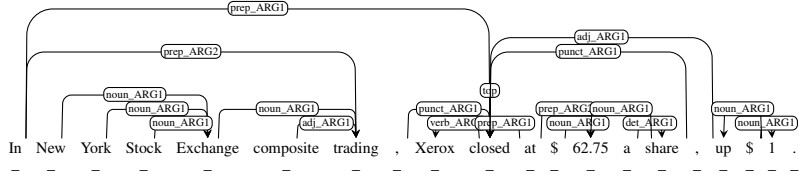
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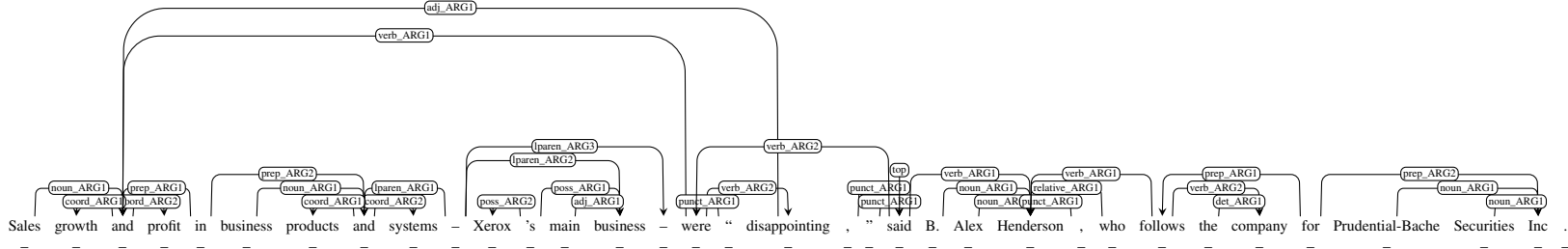
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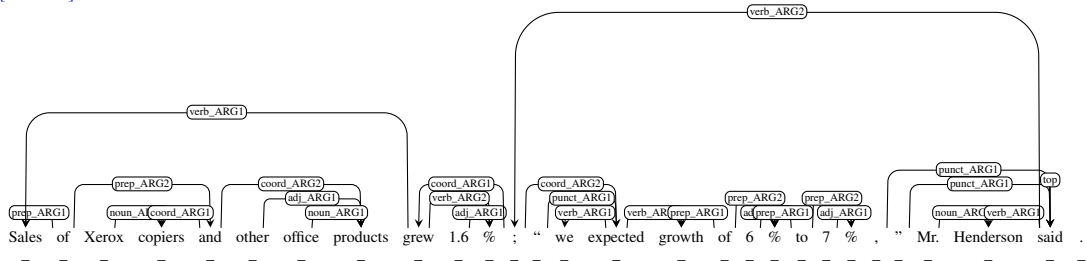
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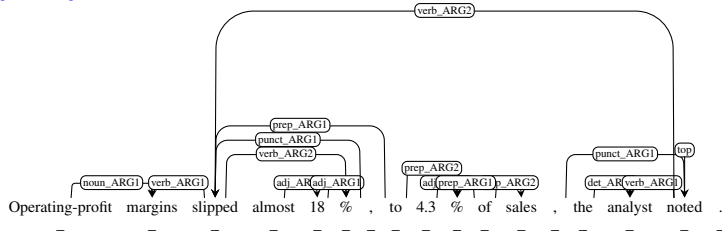
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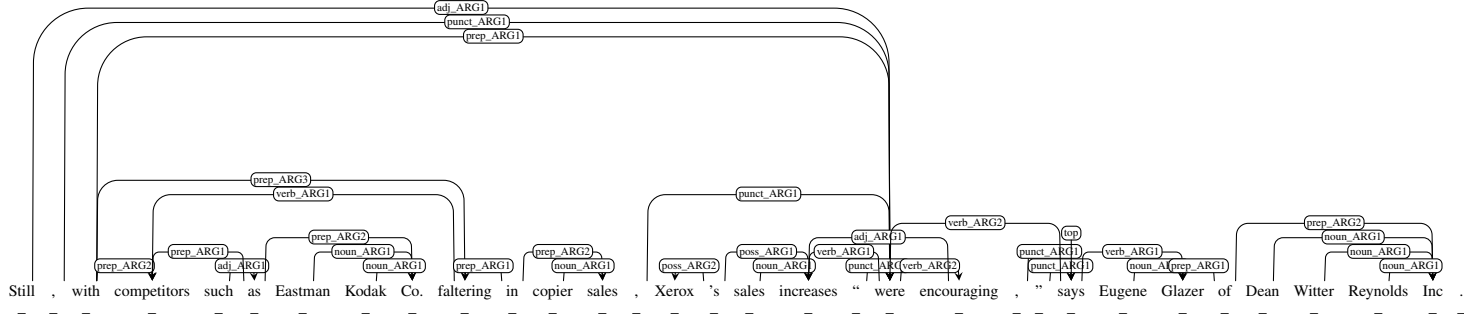
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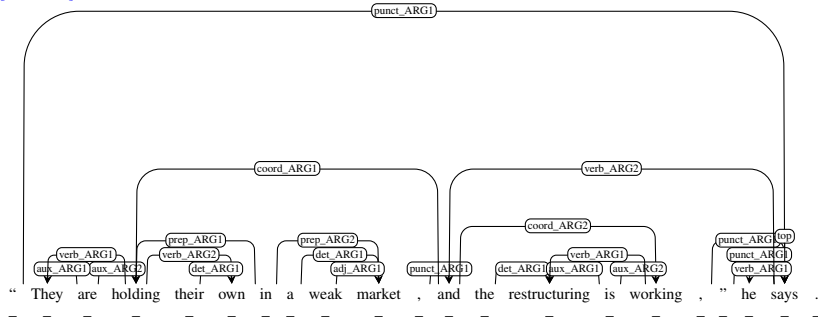
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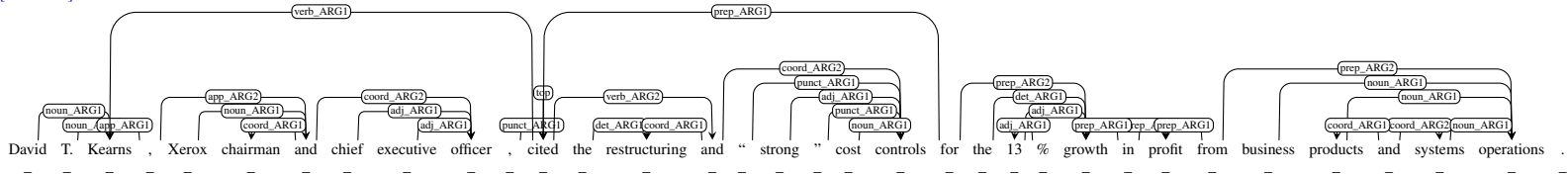
[21109008]



[21109009]



[21109010]



[21109011]

Mr. Glazer expects Xerox to experience tough sledding, though, in financial services because of rate pressures and uncertainty surrounding tax treatment of capital gains.

[21109012]

In the quarter, the Crum & Forster insurance unit reported \$ 200 million before tax of capital gains from property and casualty operations.

[21109013]

The subsidiary also increased reserves by \$ 140 million, however, and set aside an additional \$ 25 million for claims connected with Hurricane Hugo.

[21109014]

For the nine months, Xerox earned \$ 492 million, or \$ 4.55 a share, up 5.8 % from \$ 465 million, or \$ 4.32 a share.

[21109015]

Revenue rose 7.6 % to \$ 12.97 billion from \$ 12.05 billion.