
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): March 27, 2008

XEROX CORPORATION

(Exact name of registrant as specified in its charter)

New York
(State or other Jurisdiction
of incorporation)

1-4471
(Commission File Number)

16-0468020
(IRS Employer
Identification No.)

45 Glover Avenue
P. O. Box 4505
Norwalk, Connecticut 06856-4505
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (203) 968-3000

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On March 27, 2008, Registrant announced that it had received preliminary court approval of an agreement to settle a consolidated securities lawsuit, *Carlson v. Xerox Corporation, et al.*, pending in the United States District Court for the District of Connecticut. Attached as Exhibit 99 to this Report is a copy of Registrant's press release dated March 27, 2008 regarding the settlement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99	Registrant's press release dated March 27, 2008 regarding settlement

Forward Looking Statements

This Current Report on Form 8-K and any exhibits to this Report may contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “will,” “should” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. These factors include but are not limited to: the risk that we will not realize all of the anticipated benefits from our 2007 acquisition of Global Imaging Systems; the risk that unexpected costs will be incurred; the outcome of litigation and regulatory proceedings to which we may be a party; actions of competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; development of new products and services; interest rates and cost of borrowing; our ability to protect our intellectual property rights; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the foreign countries in which we do business; reliance on third parties for manufacturing of products and provision of services and other risks that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of our 2007 Form 10-K filed with the Securities and Exchange Commission (“SEC”). The Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly authorized this Report to be signed on its behalf by the undersigned duly authorized.

XEROX CORPORATION

By: _____ */s/ Gary R. Kabureck*
Gary R. Kabureck
Vice President and Chief Accounting Officer

Date: March 27, 2008

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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News from Xerox



For Immediate Release

Xerox Corporation
 45 Glover Avenue
 P.O. Box 4505
 Norwalk, CT 06856-4505
 tel +1-203-968-3000

Xerox Settles Securities Lawsuit

Norwalk, Conn., March 27, 2008 – Xerox Corporation (NYSE: XRX) received preliminary court approval to settle a securities lawsuit that dates back to 2000.

The company agreed to settle this case to avoid the time, expense and uncertainty of litigation. Xerox did not admit to any wrongdoing as part of the settlement, which is subject to final court approval and other conditions.

“Our strong financial position gives us the flexibility to resolve this issue while continuing to deliver shareholder value through share repurchase, dividends and acquisitions,” said Anne Mulcahy, Xerox chairman and chief executive officer.

The case, *Carlson v. Xerox Corporation*, is on behalf of purchasers of Xerox common stock and bonds during the period from February 17, 1998, through June 27, 2002.

Xerox will take an after-tax charge of \$491 million in the first-quarter of 2008 to cover the settlement and adequately reserve for other pending securities-related cases. The charge factors in expected recovery from Xerox’s insurance carriers.

Under the proposed agreement, Xerox will make cash payments totaling \$670 million and KMPG, LLP, Xerox’s former outside auditor and a co-defendant, will pay \$80 million into the settlement fund. Xerox expects to make its payments in five installments during this year.

Xerox generated \$1.9 billion in operating cash flow last year and repurchased \$631 million in Xerox stock. In addition to paying a quarterly dividend, the company plans to continue its share repurchase program. Since the beginning of 2008, Xerox has bought back 22 million shares with a remaining \$1 billion authorized for share repurchase.

For information about the administration of the settlement, contact the Claims Administrator at 1-800-708-4103, write to Gilardi & Co. LLC, P.O. Box 808003, Petaluma, CA 94975-8003, or visit www.gilardi.com/xeroxsettlement.

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development of new products and services; interest rates and cost of borrowing; our ability to protect our intellectual property rights; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the foreign countries in which we do business; reliance on third parties for manufacturing of products and provision of services; and other factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Results of Operations and Financial Condition” section and other sections of our 2007 Form 10-K filed with the Securities and Exchange Commission. The Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

For more information on Xerox, visit <http://www.xerox.com> or <http://www.xerox.com/news>. Xerox®, the Xerox wordmark and the spherical connection symbol are trademarks of Xerox Corporation in the United States and/or other countries.