

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):
November 3, 2000

XEROX CORPORATION
(Exact name of registrant as specified in its charter)

New York 1-4471 16-0468020
(State or other (Commission File (IRS Employer
jurisdiction of Number) Identification
incorporation) No.)

800 Long Ridge Road
P. O. Box 1600
Stamford, Connecticut 06904-1600
(Address of principal executive offices)(Zip Code)

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

Item 5. Other Events

Registrant is filing this Current Report on Form 8-K to disclose its Consolidated Statements of Income, Consolidated Balance Sheets and Consolidated Statements of Cash Flows for and as of the fiscal quarter ended September 30, 2000 in advance of filing same in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2000, which Registrant expects to file later this month. There are no accompanying notes to these financial statements. The notes to these financial statements will be included in the Form 10-Q filing.

Xerox Corporation
Consolidated Statements of Income (Unaudited)

(In millions, except per-share data)	Three months ended		Nine months ended	
	September 30, 2000	1999	September 30, 2000	1999
Revenues				
Sales	\$ 2,375	\$ 2,463	\$ 7,192	\$ 7,144
Service, outsourcing, financing and rentals	2,087	2,164	6,389	6,645
Total Revenues	4,462	4,627	13,581	13,789
Costs and Expenses				
Cost of sales	1,509	1,385	4,266	3,899
Cost of service, outsourcing, financing and rentals	1,316	1,238	3,902	3,708
Inventory charges	-	-	119	-
Research and development expenses	272	230	776	737
Selling, administrative and general expenses	1,379	1,208	3,947	3,631
Restructuring charge and asset impairments	-	-	504	-
Mexico provision	55	-	170	-
Gain on affiliate's sale of stock	-	-	(21)	-
Purchased in-process research and development	-	-	27	-
Other, net	127	61	276	182
Total Costs and Expenses	4,658	4,122	13,966	12,157

Income (Loss) before Income Taxes
(Benefits), Equity Income and

Cash Flows from Operating Activities		
Net Income (Loss)	\$ (265)	\$1,130
Adjustments required to reconcile income to cash flows from operating activities:		
Depreciation and amortization	824	659
Provisions for doubtful accounts	316	205
Restructuring and other charges	623	-
Mexico provision	170	-
Gain on affiliate's sale of stock	(21)	-
Gain on divestitures	(63)	-
Purchased in-process research and development	27	-
Provision for postretirement medical benefits, net of payments	34	31
Cash payments for the 1998 restructuring	(101)	(327)
Cash payments for the 2000 restructuring	(69)	-
Minorities' interests in earnings of subsidiaries	33	35
Undistributed equity in income of affiliated companies	(20)	(39)
Increase in inventories	(217)	(57)
Increase in on-lease equipment	(483)	(249)
Increase in finance receivables	(736)	(901)
Proceeds from securitization of finance receivables	-	1,150
Increase in accounts receivable	(249)	(480)
Proceeds from securitization of accounts receivable	315	-
Decrease in accounts payable and accrued compensation and benefit costs	(126)	(411)
Net change in current and deferred income taxes	(491)	197
Change in other current and noncurrent liabilities	(294)	(224)
Other, net	(278)	(428)
Total	(1,071)	291
Cash Flows from Investing Activities		
Cost of additions to land, buildings and equipment	(324)	(393)
Proceeds from sales of land, buildings and equipment	80	29
Proceeds from divestitures	90	-
Acquisitions, net of cash acquired	(873)	(107)
Other, net	-	(24)
Total	(1,027)	(495)
Cash Flows from Financing Activities		
Net change in debt	2,208	565
Proceeds from secured borrowing	411	-
Dividends on common and preferred stock	(441)	(439)
Proceeds from sale of common stock	22	125
Proceeds from (settlements of) equity put options	24	(5)
Dividends to minority shareholders	(5)	(29)
Total	2,219	217
Effect of Exchange Rate Changes on Cash	(1)	(9)
Cash Provided by Continuing Operations	120	4
Cash Provided (Used) by Discontinued Operations	(92)	23
Increase in Cash	28	27
Cash at Beginning of Period	126	79
Cash at End of Period	\$ 154	\$ 106

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

/s/ MARTIN S. WAGNER

By: MARTIN S. WAGNER
Assistant Secretary

Dated: November 3, 2000