

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>HATCH GILBERT</u> (Last) (First) (Middle) 800 LONG RIDGE ROAD P. O. BOX 1600 (Street) STAMFORD CT 06904 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>XEROX CORP [XRX]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below) X Senior Vice President
	3. Date of Earliest Transaction (Month/Day/Year) 01/02/2004	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/02/2004		J ⁽¹⁾		32,500	A	\$0 ⁽⁴⁾	84,890	D	
Common Stock	01/02/2004		F ⁽¹⁾		11,660	D	\$0 ⁽⁴⁾	73,230	D	
Incentive Stock Rights	01/02/2004		J ⁽¹⁾		32,500	D	\$0 ⁽⁴⁾	17,172	D	
Incentive Stock Rights	01/02/2004		A ⁽⁵⁾⁽⁶⁾		37,000	A	\$0 ⁽⁴⁾	54,172	D	
Xerox Stock Fund								18,037.294 ⁽²⁾	I	Xerox Stock Fund

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option	\$4.75							01/01/2002 ⁽³⁾	12/31/2010	Common Stock	81,000		81,000	D	
Stock Option	\$5.14							10/14/2007	12/31/2011	Common Stock	50,000		50,000	D	
Stock Option	\$7.885							01/01/2004 ⁽³⁾	12/31/2012	Common Stock	121,500		121,500	D	
Stock Option	\$10.365							01/01/2003 ⁽³⁾	12/31/2011	Common Stock	121,500		121,500	D	
Stock Option	\$21.7812							01/01/2005	12/31/2009	Common Stock	40,000		40,000	D	
Stock Option	\$25.8125							03/01/2003	12/31/2009	Common Stock	7,735		7,735	D	
Stock Option	\$31.9375							01/01/1999	12/31/2008	Common Stock	49,950		49,950	D	
Stock Option	\$36.7032							01/01/1999	12/31/2005	Common Stock	31,150		31,150	D	
Stock Option	\$46.875							01/01/1999	12/31/2008	Common Stock	16,350		16,350	D	
Stock Option	\$59.4375							01/01/2000	12/31/2006	Common Stock	992		992	D	
Stock Option	\$13.685	01/02/2004		A		61,000		01/01/2005 ⁽³⁾	12/31/2011	Common Stock	61,000	\$0.00 ⁽⁴⁾	61,000	D	

Explanation of Responses:

- Vesting of incentive stock rights.
- Units purchased in Xerox Stock Fund under Xerox Savings Plan. Amount does not represent shares of stock, but dollars invested divided by unit value.
- Options vest over three years, 33.3% per year beginning in year shown.
- Not Applicable

5. Incentive stock rights under 16b-3 plan payable in shares treated as restricted stock. These rights are subject to vesting requirements.

6. Restricted awards vest over three years, 33.3% per year beginning with 01/01/2005.

K. W. Fizer, Attorney-In-Fact 01/06/2004

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.