

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

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

October 23, 1995

(Date of Report, date of earliest event reported)

VALHI, INC.

(Exact name of Registrant as specified in its charter)

Delaware

1-5467

87-0110150

(State or other
jurisdiction of
incorporation)

(Commission
File Number)

(IRS Employer
Identification
No.)

5430 LBJ Freeway, Suite 1700, Dallas, TX

75240-2697

(Address of principal executive offices)

(Zip Code)

(214) 233-1700

(Registrant's telephone number, including area code)

Not applicable

(Former name or address, if changed since last report)

Item 5: Other Events

On October 23, 1995, the Registrant issued the press release attached hereto as Exhibit 99.1 which is incorporated herein by reference.

Item 7: Financial Statements, Pro Forma Financial Information

and Exhibits

(c) Exhibit

Item No.	Exhibit Index
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99.1	Press release dated October 23, 1995 issued by the Registrant
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SIGNATURES

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

VALHI, INC.
(Registrant)

By: /s/ Steven L. Watson

Steven L. Watson
Vice President & Secretary

Date: October 23, 1995

VALHI REPORTS HIGHER THIRD QUARTER EARNINGS

DALLAS, TEXAS . . . October 23, 1995 . . . Valhi, Inc. (NYSE: VHI) reported net income of \$13.7 million, or \$.12 per share, for the third quarter of 1995, up from \$4.6 million, or \$.04 per share, in 1994. Net income for the first nine months of 1995 was \$43.5 million, or \$.38 per share, up from \$6.9 million, or \$.06 per share, in the first nine months of 1994.

Operating income of \$62.2 million in the third quarter of 1995 was up 29% on an 8% increase in sales to \$494 million (% comparisons to 1994 pro forma results). Year-to-date operating income increased 46% to \$196 million as sales increased 14% to \$1.5 billion. Overall operating income margins were 13% in the first nine months of 1995 compared to 10% in 1994 as chemicals improvements more than offset other declines.

The Company's improved sales and earnings were driven by higher titanium dioxide pigments ("TiO2") prices at NL Industries. Average TiO2 selling prices for the quarter were up 18% from the 1994 period and were 2% higher than in the second quarter of this year. TiO2 shipments in the third quarter of 1995 were 6% below third quarter 1994 volume, and year-to-date volume was slightly lower than last year. Economies worldwide have continued to grow in 1995, but at a slower pace than last year, which factors contributed to the somewhat lower TiO2 sales volume in 1995 compared to 1994.

Higher refined sugar production costs, due partly to adverse weather conditions, for the crop year ended September 30, 1995 more than offset slightly higher selling prices and higher volumes. Average selling prices for medium density fiberboard ("MDF") during the quarter were up 4% from the 1994 period but were down 7% from the second quarter of this year. Increases in industry capacity, particularly in Europe, and slower economic growth in North America and Europe are contributing to lower MDF selling prices and operating rates. General corporate expenses were lower than 1994 pro forma due to reduced environmental remediation costs.

Valhi, Inc. is a major producer of TiO2, refined sugar, MDF and other products.

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VALHI, INC. AND SUBSIDIARIES

SUMMARY OF CONTINUING OPERATIONS

(Unaudited)

Three months ended September 30, 1994 and 1995
(In millions, except earnings per share)

1994		1995
=====		
Actual	Pro forma*	Actual
-----	-----	-----

Net sales			
Chemicals	\$ -	\$225.2	\$255.4
Refined sugar	137.4	137.4	144.0
Building products	49.6	49.6	46.2
Other	45.6	45.6	48.9
	-----	-----	-----
	\$232.6	\$457.8	\$494.5
	=====	=====	=====
Operating income			
Chemicals	\$ -	\$ 22.1	\$ 45.2
Refined sugar	8.5	8.5	6.0
Building products	10.8	10.8	4.5
Other	6.8	6.8	6.5
	-----	-----	-----
Total operating income	26.1	48.2	62.2
Equity in NL Industries prior to consolidation	(5.5)	-	-
General corporate items, net	(1.8)	(10.4)	(5.9)
Interest expense	(8.2)	(29.2)	(30.8)
	-----	-----	-----
Income before income taxes	10.6	8.6	25.5
Income taxes	3.3	3.1	12.0
Minority interest	-	.1	(.2)
	-----	-----	-----
Income from continuing operations	\$ 7.3	\$ 5.4	\$ 13.7
	-----	-----	-----
Earnings per common share	\$.06	\$.05	\$.12
	=====	=====	=====

[FN]

* Pro forma 1994 results assume NL Industries (the Company's chemicals subsidiary) was consolidated during the 1994 period.

VALHI, INC. AND SUBSIDIARIES

SUMMARY OF CONTINUING OPERATIONS (CONTINUED)

(Unaudited)

Nine months ended September 30, 1994 and 1995
(In millions, except earnings per share)

1994

1995

=====

	Actual	Pro forma*	Actual
	-----	-----	-----
Net sales			
Chemicals	\$ -	\$ 664.2	\$ 789.7
Refined sugar	353.9	353.9	387.8
Building products	143.0	143.0	154.2
Other	135.4	135.4	143.9
	-----	-----	-----
	\$632.3	\$1,296.5	\$1,475.6
	=====	=====	=====
Operating income			
Chemicals	\$ -	\$ 61.2	\$ 134.2
Refined sugar	25.0	25.0	18.7
Building products	27.5	27.5	23.1
Other	20.8	20.8	20.0
	-----	-----	-----
Total operating income	73.3	134.5	196.0
Equity in NL Industries prior to consolidation	(23.5)	-	-
General corporate items, net	(6.7)	(32.9)	(16.3)
Interest expense	(26.0)	(89.1)	(96.0)
	-----	-----	-----
Income before income taxes	17.1	12.5	83.7
Income taxes	5.6	9.6	39.9
Minority interest	-	.6	.3
	-----	-----	-----
Income from continuing operations	\$ 11.5	\$ 2.3	\$ 43.5
	-----	-----	-----
Earnings per common share	\$.10	\$.02	\$.38
	=====	=====	=====

[FN]

* Pro forma 1994 results assume NL Industries (the Company's chemicals subsidiary) was consolidated during the 1994 period.

VALHI, INC. AND SUBSIDIARIES

SUMMARY OF OPERATIONS

(Unaudited)

(In millions, except earnings per share)

	Three months ended September 30,		Nine months ended September 30,	
	1994*	1995	1994*	1995
	-----	-----	-----	-----
Net sales	\$232.6	\$494.5	\$632.3	\$1,475.6
	=====	=====	=====	=====
Operating income	\$ 26.1	\$62.2	\$ 73.3	\$ 196.0
General corporate items, net	(1.8)	(5.9)	(6.7)	(16.3)
Interest expense	(8.2)	(30.8)	(26.0)	(96.0)
	-----	-----	-----	-----
	16.1	25.5	40.6	83.7
Equity in NL Industries prior to consolidation (*)	(5.5)	-	(23.5)	-
	-----	-----	-----	-----
Income before income taxes	10.6	25.5	17.1	83.7
Income taxes	3.3	12.0	5.6	39.9
Minority interest	-	(.2)	-	.3
	-----	-----	-----	-----
Income from continuing operations	7.3	13.7	11.5	43.5
Discontinued operations	(2.7)	-	(4.6)	-
	-----	-----	-----	-----
Net income	\$ 4.6	\$ 13.7	\$ 6.9	\$ 43.5
	=====	=====	=====	=====
Earnings per common share:				
Continuing operations	\$.06	\$.12	\$.10	\$.38
Discontinued operations	(.02)	-	(.04)	-
	-----	-----	-----	-----
Net income	\$.04	\$.12	\$.06	\$.38
	=====	=====	=====	=====
Weighted average common shares	114.3	114.4	114.3	114.4
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outstanding				

[FN]

* NL Industries' chemicals operations, consolidated in 1995, were reported by the equity method in 1994.