

UNITED STATES
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 the earliest event reported)
November 4, 2009

VALHI, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-5467
(Commission
File Number)

87-0110150
(IRS Employer
Identification No.)

5430 LBJ Freeway, Suite 1700, Dallas, Texas
(Address of principal executive offices)

75240-2697
(Zip Code)

Registrant's telephone number, including area code
(972) 233-1700

(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):

- 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 2.02 Results of Operations and Financial Condition.

The registrant hereby furnishes the information set forth in its press release entitled "Valhi Reports Third Quarter 2009 Results" that the registrant issued on November 4, 2009, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The press release the registrant furnishes as Exhibit 99.1 to this current report is not deemed "filed" for purposes of section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Registration statements or other documents filed with the U.S. Securities and Exchange Commission shall not incorporate this information by reference, except as otherwise expressly stated in such filing.

Item 7.01 Regulation FD Disclosures.

The registrant hereby furnishes the information set forth in its press release entitled "Valhi Declares Quarterly Dividend" that the registrant also issued on November 4, 2009, a copy of which is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The press release the registrant furnishes as Exhibit 99.2 to this current report is not "filed" for purposes of section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Registration statements or other documents filed with the U.S. Securities and Exchange Commission shall not incorporate this information by reference, except as otherwise expressly stated in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Item No.</u>	<u>Description</u>
99.1*	Press release dated November 4, 2009 entitled "Valhi Reports Third Quarter 2009 Results" and issued by the registrant.
99.2*	Press release dated November 4, 2009 entitled "Valhi Declares Quarterly Dividend" and issued by the registrant.
* Filed herewith	

SIGNATURE

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)

Date: November 4, 2009

By: /s/ Gregory M. Swalwell
Gregory M. Swalwell
Vice President and Controller

INDEX TO EXHIBITS

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* Filed herewith	



PRESS RELEASE

FOR IMMEDIATE RELEASE

Valhi, Inc.
Three Lincoln Centre
5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2637
(972) 233-1700

CONTACT:

Bobby D. O'Brien
Vice President
(972) 233-1700

VALHI REPORTS THIRD QUARTER 2009 RESULTS

DALLAS, TEXAS . . November 4, 2009. Valhi, Inc. (NYSE: VHI) reported net income attributable to Valhi stockholders of \$8.4 million, or \$.07 per diluted share, in the third quarter of 2009 as compared to a net loss of \$23.2 million, or \$.20 per diluted share, in the third quarter of 2008. For the first nine months of 2009, Valhi reported a net loss attributable to Valhi stockholders of \$30.6 million, or \$.27 per diluted share, compared to a net loss of \$29.3 million, or \$.25 per diluted share, in the first nine months of 2008.

The Chemicals Segment's sales decreased \$35.5 million in the third quarter of 2009 compared to the third quarter of 2008. Net sales of \$840.2 million for the first nine months of 2009 were \$229.8 million lower than the first nine months of 2008. Net sales decreased in the third quarter of 2009 primarily due to lower average TiO₂ selling prices and unfavorable changes in product mix, partially offset by the favorable impact of higher TiO₂ sales volumes. Net sales were lower in the first nine months of 2009 primarily due to a 14% decrease in sales volumes and unfavorable changes in product mix. Additionally, the unfavorable effects of fluctuations in currency exchange rates decreased the Chemicals Segment's sales by approximately \$17 million for the quarter and \$56 million in the year-to-date period. Although the Chemicals Segment's average selling prices were 5% lower in the third quarter of 2009 as compared to the third quarter of 2008, average selling prices at the end of the third quarter 2009 were 1% higher than at the end of the second quarter 2009. The table at the end of this release shows how each of these items impacted the overall decrease in sales.

The Chemicals Segment's operating income for the third quarter of 2009 was \$22.3 million compared with \$8.8 million in the third quarter of 2008. For the year-to-date period, the Chemicals Segment's operating loss was \$23.2 million compared with operating income of \$30.6 million for the first nine months of 2008. Operating income increased in the third quarter of 2009 as compared to the third quarter of 2008 as the unfavorable effect of lower average TiO₂ selling prices was more than offset by the favorable effect of lower maintenance and other costs as well as higher sales volumes and fluctuations in currency exchange rates, which increased operating income by approximately \$2 million. For the first nine months of 2009, operating income declined primarily due to the negative effects of production curtailments which resulted in significantly higher manufacturing costs per ton of pigment production during the first six months of the year, as well as the effect of lower sales volumes. This was partially offset by lower maintenance costs and the favorable effects of fluctuations in currency exchange rates, which increased operating income by approximately \$50 million. In late 2008, as a result of the sharp decline in global demand, the Chemicals Segment experienced a build up in inventory levels. In order to decrease inventory levels and improve liquidity, the Chemicals Segment implemented production curtailments during the first half of 2009. In addition, throughout all of 2009 the Chemicals Segment implemented cost controls and reduced capital spending. Through these actions the Chemicals Segment has successfully reduced inventory levels and increased liquidity, although the resulting curtailments led to an operating loss in the first six months of 2009 due to the large amount of unabsorbed fixed production costs charged to expense as incurred. TiO₂ production volumes were 3% higher in the third quarter of 2009 and 28% lower in first nine months of 2009 as compared to the same periods in 2008 and finished goods inventories at September 30, 2009, which represented less than 2 months of average sales, were lower compared to December 31, 2008.

The Component Products Segment's sales decreased \$14.5 million in the third quarter of 2009 as compared to the same quarter of 2008, and declined \$41.0 million in the year-to-date period, primarily due to lower order rates from its customers resulting from unfavorable economic conditions in North America. The Component Products Segment's operating loss was \$.1 million in the third quarter of 2009 compared to an operating loss of \$5.2 million in the same period of 2008 which included a \$10.1 million goodwill impairment charge (\$.06 per diluted share, net of noncontrolling interest) related to our marine components reporting unit. The Component Products Segment's operating loss was \$2.0 million in the first nine months of 2009 compared to operating income of \$2.3 million in the first nine months of 2008. These declines in operating income were primarily due to reduced coverage of overhead and fixed manufacturing costs from lower sales volume and the related under-utilized capacity, which was partially offset by cost reductions implemented in response to lower sales. The year-to-date 2009 operating loss also includes \$3.2 million related to a write-down of assets held for sale and patent litigation expenses (\$1.5 million in the third quarter).

The Waste Management Segments' sales increased in both the third quarter and first nine months of 2009 compared to the same periods in 2008. The Waste Management Segments' operating loss increased, in part because we have not achieved sufficient revenues to offset the higher cost structure associated with operating under our new byproduct disposal license as well as because we have not been able to undertake new projects without the receipt of our pending licenses and completion of our new disposal facilities. The Waste Management Segment is continuing to seek opportunities to obtain certain types of new business that, if obtained, would increase its waste management sales and decrease its waste management operating loss. In this regard, in January 2009, the Texas Commission on Environmental Quality ("TCEQ") issued to the Waste Management Segment a final license for the near-surface disposal of Class A, B and C low-level radioactive waste ("LLRW") at its site in Andrews County, Texas. The LLRW disposal operations will be very similar to those activities it is currently permitted to perform under a byproduct disposal license issued by TCEQ in May 2008. Both types of waste are primarily soil-like and the disposal methods and disposal sites are similar. The byproduct site began disposal operations in October 2009. Construction of the LLRW site is expected to commence in early 2010, following the completion of some pre-construction licensing and administrative matters, and is expected to be operational in late 2010 or early 2011.

Litigation settlement gains in 2009 include (i) a second quarter gain of \$11.1 million (\$6.0 million, or \$.05 per share, net of income taxes and noncontrolling interest) related to the second closing associated with the settlement of condemnation proceedings on certain real property NL formerly owned that is subject to environmental remediation and (ii) a first quarter gain of \$11.9 million (\$7.8 million, or \$.07 per diluted share, net of income taxes) related to amounts we received in recovery of past environmental remediation and is related legal costs we had previously incurred. The \$6.3 million gain (\$4.1 million or \$.04 per diluted share, net of income taxes) on the sale of a business related to the January 2009 sale of the assets of our research, laboratory and quality control business to Amalgamated Sugar Company LLC.

Securities earnings were higher in the first nine months of 2008 as compared to the same period of 2009 primarily due to \$4.3 million of interest income (\$2.3 million, or \$.02 per diluted share, net of income taxes and noncontrolling interest) related to certain escrow funds that were received by NL in the second quarter of 2008. Insurance recoveries relate principally to NL's receipt from certain former insurance carriers in settlements of claims related to certain environmental, indemnity and past litigation defense costs. These insurance recoveries (net of tax and minority interest) aggregated \$.02 per diluted share in the first nine months 2009 compared to \$.01 per diluted share in the same period of 2008.

General corporate expenses were higher in 2009 as compared to 2008 due to higher defined benefit pension expense and higher environmental expenses, partially offset by lower litigation and related costs for the first nine months of 2009 at NL. Interest expense was lower in 2009 primarily due the favorable effects of currency exchange rates on the Chemicals Segments' European debt and lower debt balances at our Component Products Segment.

Valhi's effective income tax rate varies significantly from the U.S. statutory federal income tax rate in all periods of 2008 and 2009. The Company's income tax benefit in 2009 includes a \$7.1 million non-cash income tax benefit (\$.06 per diluted share, net of noncontrolling interest), mostly in the third quarter, due to a net decrease in the Company's reserves for uncertain tax positions. The Company's income tax benefit in 2008 includes a second quarter \$7.2 million non-cash deferred income tax benefit (\$.04 per diluted share, net of noncontrolling interest) related to a European Court ruling that resulted in the favorable resolution of certain income tax issues related to Kronos' German operations and an increase in the amount of Kronos' German corporate and trade tax net operating loss carryforwards. In addition, the Company's provision for income taxes in 2008 includes an \$8.7 million non-cash income tax charge (\$.07 per diluted share, net of noncontrolling interest), mostly in the third quarter, due to a net increase in the Company's reserves for uncertain tax positions.

The statements in this press release relating to matters that are not historical facts are forward-looking statements that represent management's beliefs and assumptions based on currently available information. Although the Company believes the expectations reflected in such forward-looking statements are reasonable, it cannot give any assurances that these expectations will be correct. Such statements by their nature involve substantial risks and uncertainties that could significantly impact expected results, and actual future results could differ materially from those predicted. While it is not possible to identify all factors, the Company continues to face many risks and uncertainties. Among the factors that could cause our actual future results to differ materially include, but are not limited to, the following:

- Future supply and demand for our products;
- The cyclicity of certain of our businesses (such as Kronos' TiO₂ operations);
- Customer inventory levels (such as the extent to which Kronos' customers may, from time to time, accelerate purchases of TiO₂ in advance of anticipated price increases or defer purchases of TiO₂ in advance of anticipated price decreases);
- Changes in our raw material and other operating costs (such as energy costs);
- General global economic and political conditions (such as changes in the level of gross domestic product in various regions of the world and the impact of such changes on demand for, among other things, TiO₂);
- Competitive products and substitute products;
- Possible disruption of our business or increases in the cost of doing business resulting from terrorist activities or global conflicts;
- Customer and competitor strategies;
- The impact of pricing and production decisions;
- Competitive technology positions;
- The introduction of trade barriers;
- Restructuring transactions involving us and our affiliates;
- Potential consolidation or solvency of our competitors;
- Demand for high performance marine components;
- The ability of our subsidiaries to pay us dividends (such as Kronos' suspension of its dividend in 2009);
- Uncertainties associated with new product development;
- Fluctuations in currency exchange rates (such as changes in the exchange rate between the U.S. dollar and each of the euro, the Norwegian krone, the Canadian dollar and the New Taiwan dollar);
- Operating interruptions (including, but not limited to, labor disputes, leaks, natural disasters, fires, explosions, unscheduled or unplanned downtime and transportation interruptions);
- The timing and amounts of insurance recoveries;
- Our ability to renew, amend, refinance or establish credit facilities;
- Our ability to maintain sufficient liquidity;
- The ultimate outcome of income tax audits, tax settlement initiatives or other tax matters;
- The ultimate ability to utilize income tax attributes or changes in income tax rates related to such attributes, the benefit of which has been recognized under the more likely than not recognition criteria (such as Kronos' ability to utilize its German net operating loss carryforwards);
- Environmental matters (such as those requiring compliance with emission and discharge standards for existing and new facilities, or new developments regarding environmental remediation at sites related to our former operations);
- Government laws and regulations and possible changes therein (such as changes in government regulations which might impose various obligations on present and former manufacturers of lead pigment and lead-based paint, including NL, with respect to asserted health concerns associated with the use of such products);
- The ultimate resolution of pending litigation (such as NL's lead pigment litigation, environmental and other litigation);
- Our ability to comply with covenants contained in our revolving bank credit facilities; and
- Possible future litigation.

Should one or more of these risks materialize (or the consequences of such development worsen), or should the underlying assumptions prove incorrect, actual results could differ materially from those currently forecasted or expected. We disclaim any intention or obligation to update or revise any forward-looking statement whether as a result of changes in information, future events or otherwise.

Valhi, Inc. is engaged in the titanium dioxide pigments, component products (security products, furniture components and high performance marine components) and waste management industries.

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VALHI, INC. AND SUBSIDIARIES
CONDENSED SUMMARY OF OPERATIONS

(In millions, except earnings per share)

	Three months ended September 30,		Nine months ended September 30,	
	2008	2009	2008	2009
	(unaudited)			
Net sales				
Chemicals	\$ 345.6	\$ 310.1	\$ 1,070.0	\$ 840.2
Component products	43.9	29.4	128.1	87.1
Waste management	.7	2.1	2.2	3.7
<i>Total net sales</i>	<u>\$ 390.2</u>	<u>\$ 341.6</u>	<u>\$ 1,200.3</u>	<u>\$ 931.0</u>
Operating income (loss)				
Chemicals	\$ 8.8	\$ 22.3	\$ 30.6	\$ (23.2)
Component products	(5.2)	(1)	2.3	(2.0)
Waste management	(5.7)	(9.0)	(15.6)	(22.2)
<i>Total operating income (loss)</i>	(2.1)	13.2	17.3	(47.4)
Equity in losses of investee	(2)	(1)	(8)	(8)
General corporate items, net:				
Securities earnings	6.6	7.0	24.2	20.0
Insurance recoveries	.7	1.4	2.4	4.1
Gain on litigation settlements	-	-	-	23.0
Gain on sale of business	-	-	-	6.3
General expenses, net	(4.9)	(8.6)	(19.5)	(26.5)
Interest expense	(17.7)	(17.2)	(52.8)	(49.9)
<i>Loss before income taxes</i>	(17.6)	(4.3)	(29.2)	(71.2)
Provision for income taxes (benefit)	7.9	(13.7)	(1.0)	(36.6)
<i>Net income (loss)</i>	(25.5)	9.4	(30.2)	(34.6)
Noncontrolling interest in net income (loss) of subsidiaries	(2.3)	1.0	(9)	(4.0)
<i>Net income (loss) attributable to Valhi stockholders</i>	<u>\$ (23.2)</u>	<u>\$ 8.4</u>	<u>\$ (29.3)</u>	<u>\$ (30.6)</u>
<i>Basic and diluted net income (loss) attributable to Valhi stockholders per share</i>	<u>\$ (.20)</u>	<u>\$.07</u>	<u>\$ (.25)</u>	<u>\$ (.27)</u>
<i>Basic and diluted weighted average shares outstanding</i>	<u>114.4</u>	<u>114.3</u>	<u>114.4</u>	<u>114.3</u>

VALHI, INC. AND SUBSIDIARIES

IMPACT OF PERCENTAGE CHANGE IN CHEMICALS NET SALES

	Three months ended September 30, 2009 vs. 2008	Nine months ended September 30, 2009 vs. 2008
	(unaudited)	
Percent change in net sales:		
TiO ₂ product pricing	(5)%	-%
TiO ₂ sales volumes	3	(14)
TiO ₂ product mix	(3)	(2)
Changes in currency exchange rates	<u>(5)</u>	<u>(5)</u>
Total	<u>(10)%</u>	<u>(21)%</u>



PRESS RELEASE

FOR IMMEDIATE RELEASE

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CONTACT:

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Vice President
(972) 233-1700

VALHI DECLARES QUARTERLY DIVIDEND

DALLAS, TEXAS . . . November 4, 2009 . . . Valhi, Inc. (NYSE: VHI) announced today that its board of directors has declared a regular quarterly dividend of ten cents (\$0.10) per share on its common stock, payable on December 31, 2009 to stockholders of record at the close of business on December 10, 2009.

Valhi, Inc. is engaged in the titanium dioxide products, component products (security products, furniture components and performance marine components) and waste management industries.

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