

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)
May 5, 2011

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.

Item 7.01 Regulation FD Disclosure.

The registrant hereby furnishes the information set forth in its press release issued on May 5, 2011, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information, including the exhibit, the registrant furnishes in this 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 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Item No.</u>	<u>Exhibit Index</u>
99.1	Press release dated May 5, 2011 issued by the registrant.

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: May 5, 2011

By: /s/ Gregory M. Swalwell

Gregory M. Swalwell, Vice President and Controller

INDEX TO EXHIBITS

Item No.

Exhibit Index

99.1

Press release dated May 5, 2011 issued by the registrant.



PRESS RELEASE

FOR IMMEDIATE RELEASE

Valhi, Inc.
Three Lincoln Centre
5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2697
(972) 233-1700

CONTACT:

Bobby D. O'Brien
Vice President and
Chief Financial Officer
(972) 233-1700

VALHI REPORTS FIRST QUARTER 2011 RESULTS

DALLAS, TEXAS . . May 5, 2011. Valhi, Inc. (NYSE: VHI) reported net income attributable to Valhi stockholders of \$38.0 million, or \$.33 per diluted share, in the first quarter of 2011 as compared to \$13.6 million, or \$.10 per diluted share, in the first quarter of 2010. The Company reported improved net income attributable to Valhi stockholders due to strong operating results in the Chemicals Segment. The Company reported net income attributable to Valhi stockholders in 2010 primarily due to an income tax benefit recognized during the quarter discussed below.

The Chemicals Segment's net sales of \$420.4 million in the first quarter of 2011 were \$100.7 million, or 31% higher than the first quarter of 2010 primarily due to higher average TiO₂ selling prices and higher sales volumes, partially offset by the negative impact of fluctuations in currency exchange rates which decreased net sales by approximately \$5 million. The Chemicals Segment's average TiO₂ selling prices were 32% higher in the first quarter of 2011 as compared to the first quarter of 2010, and were 9% higher at the end of the first quarter of 2011 as compared to the end of 2010, continuing the improvement in selling prices that began in the second half of 2009 and continued throughout 2010. TiO₂ sales volumes for the first quarter of 2011 increased 2% as compared to the first quarter of 2010, due to increased availability of product from higher production volumes. The table at the end of this press release shows how each of these items impacted the overall increase in sales.

The Chemicals Segment's TiO₂ operating income for the first quarter of 2011 was \$103.5 million as compared to \$22.6 million in the first quarter of 2010. Operating income in the first quarter of 2011, which represents a new record for the Chemicals Segment, increased due to higher TiO₂ selling prices, higher sales volumes, and higher production volumes. The Chemicals Segment's production volumes in the first quarter of 2011 tied its previous record for a first quarter. These increases were partially offset by higher raw material and maintenance costs, and the unfavorable effects of fluctuations in currency exchange rates which decreased segment profit by approximately \$9 million. The Chemicals Segment's TiO₂ production volumes were 7% higher in the first quarter of 2011 as compared to the first quarter of 2010, with operating rates at near full practical capacity throughout the first quarter of 2011.

The Component Products Segment had net sales of \$34.8 million for the first quarter of 2011 compared to \$32.8 million in the same period of 2010. Operating income was \$8.8 million in the first quarter of 2011 compared to \$1.7 million in the same period of 2010. The Component Products Segment's operating income for the first quarter of 2011 was favorably impacted by a \$7.5 million patent litigation settlement gain (\$2.4 million, or \$.02 per diluted share, net of taxes and noncontrolling interest). The 2011 net sales increase is principally due to higher order rates from improved economic conditions in North America. The increase in operating income is primarily due to the net effects of (i) the positive impact of the \$7.5 million patent litigation settlement gain, (ii) the related positive impact of lower litigation expense in 2011, (iii) the positive impact of the higher sales in 2011 across all lines of business, (iv) the negative impact of relocation costs and production inefficiencies related to the consolidation of precision slides facilities, (v) the negative impact on margins in 2011 caused by higher raw material costs, and (vi) the negative impact of relative changes in foreign currency exchange rates in 2011.

The Waste Management Segment's sales decreased in the first quarter 2011 compared to the same period in 2010 primarily due to revenue associated with the disposal of certain hazardous waste in 2010 which had previously been stored at the Waste Management's facility. The Waste Management Segments' operating loss in the first quarter of 2010 includes contract termination expense of \$1.1 million related to an agreement to terminate a disposal contract with a former customer. In January 2009, the Texas Commission on Environmental Quality 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 license was signed in September 2009. Construction of the LLRW site began in January 2011, and the facility is expected to be operational in late 2011.

Litigation settlement expense in the first quarter of 2010 of \$32.2 million (\$.15 per diluted share net of taxes and noncontrolling interest) million relates to the settlement of certain legal proceedings of NL. Insurance recoveries reflect, in part, amounts we received from certain of our former insurance carriers, and relate principally to the recovery of prior lead pigment and asbestos litigation defense costs incurred by us. In addition, a substantial portion of the insurance recoveries we recognized in the first quarter of 2010 relates to the litigation settlement referred to above. These insurance recoveries (net of tax and noncontrolling interest) aggregated \$.09 per diluted share in the first quarter of 2010.

General corporate expenses were lower in 2011 as compared to 2010 primarily due to lower litigation and related costs at NL.

In March 2011 the Chemicals Segment completed the redemption of €80 million principal amount of its 6½% Senior Secured Notes due 2013 at the redemption price of 102.17% of the principal amount. Following such partial redemption, €320 million principal amount of the Senior Notes remain outstanding. The Company's results in the first quarter of 2011 include an aggregate \$3.3 million charge (\$1.7 million, or \$.01 per diluted share, net of tax and noncontrolling interest) consisting of the call premium and the write-off of unamortized deferred financing costs and original issue discount associated with the redeemed Senior Notes.

The Company's income tax benefit in the first quarter of 2010, which varies from the statutory federal income tax rate, includes a \$35.2 million non-cash deferred tax benefit (\$.21 per diluted share, net of noncontrolling interest) related to the Chemicals Segment for a European Court ruling that resulted in the favorable resolution of certain income tax issues in Germany and an increase in the amount of our German corporate net operating loss carryforwards.

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 extent of the dependence of certain of our businesses on certain market sectors;
- The cyclicity of certain of our businesses (such as Kronos' titanium dioxide pigment ("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 raw material and other operating costs (such as energy costs);
- Changes in the availability of raw materials (such as ore);
- 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 prices, including increased competition from low-cost manufacturing sources (such as China);
- 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;
- Our ability to protect our intellectual property rights in our technology;
- The introduction of trade barriers;
- Restructuring transactions involving us and our affiliates;
- Potential consolidation or solvency of our competitors;
- The ability of our subsidiaries to pay us dividends (such as Kronos' suspension of its dividend in 2009 through the third quarter of 2010);
- 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;
- Our 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, and Kronos' class action litigation);
- Uncertainties associated with the development of new product features;
- Our ability to comply with covenants contained in our revolving bank credit facilities;
- Our ability to complete, obtain approval of and comply with the conditions of our licenses and permits (such as approval by the Texas Commission on Environmental Quality ("TCEQ") of license conditions of WCS's low-level radioactive waste disposal license); 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 INCOME
(In millions, except earnings per share)

	Three months ended March 31,	
	2010	2011
	(unaudited)	
Net sales		
Chemicals	\$ 319.7	\$ 420.4
Component products	32.8	34.8
Waste management	4.3	.5
<i>Total net sales</i>	<u>\$ 356.8</u>	<u>\$ 455.7</u>
Operating income (loss)		
Chemicals	\$ 22.6	\$ 103.5
Component products	1.7	8.8
Waste management	(6.7)	(9.0)
<i>Total operating income</i>	17.6	103.3
Equity in earnings of investee	.1	(1)
General corporate items, net:		
Securities earnings	6.5	7.4
Insurance recoveries	18.2	.4
Litigation settlement expense	(32.2)	-
General expenses, net	(7.7)	(6.6)
Loss on the prepayment of debt	-	(3.3)
Interest expense	(17.4)	(17.2)
<i>Income (loss) before income taxes</i>	(14.9)	83.9
Provision for income taxes (benefit)	(30.0)	30.7
<i>Net income</i>	15.1	53.2
Noncontrolling interest in net income of subsidiaries	1.5	15.2
<i>Net income attributable to Valhi stockholders</i>	<u>\$ 13.6</u>	<u>\$ 38.0</u>
<i>Basic and diluted earnings attributable to Valhi stockholders per share</i>	<u>\$.10</u>	<u>\$.33</u>
<i>Basic and diluted weighted average shares outstanding</i>	<u>114.3</u>	<u>114.2</u>

VALHI, INC. AND SUBSIDIARIES

IMPACT OF PERCENTAGE CHANGE IN CHEMICALS NET SALES

	Three months ended March 31, 2011 vs. 2010 <u>(unaudited)</u>
Percent change in net sales:	
TiO ₂ product pricing	32%
TiO ₂ sales volumes	2
TiO ₂ product mix	(2)
Changes in currency exchange rates	<u>(1)</u>
Total	<u>31%</u>