

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)
April 1, 2005

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) |

(972) 233-1700

(Registrant's telephone number, including area code)

(Former name or 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))

Item 1.01 Entry into a Material Definitive Agreement.

On April 1, 2005, the registrant, Valhi, Inc. ("Valhi"), purchased (the "Stock Purchase") 2.0 million shares of its common stock, par value \$0.01 per share (the "Common Stock"), at a discount to the current market price of the Common Stock, from Contran Corporation, a Delaware corporation and a parent of Valhi ("Contran"), for \$17.50 per share or an aggregate purchase price of \$35.0 million. Valhi purchased the 2.0 million shares of Common Stock under the stock repurchase program (the "Repurchase Program") that its board of directors approved as of March 31, 2005. In addition, on April 1, 2005, Valhi purchased 4,000 shares of Common Stock in the open market at a purchase price of \$19.50

per share pursuant to the Repurchase Program.

The terms of the Stock Purchase are set forth in the Stock Purchase Agreement dated April 1, 2005 between Valhi and Contran attached hereto as Exhibit 10.1 and incorporated herein by reference. Valhi paid for the Stock Purchase with its available cash on hand. Valhi's independent directors approved the Stock Purchase.

Under the Repurchase Program, Valhi is authorized to purchase up to 5.0 million shares of Common Stock in open market transactions, including block purchases, or in privately negotiated transactions, which may include transactions with affiliates of Valhi. The Repurchase Program does not include specific price targets or timetables and may be suspended at any time.

Item 7.01 Regulation FD Disclosure.

The registrant hereby furnishes the information set forth in its press release issued on April 1, 2005, 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 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.

(c) Exhibits.

| Item No. | Exhibit Index |
|----------|--|
| 10.1* | Stock Purchase Agreement, dated April 1, 2005 between Valhi, Inc. and Contran Corporation. |
| 99.1* | Press Release dated April 1, 2005 issued by Valhi. |

* 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)

By: /s/ Robert D. Graham

Robert D. Graham
Vice President

Date: April 4, 2005

INDEX TO EXHIBITS

| Exhibit No. ----- | Description ----- |
|----------------------|--|
| 10.1* | Stock Purchase Agreement, dated April 1, 2005 between Valhi, Inc. and Contran Corporation. |
| 99.1* | Press Release dated April 1, 2005 issued by Valhi. |

* Filed herewith.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (the "Agreement") is made and entered into as of the 1st day of April, 2005, between Contran Corporation, a Delaware corporation ("Seller"), and Valhi, Inc., a Delaware corporation ("Valhi").

Recitals

Seller wishes to sell 2,000,000 shares (the "Shares") of the common stock, \$0.01 par value per share, of Valhi owned by Seller, to Valhi, and Valhi wishes to purchase the Shares, on the terms and subject to the conditions of this Agreement (the "Transaction").

Agreement

The parties agree as follows:

ARTICLE I. THE TRANSACTION

Section 1.1. Purchase and Sale of Shares. Against payment of the purchase price therefor as specified in Section 1.2, Seller hereby sells, transfers, assigns and delivers to Valhi the Shares. Certificates representing the Shares are hereby delivered accompanied by stock powers duly endorsed in blank.

Section 1.2. Purchase Price and Payment. Valhi hereby purchases all of the Shares for a purchase price of \$17.50 per Share in cash, payment for which is hereby made by means of a transfer of \$35,000,000.00 to an account specified by Seller.

ARTICLE II. REPRESENTATIONS AND WARRANTIES OF THE SELLER

Seller hereby represents and warrants to Valhi as of the date of this Agreement as follows:

Section 2.1. Authority. It is a corporation validly existing and in good standing under the laws of the state of its incorporation. It has full corporate power and authority, without the consent or approval of any other person, to execute and deliver this Agreement and to consummate the Transaction. All corporate action required to be taken by or on behalf of it to authorize the execution, delivery and performance of this Agreement has been duly and properly taken.

Section 2.2. Validity. This Agreement is duly executed and delivered by it and constitutes its lawful, valid and binding obligation, enforceable in accordance with its terms. The execution and delivery of this Agreement and the consummation of the Transaction by it are not prohibited by, do not violate or conflict with any provision of, and do not result in a default under (a) its charter or bylaws; (b) any material contract, agreement or other instrument to which it is a party or by which it is bound; (c) any order, writ, injunction, decree or judgment of any court or governmental agency applicable to it; or (d) any law, rule or regulation applicable to it, except in each case for such prohibitions, violations, conflicts or defaults that would not have a material adverse consequence to the Transaction.

Section 2.3. Ownership of Shares. It is the record and beneficial owner of the Shares and upon consummation of the transactions contemplated by this Agreement, Valhi will acquire good and marketable title to the Shares, free and clear of any liens, encumbrances, security interests, restrictive agreements, claims or imperfections of any nature whatsoever, other than restrictions on transfer imposed by applicable securities laws.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Valhi hereby represents and warrants to the Seller as of the date of this Agreement as follows:

Section 3.1. Authority. It is a corporation validly existing and in good standing under the laws of the State of Delaware. It has full corporate power and authority, without the consent or approval of any other person, to execute and deliver this Agreement and to consummate the Transaction. All corporate and other actions required to be taken by or on behalf of it to authorize the execution, delivery and performance of this Agreement have been duly and properly taken.

Section 3.2. Validity. This Agreement is duly executed and delivered by it and constitutes its lawful, valid and binding obligation, enforceable in accordance with its terms. The execution and delivery of this Agreement and the consummation of the Transaction by it are not prohibited by, do not violate or conflict with any provision of, and do not result in a default under (a) its charter or bylaws; (b) any material contract, agreement or other instrument to which it is a party or by which it is bound; (c) any order, writ, injunction, decree or judgment of any court or governmental agency applicable to it; or (d) any law, rule or regulation applicable to it, except in each case for such prohibitions, violations, conflicts or defaults that would not have a material adverse consequence to the Transaction.

Section 3.3. Purchase for Investment. It is purchasing the Shares sold and delivered to it hereunder for investment solely for its own account and not with a view to, or for resale in connection with, the distribution thereof. It understands that such Shares are restricted securities under the Securities Act of 1933, as amended (the "Securities Act"), and that such Shares must be held indefinitely unless they are registered under the Securities Act and any applicable state securities or blue sky laws or an exemption from such registration is available.

Section 3.4. Nature of Purchaser. It has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the purchase of the Shares.

ARTICLE IV. GENERAL PROVISIONS

Section 4.1. Survival. The representations and warranties set forth in this Agreement shall survive the execution of this Agreement and the consummation of the transactions contemplated herein. The covenants and other agreements set forth in this Agreement shall terminate on the tenth anniversary of this Agreement.

Section 4.2. Amendment and Waiver. No amendment or waiver of any provision of this Agreement shall in any event be effective unless the same shall be in a writing referring to this Agreement and signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 4.3. Parties and Interest. This Agreement shall bind and inure to the benefit of the parties named herein and their respective heirs, successors and assigns.

Section 4.4. Entire Transaction. This Agreement contains the entire understanding among the parties with respect to the transactions contemplated hereby and supersedes all other agreements and understandings among the parties with respect to the subject matter of this Agreement.

Section 4.5. Applicable Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

Section 4.6. Severability. If any provision of this Agreement is found to violate any statute, regulation, rule, order or decree of any governmental

[LOGO GOES HERE]

PRESS RELEASE

FOR IMMEDIATE RELEASE:

CONTACT:

VALHI, INC.
Three Lincoln Centre
5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2697

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

VALHI ANNOUNCES STOCK REPURCHASE PROGRAM

DALLAS, TEXAS . . . April 1, 2005 . . . Valhi, Inc. (NYSE: VHI) announced today that its board of directors has authorized the repurchase of up to 5.0 million shares of Valhi's common stock in open market transactions, including block purchases, or in privately negotiated transactions, which may include transactions with affiliates of Valhi. The shares subject to the repurchase program represent approximately 4.2% of Valhi's 120 million shares of common stock outstanding. The stock may be purchased from time to time as market conditions permit.

The stock repurchase program does not include specific price targets or timetables and may be suspended at any time. The share repurchase program will be conducted in compliance with all applicable state and federal laws. Depending on market conditions, the program could be terminated prior to completion. Valhi will use its cash on hand to acquire the shares. Repurchased shares will be retired and cancelled or may be added to Valhi's treasury and could be used for employee benefit plans, future acquisitions or other corporate purposes.

Valhi, Inc. is engaged in the titanium dioxide pigments, component products (precision ball bearing slides, security products and ergonomic computer support systems), titanium metals products and waste management industries.

* * * * *