

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 5, 2007

Kronos Worldwide, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

1-31763
(Commission
File Number)

76-0294959
(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 November 5, 2007, 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 November 5, 2007 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: November 6, 2007

By: /s/ Gregory M. Swalwell
Gregory M. Swalwell, Vice President, Finance

INDEX TO EXHIBITS

Item No.

Exhibit Index

99.1

Press release dated November 5, 2007 issued by the registrant.

Kronos Worldwide, Inc.
Three Lincoln Centre
5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2697

Contact: Gregory M. Swalwell
Vice President, Finance and Chief
Financial Officer
(972) 233-1700

Press Release



FOR IMMEDIATE RELEASE

KRONOS WORLDWIDE REPORTS THIRD QUARTER RESULTS

DALLAS, TEXAS...November 5, 2007...Kronos Worldwide, Inc. (NYSE:KRO) today reported a net loss of \$81.2 million, or \$1.66 per diluted share, for the third quarter of 2007 compared with net income of \$12.2 million, or \$.25 per diluted share, in the third quarter of 2006. The Company's results in the third quarter of 2007 include a \$90.8 million, or \$1.85 per diluted share, non-cash charge for income taxes, as discussed below. For the first nine months of 2007, Kronos reported a net loss of \$68.3 million, or \$1.40 per diluted share, compared with net income of \$40.7 million, or \$.83 per diluted share, in the first nine months of 2006.

Net sales of \$343.3 million in the third quarter of 2007 were \$11.7 million, or 4%, higher than the third quarter of 2006. Net sales of \$999.9 million for the first nine months of 2007 were \$18.9 million, or 2%, higher than the first nine months of 2006. Net sales increased in the third quarter of 2007 primarily due to higher sales volumes and the favorable effect of fluctuations in foreign currency exchange rates, which increased sales by approximately \$13 million, partially offset by lower average TiO₂ selling prices. For the year-to-date period, net sales increased due to the favorable effect of fluctuations in foreign currency exchange rates, increasing sales by approximately \$44 million, and higher sales volumes. This increase was partially offset by lower average TiO₂ selling prices. The table at the end of this release shows the impact of each of these items on sales.

The Company's TiO₂ segment profit (see description of non-GAAP information below) for the third quarter of 2007 was \$24.3 million compared with \$37.1 million in the third quarter of 2006, and was \$80.9 million for the first nine months of 2007 compared with \$111.6 million for the first nine months of 2006. Segment profit decreased in the third quarter of 2007 compared to the third quarter 2006 due primarily to lower average TiO₂ selling prices, and the negative effect of fluctuations in foreign currency exchange rates which decreased segment profit by approximately \$3 million. This decrease was partially offset by higher sales volumes. Full year segment profit decreased due to lower average TiO₂ selling prices and higher manufacturing costs, partially offset by higher sales and production volumes and the favorable effect of fluctuations in foreign currency exchange rates, which increased segment profit by approximately \$4 million.

The Company's third quarter 2007 TiO₂ sales volumes increased 5% from the third quarter of 2006, with higher volumes in North America and export markets. Volumes were 1% higher in the year-to-date period, as higher volumes in European and export markets were offset by lower volumes in North America. The Company's TiO₂ production volumes were comparable in the third quarter of 2007 and were 1% higher for the first nine months of 2007, as compared to the same periods in 2006. The Company's TiO₂ sales and production volumes in the first nine months of 2007 were both records for Kronos. The Company's finished goods inventories at September 30, 2007, which represented less than 2 months of average sales, were lower compared to June 30, 2007.

The \$22.3 million loss on prepayment of debt for the first nine months of 2006 (\$14.8 million, or \$.30 per diluted share, net of income tax benefit) relates to the Company's May 2006 redemption of its 8.875% Senior Secured Notes, using the proceeds from its April 2006 issuance of 6.5% Senior Secured Notes. Interest expense was lower for the first nine months of 2007 due primarily to the replacement of the 8.875% Notes with the 6.5% Notes.

The Company's provision for income taxes in the third quarter of 2007 includes (i) a non-cash charge of \$90.8 million (\$1.85 per diluted share) primarily related to the reduction in the Company's net deferred income tax asset in Germany resulting from the enactment of legislation reducing the income tax rates and (ii) a \$1.2 million income tax benefit (\$.02 per diluted share) due to a net decrease in the Company's income tax contingency reserves. As previously reported, the Company's provision for income taxes in 2007 includes a second quarter charge of \$8.7 million (\$.18 per diluted share) related to the German tax attribute adjustment.

The Company's income tax provision in the first nine months of 2006 includes an aggregate tax benefit of \$9.2 million (\$.19 per diluted share) related to the withdrawal of certain income tax assessments previously made by the Belgium and Norwegian tax authorities, the favorable resolution of certain income tax issues related to Belgium and Germany, the unfavorable resolution of certain other income tax issues related to the Company's German operations, an increase in the Company's income tax contingency reserve principally related to ongoing income tax audits in Germany, and the enactment of a reduction in Canadian income tax rates. Such net \$9.2 million income tax benefit includes a net income tax benefit of \$12.6 million recognized in the first six months of 2006, and a net \$3.4 million provision for income taxes (\$.07 per diluted share) in the third quarter of the year.

Effective December 31, 2006 the Company adopted a new accounting standard related to planned major maintenance expense. Under the new standard, the Company no longer accrues the cost of planned major maintenance expense in advance but instead recognizes the cost of planned major maintenance when incurred. The new standard was adopted retroactively, and accordingly the Company's net income in the third quarter of 2006 is approximately \$.6 million, or \$.01 per diluted share, higher than originally reported (\$.5 million, or \$.01 per diluted share, in the year-to-date period).

The statements in this 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 that the expectations reflected in such forward-looking statements are reasonable, it cannot give any assurances that these expectations will prove to 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 described in such forward-looking statements. While it is not possible to identify all factors, the Company continues to face many risks and uncertainties. The factors that could cause actual future results to differ materially include, but are not limited to, the following:

- Future supply and demand for the Company's products,
- The extent of the dependence of certain of the Company's businesses on certain market sectors,
- The cyclicity of the Company's businesses,
- Customer inventory levels (such as the extent to which the Company's 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),
- The possibility of labor disruptions,
- 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 TiO₂),
- Competitive products and substitute products,
- Customer and competitor strategies,
- Potential consolidation of our competitors
- The impact of pricing and production decisions,
- Competitive technology positions,
- The introduction of trade barriers,
- Fluctuations in currency exchange rates (such as changes in the exchange rate between the U.S. dollar and each of the euro, the Norwegian kroner and the Canadian 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,
- The ability of the Company to renew or refinance credit facilities,
- 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,
- Environmental matters (such as those requiring emission and discharge standards for existing and new facilities),
- Government laws and regulations and possible changes therein,
- The ultimate resolution of pending litigation, and
- Possible future litigation.

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

In an effort to provide investors with additional information regarding the Company's results of operations as determined by accounting principles generally accepted in the United States of America ("GAAP"), the Company has disclosed certain non-GAAP information, which the Company believes provides useful information to investors:

- The Company discloses segment profit, which is used by the Company's management to assess the performance of the Company's TiO₂ operations. The Company believes disclosure of segment profit provides useful information to investors because it allows investors to analyze the performance of the Company's TiO₂ operations in the same way that the Company's management assesses performance. The Company defines segment profit as income before income taxes, interest expense and certain general corporate items. Corporate items excluded from the determination of segment profit include corporate expense and interest income not attributable to the Company's TiO₂ operations.

Kronos Worldwide, Inc. is a major international producer of titanium dioxide pigments.

KRONOS WORLDWIDE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share and metric tons data)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2006	2007	2006	2007
Net sales	\$ 331.6	\$ 343.3	\$ 981.0	\$ 999.9
Cost of sales	255.3	276.4	748.0	799.0
Gross margin	76.3	66.9	233.0	200.9
Selling, general and administrative expense	39.4	41.8	118.5	121.9
Other operating income (expense):				
Currency transactions, net	-	(1.3)	(2.9)	.7
Disposition of property & equipment	(.6)	(.3)	(1.7)	(.6)
Other income, net	.2	.1	.2	.4
Corporate expense	(1.3)	(1.5)	(3.9)	(4.5)
Income from operations	35.2	22.1	106.2	75.0
Other income (expense):				
Trade interest income	.6	.7	1.5	1.4
Other interest income	.2	-	1.2	.3
Loss on prepayment of debt	-	-	(22.3)	-
Interest expense	(9.7)	(10.0)	(33.5)	(29.3)
Income before income taxes	26.3	12.8	53.1	47.4
Provision for income taxes	14.1	94.0	12.4	115.7
Net income (loss)	\$ 12.2	\$ (81.2)	\$ 40.7	\$ (68.3)
Basic and diluted net income (loss) per share	<u>\$.25</u>	<u>\$ (1.66)</u>	<u>\$.83</u>	<u>\$ (1.40)</u>
Basic and diluted weighted-average shares of net income (loss) per share	49.0	49.0	49.0	49.0
TiO ₂ data – metric tons in thousands:				
Sales volumes	132	138	396	400
Production volumes	126	126	383	386

KRONOS WORLDWIDE, INC.

RECONCILIATION OF SEGMENT PROFIT TO
INCOME FROM OPERATIONS

(In millions)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
Segment profit	\$ 37.1	\$ 24.3	\$ 111.6	\$ 80.9
Adjustments:				
Trade interest income	(.6)	(.7)	(1.5)	(1.4)
Corporate expense	<u>(1.3)</u>	<u>(1.5)</u>	<u>(3.9)</u>	<u>(4.5)</u>
Income from operations	<u>\$ 35.2</u>	<u>\$ 22.1</u>	<u>\$ 106.2</u>	<u>\$ 75.0</u>

IMPACT OF PERCENTAGE CHANGE IN SALES
(Unaudited)

	Three months ended September 30, <u>2007 vs. 2006</u>	Nine months ended September 30, <u>2007 vs. 2006</u>
Percent change in sales:		
TiO ₂ product pricing	(5)%	(4)%
TiO ₂ sales volume	5%	1%
TiO ₂ product mix	-%	1%
Changes in foreign currency exchange rates	<u>4%</u>	<u>4%</u>
Total	<u>4%</u>	<u>2%</u>