

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K/A

CURRENT REPORT

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

January 14, 1999

(Date of Report, date of earliest event reported)

CompX International Inc.

(Exact name of Registrant as specified in its charter)

Delaware

001-13905

57-0981653

(State or other jurisdiction
of incorporation or
organization)

(Commission File No.)

(IRS Employer
Identification No.)

16825 Northchase Drive, Suite 1200, Houston, TX 77060

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (281) 423-3377

Not applicable

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

Item 2: Acquisition or Disposition of Assets

As previously reported, on January 14, 1999, the Registrant acquired in excess of 99% of the outstanding shares of Thomas Regout Holding N.V. ("TRH") from the shareholders of TRH. The Registrant acquired the remaining TRH shares by the end of February 1999. The purchase price was funded using available cash on hand and \$20 million of borrowings under the Registrant's \$100 million revolving bank credit facility.

Item 7: Financial Statements and Exhibits

Pursuant to Item 7(a)(4) of Form 8-K, the Registrant hereby amends this Current Report on Form 8-K to include (i) consolidated financial statements of TRH filed pursuant to Rule 3-05 of Regulation S-X and (ii) pro forma condensed

consolidated financial statements of the Registrant filed pursuant to Article 11 of Regulation S-X.

(a) Financial Statements of Thomas Regout Holding N.V.:

Report of Independent Auditors

Consolidated Balance Sheets - June 30, 1998 and 1997;
September 30, 1998 (unaudited)

Consolidated Statements Of Income - Years ended June 30, 1998 and 1997;
three months ended September 30, 1998 and 1997 (unaudited)

Consolidated Statements of Cash Flows - Years ended June 30, 1998
and 1997; three months ended September 30, 1998 and 1997 (unaudited)

Notes to Consolidated Financial Statements

(b) Unaudited Pro Forma Condensed Consolidated Financial Statements of the Registrant:

Unaudited Pro Forma Condensed Consolidated Balance Sheet -
September 30, 1998

Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

Unaudited Pro Forma Condensed Consolidated Statements of Income -
Year ended December 31, 1997 and nine months ended September 30, 1998

Notes to Unaudited Pro Forma Condensed Consolidated Statements of Income

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.

CompX International Inc.

(Registrant)

By: /s/ John A. Miller

John A. Miller
Vice President and Chief Financial Officer

By: /s/Todd W. Strange

Todd W. Strange
Vice President and Controller

Date: March 19, 1999

THOMAS REGOUT HOLDING N.V.

MAASTRICHT

ANNUAL REPORT 1997/98

WITH UNAUDITED INTERIM FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 1997 AND 1998

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REPORT OF INDEPENDENT AUDITORS

The Supervisory Board and the Managing Board of Thomas Regout Holding N.V.

We have audited the accompanying consolidated balance sheets of Thomas Regout Holding N.V. and subsidiaries as of 30 June 1998 and 1997, and the related consolidated statements of income, cash flows and changes in shareholders' equity for each of the two years in the period ended 30 June 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in The Netherlands, which do not differ in any material respect from auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Thomas Regout Holding N.V. and subsidiaries as of 30 June 1997 and 1998, and the consolidated results of their operations and their cash flows for each of the two years in the period ended 30 June 1998, in conformity with accounting principles generally accepted in The Netherlands.

Accounting principles generally accepted in The Netherlands vary in certain significant respects from accounting principles generally accepted in the United States of America. Application of accounting principles generally accepted in the United States of America would have affected shareholders' equity as of 30 June 1997 and 1998 and the net profits for each of the two years in the period ended 30 June 1998 to the extent summarized on pages 15 and 16 to the consolidated financial statements.

Maastricht, The Netherlands
8 September 1998

Moret Ernst & Young Accountants

THOMAS REGOUT HOLDING N.V.
CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 1998 JUNE 30, 1998

(unaudited)
NLG'000 NLG'000 NLG'000 NLG'000

Fixed assets

TANGIBLE FIXED ASSETS

Land	1,513		1,513	
Buildings	14,462		14,476	
Machinery and equipment	16,811		18,105	
Other plant and equipment	2,471		2,671	
On order and in progress	3,301		3,883	
		38,558		40,648

Current assets

INVENTORY

Raw and ancillary materials	8,169		8,475	
Work in progress and semi-finished goods	5,156		5,579	
Finished products and merchandise	6,134		5,990	
		19,459		20,044

ACCOUNTS RECEIVABLE

Trade receivables	12,084		12,841	
Other receivables	3,580		1,797	
Prepayments and accrued income	1,036		1,180	
		16,700		15,818

LIQUID ASSETS

Term deposits	17,876		16,760	
Available cash			3,236	
	1,722			
		19,598		19,996

TOTAL ASSETS

94,315 96,506

JUNE 30, 1997

NLG'000 NLG'000

Fixed assets

TANGIBLE FIXED ASSETS

Land	1,587
Buildings	15,177
Machinery and equipment	20,080
Other plant and equipment	2,209
On order and in progress	1,879

40,932

Current assets

INVENTORY

Raw and ancillary materials	5,501
Work in progress and semi-finished goods	4,067
Finished products and merchandise	4,412

13,980

ACCOUNTS RECEIVABLE

Trade receivables	10,657
Other receivables	1,506
Prepayments and accrued income	1,374

13,537

LIQUID ASSETS

Term deposits	18,500
Available cash	2,171

20,671

TOTAL ASSETS

89,120

THOMAS REGOUT HOLDING N.V.
CONSOLIDATED BALANCE SHEETS (CONTINUED)

	SEPTEMBER 30, 1998		JUNE 30, 1998	
	(unaudited)			
	NLG'000	NLG'000	NLG'000	NLG'000
SHAREHOLDERS' EQUITY		63,731		62,993
PROVISIONS				
Pensions	949		953	
Taxes	0		0	
Employee profit sharing	869		869	
Other	1,446		1,471	
		3,264		3,293

LONG-TERM LIABILITIES		
Financial institutions	6,875	6,875
Other loans	1,500	1,500
	8,375	8,375
SHORT-TERM LIABILITIES		
Financial institutions	2,825	4,329
Liabilities to suppliers and trade payables	3,651	5,593
Taxes and social insurance premiums	3,015	2,228
Employee profit sharing	2,229	1,889
Dividends	1,920	1,920
Other liabilities	2,775	2,648
Accruals and deferred income	2,530	3,238
	18,945	21,845
TOTAL LIABILITIES	94,315	96,506

JUNE 30, 1997

	NLG'000	NLG'000
SHAREHOLDERS' EQUITY		60,938
PROVISIONS		
Pensions	1,993	
Taxes	247	
Employee profit sharing	0	
Other	1,521	
		3,761
LONG-TERM LIABILITIES		
Financial institutions	8,108	
Other loans	0	
		8,108
SHORT-TERM LIABILITIES		
Financial institutions	1,105	
Liabilities to suppliers and trade payables	4,628	
Taxes and social insurance premiums	2,948	
Employee profit sharing	1,654	
Dividends	2,000	
Other liabilities	1,710	
Accruals and deferred income	2,268	

16,313

TOTAL LIABILITIES

89,120

THOMAS REGOUT HOLDING N.V.
CONSOLIDATED INCOME STATEMENTS

THREE MONTHS ENDED SEPTEMBER 30,

1998 1997

(UNAUDITED) (UNAUDITED)

NLG'000 NLG'000 NLG'000 NLG'000

NET SALES		25,135		23,609
Changes in inventory of finished product and work in progress	(267)		414	
Capitalized production	76		28	
Other operating income	324		692	
		133		1,134
TOTAL OPERATING INCOME		25,268		24,743
Cost of raw and ancillary materials and finished product	9,115		8,001	
Cost of subcontracts	810		1,004	
Personnel costs	10,141		10,104	
Depreciation and write-down of tangible fixed assets	1,732		1,760	
Depreciation of intangible fixed assets	0		0	
Other operating expenses	2,250		2,152	
TOTAL OPERATING EXPENSES		24,048		23,021
OPERATING INCOME		1,220		1,722
Interest income and similar income	104		167	
Interest expenses and similar expenses	(219)		(223)	
		(115)		(56)
Income from ordinary business operations before taxes	1,105		1,666	
Taxes on income from ordinary business operations	367		503	
INCOME FROM ORDINARY BUSINESS OPERATIONS AFTER TAXES		738		1,163
Extraordinary expenses	0		0	
Taxes on extraordinary income	0		0	
Extraordinary income after taxes		0		0
NET INCOME		738		1,163

FISCAL YEARS

	1997/98		1996/97	
	NLG'000	NLG'000	NLG'000	NLG'000
NET SALES		109,335		95,223
Changes in inventory of finished product and work in progress	2,978		49	
Capitalized production	1,145		1,161	
Other operating income	1,408		2,767	
		5,531		3,977
TOTAL OPERATING INCOME		114,866		99,200
Cost of raw and ancillary materials and finished product	38,492		30,773	
Cost of subcontracts	4,162		3,464	
Personnel costs	46,077		41,387	
Depreciation and write-down of tangible fixed assets	7,339		7,333	
Depreciation of intangible fixed assets	0		440	
Other operating expenses	9,988		9,282	
TOTAL OPERATING EXPENSES		106,058		92,679
OPERATING INCOME		8,808		6,521
Interest income and similar income	719		558	
Interest expenses and similar expenses	(892)		(868)	
		(173)		(310)
Income from ordinary business operations before taxes		8,635		6,211
Taxes on income from ordinary business operations		2,960		1,990
INCOME FROM ORDINARY BUSINESS OPERATIONS AFTER TAXES		5,675		4,221
Extraordinary expenses	755		0	
Taxes on extraordinary income	(264)		0	
Extraordinary income after taxes		491		0
NET INCOME		6,166		4,221

THREE MONTHS ENDED SEPTEMBER 30,

1998 1997

(UNAUDITED) (UNAUDITED)

NLG'000 NLG'000 NLG'000 NLG'000

OPERATIONAL ACTIVITIES

Net income	738	1,163
Depreciation on fixed assets on acquisition basis	1,732	1,760

Cash flow	2,470	2,923
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Changes in working capital

Inventory	585	(2,311)
Receivables	(882)	(688)
Short-term debts (excluding debts to financial institutions and dividend)	(1,396)	(598)

Changes in provisions	(1,693)	(3,597)
Dividends paid-out	(29)	(58)
Other changes	0	0
	15	(41)

Cash flow from operational activities	763	(773)
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INVESTMENT ACTIVITIES

Tangible fixed assets	343	(490)
Disposal of tangible fixed assets	0	0
Acquisition of activities (net)	0	0

Cash flow from investment activities	343	(490)
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FINANCING ACTIVITIES

Changes in long-term debts	0	0
Changes in debts to financial institutions	(1,504)	123

Cash flow from financial activities	(1,504)	123
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CHANGES IN LIQUID	(398)	(1,140)
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FISCAL YEARS

1997/98 1996/97

NLG'000 NLG'000 NLG'000 NLG'000

OPERATIONAL ACTIVITIES		
Net income	6,166	4,221
Depreciation on fixed assets on acquisition basis	7,339	7,773
Cash flow	13,505	11,994
Changes in working capital		
Inventory	(6,064)	(419)
Receivables	(2,281)	62
Short-term debts (excluding debts to financial institutions and dividend)	2,388	1,626
	(5,957)	1,269
Changes in provisions	(468)	(796)
Dividends paid-out	(2,560)	(1,200)
Other changes	(173)	(764)
Cash flow from operational activities	4,347	10,503
INVESTMENT ACTIVITIES		
Tangible fixed assets	(7,689)	(4,744)
Disposal of tangible fixed assets	1,126	185
Acquisition of activities (net)	(1,950)	0
Cash flow from investment activities	(8,513)	(4,559)
FINANCING ACTIVITIES		
Changes in long-term debts	267	104
Changes in debts to financial institutions	3,224	(343)
Cash flow from financial activities	3,491	(239)
CHANGES IN LIQUID	(675)	5,705

THOMAS REGOUT HOLDING N.V.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General

Basis of consolidation

The consolidated financial statements have been prepared in conformity with generally accepted accounting principles in The Netherlands and are denominated in Dutch guilders ("NLG"). Included in the consolidated financial statements of Thomas Regout Holding N.V. is the financial data of:

- - Thomas Regout Holding N.V., Maastricht
- - Thomas Regout Nederland B.V., Maastricht 100%
- - Thomas Regout B.V., Maastricht 100%
- - Thomas Regout USA, Inc. Byron Center 100%

For the separate annual financial statements of the Dutch companies, the exemption in Article 403, paragraph 1 of Book 2 of the Civil Code is used.

Unaudited interim financial information

Information included in the consolidated financial statements as of September 30, 1998, and for the interim periods ended September 30, 1997 and 1998, is unaudited.

Cash flow statement

The consolidated cash flow statements have been prepared in accordance with International Accounting Standards No. 7.

Basis for currency translation

Receivables, liquid assets and liabilities, where these are denominated in foreign currency, are translated at the exchange rates at the end of the fiscal year, or at the rates at which forward transactions are conducted. The exchange rate differences involved are directly included in the financial results. Assets and liabilities of the foreign subsidiaries are converted at the exchange rates at the end of the fiscal year. The resulting exchange rate differences are directly credited to, or charged against miscellaneous reserves. The income of the foreign subsidiaries is converted at the average annual exchange rate during the fiscal year. Differences between calculated results on the basis of average annual exchange rates, and the rates on the balance sheet date are also credited to, or charged against miscellaneous reserves.

Accounting principles

- - Intangible fixed assets

The intangible fixed assets are valued at cost price minus depreciation.

- - Tangible fixed assets

The tangible fixed assets are valued at cost price. From these cost prices, capital expenditure premiums and/or subsidies have been subtracted, with the exception of W.I.R.-premiums. From the thus calculated values, depreciation amounts were subtracted.

Acquisitions before July 1, 1980 are depreciated according to the degressive method. Acquisitions after July 1, 1980 are depreciated according to the straight-line method. The percentages are based on life expectancy.

- - Inventory

Raw and ancillary materials are valued at the lower of cost price including freight or market price at the end of the fiscal year. Work in progress and semi-finished products are valued at cost of materials, increased by direct manufacturing cost, depending on the finished stage of production. The finished product and the goods for resale are valued at the lower of cost or cost price or market price at the end of the fiscal year. Cost price includes cost of materials, direct manufacturing costs and production overhead. Unmarketable and less marketable inventory is valued at the expected selling price.

- - Receivables

Trade receivables are valued at nominal value. A reduction for non-collectable risks has been applied to these receivables.

- - Provisions

Provisions for pensions involve the following obligations:

- Awarded active pensions to former employees, or their widows/widowers, where these pensions were not reinsured with third parties. The amount of these obligations is determined at actuarial value. The notional interest used is 4.5%.

- The backservice-obligations that are incorporated in the Company Pension Fund for the Steel Industry employee-pension insurance are

calculated in accordance with data that is supplied by this Fund.

The provision for taxes is based on the difference between the fiscal and commercial valuation of the assets and liabilities, in accordance with the current rates. In case of a deferred tax asset this will be included under other receivables. The provision for profit sharing relates to the portion of profit sharing that has not been made payable.

The other provisions refer to a provision for special risks, a provision for self-insurance and a provision for reorganization costs. The provision for special risks concerns an equalization reserve, covering multiple fiscal years for additional V.U.T. (early retirement) costs. The amount of this provision is determined on the basis of the net present value of possible costs at retirement. The provision for reorganization costs relates to personnel costs in connection with supplementary obligations for terminated and yet to be terminated labor contracts.

Basis for calculation of income

- - Net sales

Net sales is the difference between invoiced proceeds to third parties, and the direct costs that are associated with these sales.

- - Costs of raw and ancillary materials and finished goods. These expenses are determined on the basis of historical costs.

- - Depreciation

Capitalized intangible fixed assets are depreciated over a period of 5 years. Depreciation on tangible fixed assets are calculated as a fixed percentage, based on life expectancy on the cost price of these fixed assets.

- - Taxes

Taxes are calculated on the basis of commercial results, taking tax incentives into account. Possible compensation for losses is only taken into account in the year in which the settlement is made.

- - Miscellaneous

On the basis of Article 402, title 9, Book 2 of the Civil Code, a condensed income statement of the Company suffices.

Intangible fixed assets

The intangible fixed assets relate to the start-up costs of Thomas Regout USA, Inc. These costs, which were fully depreciated at June 30, 1997, were depreciated over a period of 5 years. Developments are as follows:

	1997/98	1996/97
	NLG'000	NLG'000
Book value as at June 30, 1997, respectively 1996	0	440
Depreciation of capitalized start-up costs	0	(440)
Book value as at June 30, 1998, respectively 1997	0	0
Total capitalized start-up costs	0	3,315
Cumulative depreciation capitalized start-up costs	0	(3,315)

Book value as at June 30, 1998, respectively 1997 0 0

Tangible fixed assets

Development of the tangible fixed assets is as follows:

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER FIXED ASSETS
	NLG'000	NLG'000	NLG'000
Book value as at June 30, 1997	16,764	20,080	2,209
Assets put into operation	1,109	3,316	1,303
Disposals	(989)	(123)	(14)
Change in assets in progress and on order	0	0	0
Currency differences	204	235	10
Depreciation	(1,099)	(5,403)	(837)
Book value as at June 30, 1998	15,989	18,105	2,671
Total acquisition value	28,278	72,385	8,660
Cumulative depreciation	12,289	54,280	5,989
Book value as at June 30, 1998	15,989	18,105	2,671
Unaudited:			
Book value as of June 30, 1998	15,989	18,105	2,671
Assets put into operation	239	0	0
Change in assets in progress, and on order	0	0	0
Depreciation	(253)	(1,294)	(200)
Book value as of September 30, 1998	15,975	16,811	2,471
Total acquisition value	28,517	72,385	8,660
Cumulative depreciation	12,542	55,574	6,189
Book value as at September 30, 1998	15,975	16,811	2,471

	FIXED ASSETS IN PROGRESS AND ON ORDER	TOTAL 1997/98	TOTAL 1996/97
	NLG'000	NLG'000	NLG'000
Book value as at June 30, 1997	1,879	40,932	41,936
Assets put into operation	0	5,728	5,864

Disposals	0	(1,126)	(185)
Change in assets in progress and on order	1,961	1,961	(1,120)
Currency differences	43	492	1,770
Depreciation	0	(7,339)	(7,333)

Book value as at June 30, 1998 3,883 40,648 40,932

Total acquisition value 3,883 113,206 108,498
Cumulative depreciation 0 72,558 67,566

Book value as at June 30, 1998 3,883 40,648 40,932

Unaudited:

Book value as of June 30, 1998	3,883	40,648
Assets put into operation	0	239
Change in assets in progress, and on order	(582)	(582)
Depreciation	0	(1,747)

Book value as of September 30, 1998 3,301 38,558

Total acquisition value 3,301 112,863
Cumulative depreciation 0 74,305

Book value as at September 30, 1998 3,301 38,558

Provisions

The provision for pensions is established as follows:

	30.09.98	30.06.98	30.06.97
	(unaudited)		
	NLG'000	NLG'000	NLG'000
Active pensions under own management	134	138	143
Backservice-obligations	815	815	1,850
	949	953	1,993

Based on a dramatically lower percentage used to calculate the provision a substantial part of the provision for backservice has been released to income.

Miscellaneous

Miscellaneous provisions are specified as follows:

	30.09.98	30.06.98	30.06.97
	(unaudited)		

	NLG'000	NLG'000	NLG'000
Special risks	1,120	1,120	670
Insurance deductibles	101	101	101
Reorganization costs	225	250	750
	1,446	1,471	1,521

In connection with layoffs of personnel, one-time payments were made in 1997/98, and charged to the reorganization provisions. A part of the provision has been release to income.

All provisions are long-term, with the exception of the provision for reorganization costs.

Long-term liabilities

- - Financial institutions

On November 1, 1997, Thomas Regout USA, Inc., in order to refinance fixed assets has pledged these fixed assets in a replacement of an existing loan with a new loan of USD 4.5 million. No warrantees have been given by the parent company. Interest is fixed for 6 years at 8%. Redemption in quarterly installments amounts to USD 187,500. The redemption for 1998/99 has been included under short-term liabilities to financial institutions.

- - Other loans

These reflect a loan by a third party in respect of the acquisition by Thomas Regout of trade activities and tools. It has been agreed that in addition to a down payment in cash, during 3 years, an amount of NLG 750,000 per year will be paid. On these deferred payments interest will be credited of interbank rate plus 1.5%. The payment due in 1998/99 is included under short-term liabilities 'other'.

Short-term liabilities

TAXES AND SOCIAL SECURITY CONTRIBUTIONS

Specification of this item is as follows:

	30.09.98	30.06.98	30.06.97
	(unaudited)		
	NLG'000	NLG'000	NLG'000
Social security contributions	0	49	0
Transitional arrangements	503	353	0
Wage tax and sales tax	1,232	736	1,214
Corporate income tax	1,280	1,090	1,734
	3,015	2,228	2,948

Net sales

The division of sales by product groups is as follows:

	THREE MONTHS ENDED SEPTEMBER 30,		FISCAL YEAR	
	1998	1997	1997/98	1996/97
	(UNAUDITED)			
	%	%	%	%
The Netherlands	21.4	20.6	21.0	23.6
Other European Union countries	39.4	39.0	39.5	38.3
USA	29.1	33.3	28.7	27.2
Other exports	10.1	7.1	10.8	10.9
	100.0	100.0	100.0	100.0

Other revenues

These revenues are related to services provided to Kontinex Profielen B.V.

Personnel costs

Personnel costs are composed as follows:

	THREE MONTHS ENDED SEPTEMBER 30,		FISCAL YEAR	
	1998	1997	1997/98	1996/97
	(UNAUDITED)			
	NLG'000	NLG'000	NLG'000	NLG'000
Wages and salaries	6,631	6,572	28,573	27,148
Available for employee profit sharing	340	427	2,798	1,654
Statutory social security contributions (including premium transfer allowances)	684	751	3,481	3,641
Pension contribution and transitional arrangements	521	513	1,775	2,393
Other personnel costs	971	990	4,497	3,553
Temporary staff	994	851	4,953	2,998
	10,141	10,104	46,077	41,387
The average number of employees was	508	525	526	509

Remuneration of the five-member Supervisory Board, all of whom are paid, amounts to NLG 249,000 for the fiscal year 1998/97 (1996/97: NLG 201,000); and amounts to NLG 62,500 for the three months ended September 30, 1998 (three months ended September 30, 1997 - NLG 62,500).

Extraordinary items

As a consequence of the sale of land and buildings to Kontinex, an extraordinary gain has been realized in a book profit on fixed assets of NLG 1.7 million.

Our activities in China to establish a production facility incurred costs. Included under extraordinary charges is an amount of NLG 1.0 million in this respect.

Shareholders' equity

- - Issued capital

The authorized stock is NLG 7,900 common stock, NLG 100 preferred stock, and NLG 4,000 cumulative preferred stock, for a total of NLG 12,000. Of these, NLG 3,900 in common stock has been issued and fully paid (7,800 shares at NLG 500 nominal value), and NLG 100 preferred stock (200 shares at NLG 500 nominal value). Shareholders with preferred stock have priority of payments of the nominal value of these shares, in the event of the Corporation's liquidation.

- - Miscellaneous reserves

The development of this item is as follows:

	NLG'000
Situation as at June 30, 1997	56,938
Allocation from profit	3,686
Exchange rate differences in participation	319
Other changes participations	(1,950)
 Situation as at June 30, 1998	 58,993
 Unaudited:	
Allocation from profit	738
 Situation at September 30, 1998	 59,731

Shareholders' equity and net profit under U.S. GAAP

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in The Netherlands ("Dutch GAAP") which vary in certain significant respects from those generally accepted in the United States ("U.S. GAAP"). The following is a summary of the adjustments to net profit and shareholders' equity that would have been required if U.S. GAAP had been applied instead of Dutch GAAP in the preparation of the consolidated financial statements.

1. DEPRECIATION OF GOODWILL

In the 1997/1998 financial year, the Company paid goodwill of NLG 3 million on the acquisition of rail and other activities in the form of an asset deal. Under Dutch GAAP, the Company charged this goodwill immediately to shareholders' equity, net of 35% corporate income tax. Under U.S. GAAP, goodwill is capitalized and depreciated on a straight line basis over 20 years.

2. DEPRECIATION OF INTANGIBLE FIXED ASSETS

Under Dutch GAAP, the start-up costs of Thomas Regout USA Inc. were capitalized by the Company and depreciated on a straight line basis over 5 years. Under U.S. GAAP, these costs are expensed as incurred.

3. ADDITIONAL PENSION PROVISION ACCORDING TO U.S. STATEMENT OF FINANCIAL ACCOUNTING STANDARDS ("FAS") NO. 87

The Company operates four pension schemes. The employees of the Company participate in the industry-wide pension fund for the Metal Industry. As an addition to this industry-wide fund there are surplus schemes for employees and management and a separate pension scheme for the managing director. FAS 87 applies only to the surplus schemes for employees and management. Under Dutch GAAP, FAS 87 does not apply as compared to U.S. GAAP.

4. PROVISION FOR INSURANCE DEDUCTIBLES

Not applicable under U.S. GAAP.

5. INCOME TAX EFFECT OF U.S. GAAP ADJUSTMENTS

Calculated at the nominal tax rate of 35%.

6. DIVIDENDS PAYABLE

Under Dutch GAAP, dividends are deductible from equity when granted. Under U.S. GAAP dividends are deducted from equity when payable.

7. NET OPERATING TAX LOSS CARRYFORWARDS

The subsidiary Thomas Regout USA Inc. has at 30 June 1998 net operating loss carryforwards for income tax purposes of approximately \$8.7 million, available to offset taxable income generated through 2013. The Company utilized net operating loss carryforwards of \$436,000 in 1997.

For reasons of prudence resulting tax assets were provided for full for both Dutch GAAP and U.S. GAAP purposes.

The following table summarizes the significant adjustments to consolidated shareholders' equity and net profits which would result from application of U.S. GAAP.

	NET PROFIT						
	SHAREHOLDERS' EQUITY THREE MONTHS ENDED						
	SEPTEMBER 30,	JUNE 30,	SEPTEMBER 30,	SEPTEMBER 30,	SEPTEMBER 30,	SEPTEMBER 30,	SEPTEMBER 30,
	1998	1998	1997	1998	1997	1997/98	1996/97
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
	NLG'000	NLG'000	NLG'000	NLG'000	NLG'000	NLG'000	NLG'000
Shareholders' equity/net profit under Dutch GAAP	63,731	62,993	60,938	738	1,163	6,166	4,221
Goodwill	2,910	2,950	0	(40)	0	(50)	0

Intangible fixed assets	0	0	0	0	0	0	440
Additional pension provision according to FAS No. 87	(2,581)	(2,542)	(2,573)	(39)	8	31	0
Provision for insurance deductibles	101	101	101	0	0	0	0
Income tax effect of US GAAP adjustments	(150)	(179)	865	29	(3)	6	(154)
Dividends payable	1,920	1,920	2,000	0	0	0	0
Shareholders' equity/net profit under U.S. GAAP	65,931	65,243	61,331	688	1,168	6,153	4,507

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited pro forma condensed consolidated financial statements set forth the Company's Pro Forma Condensed Consolidated Balance Sheet as of September 30, 1998, and the Pro Forma Condensed Consolidated Statements of Income for the year ended December 31, 1997 and for the nine months ended September 30, 1998. These pro forma financial statements are presented to illustrate the effect of certain adjustments to the historical consolidated financial statements as explained in the accompanying notes.

The accompanying Pro Forma Condensed Consolidated Financial Statements should be read in conjunction with the Company's historical consolidated financial statements previously-filed with the Securities and Exchange Commission, the historical consolidated financial statements of The Fort Lock Group (acquired by the Company in March 1998) previously-filed with the Commission and the historical consolidated financial statements of Thomas Regout Holding N.V. ("TRH") included elsewhere in this Current Report on Form 8-K. The pro forma condensed consolidated financial statements are presented for information purposes only and are not necessarily indicative of actual results had the transactions reflected therein occurred at the dates indicated, nor do they purport to represent results of future operations of the Company.

COMPX INTERNATIONAL INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

September 30, 1998
(In millions)

ASSETS

	CompX historical	TRH historical
Current assets:		
Cash and cash equivalents	\$ 50.5	\$10.4
Accounts receivable	19.4	8.3
Receivable from affiliate	.7	-
Inventories	15.9	10.3

Deferred income taxes	1.3	-
Other current assets	.7	.5
Total current assets	88.5	29.5
Net property and equipment	32.0	20.5
Goodwill	23.2	1.5
Deferred income taxes	-	.4
Other assets	.4	-
	\$144.1	\$51.9

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Notes payable and current maturities of long-term debt	\$.7	\$ 1.5
Accounts payable and accrued liabilities	15.9	7.6
Income taxes	1.2	1.7
Deferred income taxes	-	.3
Total current liabilities	17.8	11.1

Noncurrent liabilities:

Long-term debt	.9	4.4
Deferred income taxes	1.5	-
Other	-	1.4
Total noncurrent liabilities	2.4	5.8

Stockholders' equity	123.9	35.0
	\$144.1	\$51.9

ASSETS

	Note 2	Pro forma adjustments Amount	Pro forma
Current assets:			
Cash and cash equivalents	(a)	\$(32.2)	
	(b)	(.6)	
	(d)	(5.9)	\$ 22.2
Accounts receivable		-	27.7
Receivable from affiliate		-	.7
Inventories		-	26.2
Deferred income taxes		-	1.3
Other current assets		-	1.2

Total current assets		(38.7)	79.3
Net property and equipment	(c)	6.7	59.2
Goodwill	(c)	11.0	35.7
Deferred income taxes	(c)	3.2	3.6
Other assets		-	.4
		\$ (17.8)	\$178.2

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Notes payable and current maturities of long-term debt	(d)	\$ (1.5)	\$.7
Accounts payable and accrued liabilities	(c)	.6	24.1
Income taxes		-	2.9
Deferred income taxes		-	.3

Total current liabilities (.9) 28.0

Noncurrent liabilities:

Long-term debt	(a)	20.0	
	(d)	(4.4)	20.9
Deferred income taxes	(c)	2.0	3.5
Other	(c)	.5	1.9

Total noncurrent liabilities 18.1 26.3

Stockholders' equity (c) (35.0) 123.9

\$ (17.8) \$178.2

COMPX INTERNATIONAL INC.

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

September 30, 1998

Note 1 - Basis of presentation:

The Unaudited Pro Forma Condensed Consolidated Balance Sheet as of September 30, 1998 has been prepared assuming the Company's acquisition of 100% of the outstanding shares of TRH, more fully described in Item 2 and Item 7(c) to this Current Report on Form 8-K, had occurred on September 30, 1998. The acquisition is accounted for by the purchase method of accounting.

The historical consolidated financial statements of TRH contained elsewhere in this Current Report on Form 8-K are denominated in Dutch guilders and have been prepared in accordance with Dutch generally accepted accounting principles ("Dutch GAAP"). As explained in the accompanying notes to TRH's historical consolidated financial statements, Dutch GAAP varies in certain significant respects from accounting principles generally accepted in the United States

("U.S. GAAP"). Amounts shown for "TRH historical" in the Unaudited Pro Forma Condensed Consolidated Balance Sheet have been derived from TRH's historical consolidated balance sheet as of September 30, 1998 included elsewhere in this Current Report on Form 8-K, as adjusted to give effect to these Dutch GAAP/U.S. GAAP differences. In addition, the amounts are presented in U.S. dollars using the September 30, 1998 exchange rate of 1.88 Dutch guilders per U.S. dollar.

Note 2 - Pro forma adjustments:

Pro forma adjustments to reflect the acquisition of TRH are described below.

- (a) CompX pays \$52.2 million for 100% of the outstanding shares of capital stock of TRH. The purchase price is funded using cash on hand of \$32.2 million and \$20.0 of borrowings under CompX's revolving bank credit facility.
- (b) CompX incurs \$.6 million in acquisition related costs.
- (c) Allocate purchase price as follows:

	Amount
	(In millions)
Purchase price to be allocated:	
Cash paid to acquire TRH	\$52.2
Transaction costs	.6
	52.8
Historical TRH equity (on a U.S. GAAP basis)	35.0
	\$17.8

	Amount
	(In millions)
Purchase price allocation:	
Adjust TRH property, plant and equipment to estimated fair value:	
Land	\$ 2.1
Buildings	4.6
Record accrual for estimated environmental remediation costs not recorded by TRH	(.5)
Other accrued liabilities	(.6)
Reverse TRH's deferred income tax asset valuation allowance with respect to TRH's U.S. federal income tax net operating loss carryforwards	3.2
Deferred income taxes related to other purchase price allocations at The Netherlands effective income tax rate of 35%	(2.0)
Goodwill	11.0

As explained in the accompanying notes to TRH's historical consolidated financial statements, TRH's U.S. subsidiary has approximately \$9 million of U.S. federal income tax net operating loss carryforwards for which the benefit had not been recognized under the "more-likely-than-not" recognition criteria of U.S. Statement of Financial Accounting Standards No. 109. However, based on the Company's assessment of its ability to utilize such net operating loss carryforwards in the future, the Company is recognizing the deferred income tax asset associated with such carryforwards as part of its purchase price allocation.

The above purchase price allocation has been allocated to TRH's individual assets and liabilities based upon preliminary estimates of fair value. The actual allocation of the purchase price may differ from the preliminary allocation due to adjustments to the purchase price and refinements of the fair values of the net assets acquired.

(d) TRH retires its outstanding U.S. indebtedness of \$5.9 million.

COMPX INTERNATIONAL INC.

UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED STATEMENT OF INCOME

Year ended December 31, 1997
(In thousands, except per share amounts)

	CompX	TRH	Pro forma adjustments	Pro forma
	pro forma	historical	Note 2	Amount
Total revenues	\$138.7	\$52.9		\$ -
Costs and expenses:				
Cost of sales	91.2	42.2	(c)	.4
Selling, general and administration	19.7	6.0	(a)	.6
Interest	.1	.4	(b)	1.2
			(d)	(.4)
	111.0	48.6		1.8
Income before income taxes	27.7	4.3		(1.8)
Provision for income tax	11.5	1.3	(f)	(.4)
Minority interest in net loss	.1	-		-
Net income	\$ 16.3	\$ 3.0		\$ (1.4)
Diluted net income per common share	\$ 1.01			\$ 1.10

Weighted average diluted common shares outstanding	16.2	16.2
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COMPX INTERNATIONAL INC.

UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED STATEMENT OF INCOME

Nine months ended September 30, 1998
(In thousands, except per share amounts)

	CompX	TRH	Pro forma adjustments	Pro forma
	pro forma	historical	Note 2 Amount	
Total Revenues	\$115.1	\$ 41.0	\$ -	\$156.1
Costs and expenses:				-
Cost of sales	77.5	32.5	(c) .3	110.3
Selling, general and administration	15.0	4.4	(a) .4	
Other expense (income), net	(1.2)	-	(e) (3.3)	16.5
Interest	.6	.3	(b) .9 (d) (.3)	(1.2) 1.5
	91.9	37.2	(2.0)	127.1
Income before income taxes	23.2	3.8	2.0	29.0
Provision for income taxes	8.6	1.2	(f) .8	10.6
Minority interest in net loss		-		
Net income	\$ 14.8	\$ 2.6	\$ 1.2	\$ 18.6
Diluted net income per common share	\$.91			\$ 1.15
Weighted average diluted common shares outstanding	16.2			16.2

COMPX INTERNATIONAL INC.

NOTES TO UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED STATEMENTS OF INCOME

Year ended December 31, 1997 and
Nine Months Ended September 30, 1998

Note 1 - Basis of presentation:

The Unaudited Pro Forma Condensed Consolidated Statements of Income for the year ended December 31, 1997 and the nine months ended September 30, 1998 have been prepared assuming the Company's acquisition of 100% of the outstanding shares of capital stock of TRH, more fully described in Item 2 and Item 7(c) to this Current Report on Form 8-K, had occurred as of January 1, 1997. The acquisition will be accounted for by the purchase method of accounting.

As previously reported, (i) in February 1998 the Company entered into a new \$100 million revolving bank credit facility and utilized \$50 million of borrowings to repay a demand note payable to the Company's former parent company, Valcor, Inc., which demand note was issued to Valcor in December 1997 in the form of a dividend, (ii) in March 1998 the Company acquired Fort Lock Corporation in a purchase business combination for an aggregate purchase price of \$33 million funded by \$25 million of borrowings under the new bank credit facility and funds on hand, (iii) in March 1998 the Company completed an initial public offering of 6 million shares of its common stock and utilized a portion of the net proceeds to repay the \$75 million of borrowings outstanding under the new bank credit facility and (iv) granted 164,880 shares of its Class A common stock (the "Management Shares") to certain key individuals in connection with the public offering and recognized a \$3.3 million pre-tax charge associated with such grant. The accompanying Unaudited Pro Forma Condensed Consolidated Statements of Income have been prepared as if all of these transactions had also occurred on January 1, 1997. In this regard, (a) the amounts shown for CompX pro forma for the year ended December 31, 1997 reflect the transactions described in (i) through (iv) above and are shown in the Company's Unaudited Pro Forma Condensed Consolidated Financial Statements included in the Company's Registration Statement on Form S-1 (File No. 333-42643) and (b) the amounts shown for CompX pro forma for the nine months ended September 30, 1998 reflect the transactions described in (i) through (iii) above and are shown in the Company's Current Report on Form 8-K dated October 16, 1998 (File No. 1-13905). The pro forma impact of the Company's November 1998 acquisition of another lock competitor is not significant.

The historical consolidated financial statements of TRH contained elsewhere in this Current Report on Form 8-K are denominated in Dutch guilders and have been prepared in accordance with Dutch generally accepted accounting principles ("Dutch GAAP"). As explained in the accompanying notes to TRH's historical consolidated financial statements, Dutch GAAP varies in certain significant respects from accounting principles generally accepted in the United States ("U.S. GAAP"). Amounts shown for "TRH historical" in the Unaudited Pro Forma Condensed Consolidated Statements of Income have been derived from TRH's historical consolidated statements of income included elsewhere in this Current Report on Form 8-K, as adjusted to give effect to these Dutch GAAP/U.S. GAAP differences. In addition, the amounts are presented in U.S. dollars using weighted average exchange rates of 1.94 Dutch guilders per U.S. dollar for the year ended December 31, 1997 and 2.04 Dutch guilders per U.S. dollar for the nine months ended September 30, 1998.

The shares used in the calculation of diluted earnings per share is based upon the 16.1 million shares of the Company's common stock outstanding after completion of its initial public offering, plus an assumed 100,000 shares for the estimated dilutive impact of outstanding stock options.

Note 2 - Pro forma adjustments:

Pro forma adjustments to reflect the acquisition of TRH and other pro forma adjustments are described below.

- (a) Amortization of goodwill related to the acquisition of TRH by the straight-line method over 20 years.
- (b) Increase in interest expense resulting from assumed borrowings of \$20

million using effective interest rates of 5.9% for the year ended December 31, 1997 and 5.7% for the nine months ended September 30, 1998.

- (c) Increase in depreciation expense resulting from amortization of purchase accounting basis differences allocated to buildings using the average remaining useful life of 11 years.
- (d) Eliminate interest expense resulting from the assumed retirement of TRH's U.S. debt.
- (e) Reverse the Management Share charge included in the 1998 pro forma results for CompX because such charge is assumed to have been recorded as of January 1, 1997.
- (f) Income tax expense related to pro forma adjustments (b) through (e) at applicable income tax rates (35% for adjustments related to The Netherlands and 37%, the combined U.S. federal and state tax rates, for adjustments related to the U.S.).