

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: July 27, 2004

COMPX INTERNATIONAL INC.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-13905
(Commission
File Number)

57-0981653
(IRS Employer
Identification
No.)

5430 LBJ Freeway, Suite 1700, Dallas, TX
(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)

Item 9: Regulation FD Disclosure
Item 12: Results of Operations and Financial Condition

Pursuant to Items 9 and 12 of this current report, the registrant hereby furnishes the information set forth in the press release issued on July 27, 2004, 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.

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.

COMPX INTERNATIONAL INC.
(Registrant)

By: /s/ A. Andrew R. Louis

A. Andrew R. Louis
Secretary

Date: July 27, 2004

INDEX TO EXHIBITS

Exhibit No. -----	Description -----
99.1	Press release dated July 27, 2004 issued by CompX International Inc.

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PRESS RELEASE

FOR IMMEDIATE RELEASE:

CONTACT:

CompX International Inc.
5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240

David A. Bowers
President & CEO
Tel. 864-286-1122

COMPX REPORTS HIGHER SALES AND PROFITS
FOR SECOND QUARTER 2004

Dallas, TEXAS ... July 27, 2004 ... CompX International Inc. (NYSE: CIX) announced today sales of \$56.7 million for the second quarter of 2004 and net income of \$3.3 million, or \$0.22 per diluted share. This represents an increase in sales of 14% from \$49.7 million in the year ago quarter. The Company reported net income of \$300,000 for the comparable 2003 quarter, or \$0.02 per diluted share. Net sales for the six-month period ended June 30, 2004 were \$109.9 million compared to \$100.7 million for same period of the previous year. Net income for the six-month period in 2004 was \$4.8 million, or \$0.32 per diluted share, compared to \$900,000, or \$0.06 per diluted share in 2003.

"We benefited this quarter from higher demand across most product segments," commented David A. Bowers, President & CEO. "This combined with the benefit of an improved cost structure, resulting from various operating initiatives over the last two years, contributed to the improvement in operating income margins."

Security Products Segment

CompX Security Products experienced a 5% increase in net sales in the second quarter of 2004 to \$19.7 million compared to the same quarter last year of \$18.8 million. Net sales for this segment increased 3% on a year-to-date basis to \$38.4 million from \$37.3 million in 2003 primarily, as a result of increased sales volumes. Second quarter operating income increased from \$2.5 million in 2003 to \$2.8 million in 2004. For the year-to-date period, operating income improved to \$5.1 million in 2004 compared to \$4.7 million in 2003. The quarter and year-to-date operating income improvements were primarily due to the increase in sales volumes which benefited from manufacturing efficiencies as a result of earlier cost reductions.

Waterloo Segment

Net sales for the Waterloo segment increased 16% to \$26.5 million in the second quarter of 2004 from \$22.9 million in the second quarter in 2003 and increased 10% for the six-month period from \$46.7 million in 2003 to \$51.2 million in 2004. The increase is primarily related to higher precision slide product volumes at certain customers, increases in certain precision slide product surcharges and prices, primarily to recover the dramatic rise in steel raw material prices experienced during the year, and the strengthening of the Canadian dollar in 2004 in relation to the US dollar. Operating income for this segment was \$2.4 million in the second quarter of 2004 as compared to a loss of \$600,000 in the prior year quarter and improved from a loss of \$100,000 in the first six months of 2003 compared to income of \$2.7 million in the first six months of 2004. Operating income improvements are primarily attributable to improved margins resulting from a lower fixed cost structure in 2004, non-recurring expenses of approximately \$800,000 in the first six months of 2003 (\$400,000 in the second quarter) associated with the consolidation of the Company's two Canadian facilities and, to a lesser extent, product pricing. Relative changes in currency exchange rates negatively impacted year-to-date operating income comparisons by approximately \$800,000 but did not have a significant impact on the second quarter results.

Thomas Regout Segment

Net sales for the Thomas Regout segment increased 33% to \$10.6 million in the second quarter of 2004 from \$7.9 million in the second quarter of 2003. For the six-month period, net sales increased 21% to \$20.2 million as compared to \$16.8 million for 2003. The improvement in net sales is due to an increase in orders from European customers and the strengthening of the euro in 2004 in relation to the US dollar. The second quarter of 2004 operating income for this segment was \$400,000 compared to an operating loss of \$1.0 million in 2003. The 2004 year-to-date operating income for this segment was \$500,000, compared to a loss of \$1.9 million for 2003. The improvement in operating income is primarily the result of the restructuring actions taken in 2003 combined with an increase in sales. The impact of relative changes in currency exchange rates on operating

income comparisons was not significant for this segment.

Mr. Bowers concluded, "We are encouraged by the improved demand and favorable results of our cost control initiatives. The commitment and hard work of our employees over the past two years are a significant factor in the success of these initiatives. While demand continues to be good across all product segments, certain customers are seeking lower cost Asian sources as alternatives to our products. Although we believe the impact of this will be mitigated through our ongoing initiatives to expand both new products and new market opportunities, the recent increase in order rates may be moderated to a certain extent in the near term. We continue to believe the value proposition of our collaborative innovative design, high quality products and responsive service, upon which our partners have come to depend, will continue to be valued by our customer base."

Liquidity and Cash Flow

Cash provided by operating activities improved to \$13.7 million for the 2004 six-month period compared to \$8.4 million in the prior year. The improvement in cash provided by operating activities was due to the improved operating results and the efficient management of working capital. During the first six months of 2004, the Company utilized a portion of its cash balance to reduce debt by approximately \$24.0 million.

CompX is a leading manufacturer of precision ball bearing slides, security products and ergonomic computer support systems.

Statements in this release relating to matters that are not historical facts are forward-looking statements based upon management's belief and assumptions using currently available information. Although CompX believes 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, CompX continues to face many risks and uncertainties. Among the factors that could cause actual future results to differ materially include, but are not limited to, general economic and political conditions, demand for office furniture, service industry employment levels, competitive products and prices, fluctuations in currency exchange rates, the introduction of trade barriers, potential difficulties in integrating completed acquisitions and other risks and uncertainties detailed in CompX's Securities and Exchange Commission filings. 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. CompX disclaims any intention or obligation to publicly update or revise such statements whether as a result of new information, future events or otherwise.

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COMPX INTERNATIONAL INC.
SUMMARY OF CONSOLIDATED OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2003	2004	2003	2004
	-----		-----	
Net sales	\$ 49.7	\$ 56.7	\$ 100.7	\$ 109.9

Cost of goods sold	41.8	43.5	84.0	86.6
	-----	-----	-----	-----
Gross profit	7.9	13.2	16.7	23.3
Selling, general and administrative	7.1	7.6	14.0	15.0
	-----	-----	-----	-----
Operating income	0.8	5.6	2.7	8.3
Interest expense	(0.3)	(0.1)	(0.6)	(0.4)
Other income (expense)	-	0.3	(0.5)	0.5
	-----	-----	-----	-----
Income before income taxes	0.5	5.8	1.6	8.4
Income tax expense	0.2	2.5	0.7	3.6
	-----	-----	-----	-----
Net income	\$ 0.3	\$ 3.3	\$ 0.9	\$ 4.8
	=====	=====	=====	=====
Net income per diluted common share	\$ 0.02	\$ 0.22	\$ 0.06	\$ 0.32
	=====	=====	=====	=====
Weighted average diluted common shares outstanding	15.1	15.2	15.1	15.1
	=====	=====	=====	=====

COMPX INTERNATIONAL INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

Assets	December 31, 2003	June 30, 2004
	-----	-----
		(Unaudited)
Current assets:		
Cash and equivalents	\$ 21.7	\$ 11.6
Accounts receivable, net	25.7	28.7
Inventories	26.3	24.8
Prepaid expenses and other	6.5	3.1
	-----	-----
Total current assets	80.2	68.2
Intangibles	45.3	44.8
Net property and equipment	83.2	74.9
Other assets	0.8	0.9
	-----	-----
Total assets	\$ 209.5	\$ 188.8
	=====	=====

Liabilities and Stockholders' Equity

Current liabilities:

Accounts payable and accrued liabilities	\$ 24.0	\$ 23.2
Accrued income taxes and other	0.5	1.6
	-----	-----
Total current liabilities	24.5	24.8
Long-term debt	26.0	2.1
Other non-current liabilities	4.6	4.2
Stockholders' equity	154.4	157.7
	-----	-----
Total liabilities and stockholders' equity	\$ 209.5	\$ 188.8
	=====	=====