

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

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 (Date of earliest event reported): August 3, 2015

TREX COMPANY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-14649
(Commission File Number)

54-1910453
(IRS Employer
Identification No.)

160 Exeter Drive
Winchester, Virginia
(Address of Principal Executive Offices)

22603-8605
(ZIP Code)

Registrant's telephone number, including area code: (540) 542-6300

Not Applicable

(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. below):

- 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.

On August 3, 2015 Trex Company, Inc. issued a press release announcing financial results for the quarter ended June 30, 2015. A copy of such press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information contained in this report on Form 8-K shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section.

Item 9.01 Financial Statements and Exhibits

(d) Trex Company herewith files the following exhibit:

| Exhibit | Description of Exhibit |
|----------------|------------------------------------|
| 99.1 | Press release dated August 3, 2015 |

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.

TREX COMPANY, INC.

Date: August 3, 2015

/s/ James E. Cline

James E. Cline

Chief Financial Officer

Trex Company Continues Record-Setting Year

- **Q2 2015 Net Sales Increase 13% to \$137 Million**

- **EPS Rises 26% to \$0.58**

WINCHESTER, Va.--(BUSINESS WIRE)--August 3, 2015--Trex Company, Inc. (NYSE:TREX), the world's largest manufacturer of wood-alternative decking and railing products, today announced financial results for the second quarter ended June 30, 2015.

Net sales for the second quarter of 2015 totaled \$136.8 million, a 13% increase compared to net sales of \$121.3 million for the 2014 period. The Company reported net income of \$18.7 million, or \$0.58 per diluted share, for the second quarter of 2015 compared to net income of \$15.2 million, or \$0.46 per diluted share, for the prior-year period, a 26% increase.

For the six months ended June 30, 2015, the Company reported net sales of \$257.6 million compared to net sales of \$222.0 million for the prior-year period, an increase of 16%. The Company reported net income of \$36.3 million, or \$1.13 per diluted share, for the first six months of 2015 compared to net income of \$27.5 million, or \$0.82 per diluted share, for the 2014 period, a 38% increase.

Chairman, President and CEO Ronald W. Kaplan commented, "We continued our record-setting performance in the second quarter, reaching new highs in revenue and earnings for both the quarter and the first half of the year. We are executing well on our business strategies and, in the process, advancing our industry-leading market share. This year's branding campaign – Engineering What's Next in Outdoor Living – has been striking a strong chord with consumers, and our growing emphasis on digital marketing is helping us reach new audiences and reinforce Trex's image and status as the premier provider of outdoor living products. The many manufacturing efficiencies we have implemented continued to bear fruit during the second quarter, helping lift our gross margin to 38.4%, an increase of 128 basis points over the prior-year period. We incurred non-operating charges of \$0.9 million during the 2015 quarter. Excluding the after-tax impact of these charges, our net income would have been \$19.3 million, or \$0.60 per diluted share."

Mr. Kaplan continued, "For Q3, we expect revenue of approximately \$96 million. This is comparable to last year's third quarter. The 2014 third quarter was favorably impacted by a seasonal shift in demand resulting from harsh winter weather that delayed the start to the decking season. Our 2015 third quarter revenue guidance reflects the return to a normal seasonal demand trend. Our trailing twelve month sales guidance through the end of Q3 2015 is \$428 million, or 12% above the comparable prior-year period. We are pleased with our 2015 sales, which reflect continued strong execution in our market share advancement initiatives."

Second-Quarter 2015 Conference Call and Webcast Information

Trex will hold a conference call to discuss its second-quarter 2015 results and other corporate matters on Monday, August 3, 2015 at 10:00 a.m. ET. To participate in the live call by telephone, please dial 706-634-1218 or 888-803-7638 and reference conference ID #75134733. A live webcast of the conference call will also be available in the Investor Relations section of the Trex Company website at trex.com.

For those who cannot listen to the live broadcast, an audio replay of the earnings call will be available on the Trex website for 30 days.

Forward-Looking Statements

The statements in this press release regarding the Company's expected future performance and condition constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are subject to risks and uncertainties that could cause the Company's actual operating results to differ materially. Such risks and uncertainties include the extent of market acceptance of the Company's products; the costs associated with the development and launch of new products and the market acceptance of such new products; the sensitivity of the Company's business to general economic conditions; the impact of weather-related demand fluctuations on inventory levels in the distribution channel and sales of the Company's products; the Company's ability to obtain raw materials at acceptable prices; the Company's ability to maintain product quality and product performance at an acceptable cost; the level of expenses associated with product replacement and consumer relations expenses related to product quality; and the highly competitive markets in which the Company operates. Documents filed with the Securities and Exchange Commission by the Company, including in particular its latest annual report on Form 10-K and quarterly reports on Form 10-Q, discuss some of the important factors that could cause the Company's actual results to differ materially from those expressed or implied in these forward-looking statements. The Company expressly disclaims any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

About Trex Company

Trex Company is the world's largest manufacturer of wood-alternative decking and railing, with more than 20 years of product experience. Stocked in more than 6,700 retail locations throughout the world, Trex[®] outdoor living products offer a wide range of style options with fewer ongoing maintenance requirements than wood, as well as a truly environmentally responsible choice. For more information, visit trex.com.

TREX COMPANY, INC.
Condensed Consolidated Statements of Comprehensive Income
(In thousands, except share and per share data)
(Unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|-------------------|------------------------------|-------------------|
| | 2015 | 2014 | 2015 | 2014 |
| Net sales | \$ 136,779 | \$ 121,311 | \$ 257,579 | \$ 221,956 |
| Cost of sales | 84,255 | 76,285 | 156,808 | 138,764 |
| Gross profit | 52,524 | 45,026 | 100,771 | 83,192 |
| Selling, general and administrative expenses | 22,472 | 20,344 | 43,064 | 38,566 |
| Income from operations | 30,052 | 24,682 | 57,707 | 44,626 |
| Interest expense, net | 188 | 301 | 325 | 623 |
| Income before income taxes | 29,864 | 24,381 | 57,382 | 44,003 |
| Provision for income taxes | 11,149 | 9,220 | 21,114 | 16,547 |
| Net income | <u>\$ 18,715</u> | <u>\$ 15,161</u> | <u>\$ 36,268</u> | <u>\$ 27,456</u> |
| Basic earnings per common share | <u>\$ 0.59</u> | <u>\$ 0.46</u> | <u>\$ 1.14</u> | <u>\$ 0.83</u> |
| Basic weighted average common shares outstanding | <u>31,735,333</u> | <u>32,898,288</u> | <u>31,709,645</u> | <u>33,012,845</u> |
| Diluted earnings per common share | <u>\$ 0.58</u> | <u>\$ 0.46</u> | <u>\$ 1.13</u> | <u>\$ 0.82</u> |
| Diluted weighted average common shares outstanding | <u>32,142,939</u> | <u>33,307,463</u> | <u>32,119,026</u> | <u>33,452,814</u> |
| Comprehensive income | <u>\$ 18,715</u> | <u>\$ 15,161</u> | <u>\$ 36,268</u> | <u>\$ 27,456</u> |

TREX COMPANY, INC.
Condensed Consolidated Balance Sheets
(In thousands, except share data)
(Unaudited)

| | June 30, 2015 | December 31, 2014 |
|---|--------------------------|------------------------------|
| | | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 4,149 | \$ 9,544 |
| Accounts receivable, net | 124,465 | 36,391 |
| Inventories | 18,626 | 23,747 |
| Prepaid expenses and other assets | 2,045 | 6,288 |
| Deferred income taxes | 9,860 | 9,271 |
| Total current assets | 159,145 | 85,241 |
| Property, plant and equipment, net | 105,530 | 98,716 |
| Goodwill and other intangibles | 10,530 | 10,534 |
| Other assets | 1,559 | 1,333 |
| Total assets | \$276,764 | \$ 195,824 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 19,946 | \$ 20,050 |
| Accrued expenses | 28,464 | 20,660 |
| Accrued warranty | 8,186 | 8,744 |
| Line of credit | 37,500 | - |
| Total current liabilities | 94,096 | 49,454 |
| Deferred income taxes | 3,708 | 3,708 |
| Non-current accrued warranty | 23,185 | 25,097 |
| Other long-term liabilities | 4,285 | 4,180 |
| Total liabilities | 125,274 | 82,439 |
| Stockholders' equity: | | |
| Preferred stock, \$0.01 par value, 3,000,000 shares authorized; none issued and outstanding | - | - |
| Common stock, \$0.01 par value, 80,000,000 shares authorized; 34,832,045 and 34,800,552 shares issued and 32,051,616 and 32,020,123 shares outstanding at June 30, 2015 and December 31, 2014, respectively | 348 | 348 |
| Additional paid-in capital | 118,577 | 116,740 |
| Retained earnings | 107,565 | 71,297 |
| Treasury stock, at cost, 2,780,429 shares at June 30, 2015 and December 31, 2014 | (75,000) | (75,000) |
| Total stockholders' equity | 151,490 | 113,385 |
| Total liabilities and stockholders' equity | \$276,764 | \$ 195,824 |

TREX COMPANY, INC.
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

| | Six Months Ended June 30, | |
|---|----------------------------------|-----------------|
| | 2015 | 2014 |
| Operating Activities | | |
| Net income | \$ 36,268 | \$ 27,456 |
| Adjustments to reconcile net income to net cash used in operating activities: | | |
| Depreciation and amortization | 7,322 | 7,660 |
| Deferred income taxes | (589) | - |
| Stock-based compensation | 2,717 | 2,455 |
| Gain on disposal of property, plant and equipment | (3) | (48) |
| Excess tax benefits from stock compensation | (1,771) | (12,533) |
| Other non-cash adjustments | (270) | (245) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (88,074) | (22,794) |
| Inventories | 5,121 | 1,373 |
| Prepaid expenses and other assets | 979 | (206) |
| Accounts payable | (104) | 4,583 |
| Accrued expenses and other liabilities | (856) | (6,007) |
| Income taxes receivable/payable | 11,360 | 9,764 |
| Net cash (used in)/provided by operating activities | <u>(27,900)</u> | <u>11,458</u> |
| Investing Activities | | |
| Expenditures for property, plant and equipment | (14,088) | (4,927) |
| Proceeds from sales of property, plant and equipment | 3 | 48 |
| Purchase of acquired company, net of cash acquired | (31) | (44) |
| Notes receivable, net | - | 39 |
| Net cash used in investing activities | <u>(14,116)</u> | <u>(4,884)</u> |
| Financing Activities | | |
| Borrowings under line of credit | 118,000 | 120,000 |
| Principal payments under line of credit | (80,500) | (85,000) |
| Repurchases of common stock | (2,847) | (52,892) |
| Proceeds from employee stock purchase and option plans | 197 | 585 |
| Excess tax benefits from stock compensation | 1,771 | 12,533 |
| Net cash provided by (used in) financing activities | <u>36,621</u> | <u>(4,774)</u> |
| Net (decrease) increase in cash and cash equivalents | (5,395) | 1,800 |
| Cash and cash equivalents at beginning of period | 9,544 | 3,772 |
| Cash and cash equivalents at end of period | <u>\$ 4,149</u> | <u>\$ 5,572</u> |
| Supplemental Disclosure: | | |
| Cash paid for interest, net of capitalized interest | \$ 284 | \$ 384 |
| Cash paid for income taxes, net | \$ 10,342 | \$ 6,783 |

CONTACT:
Trex Company
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SVP & CFO
or
LHA
Harriet Fried, 212-838-3777