

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): February 17, 2011

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))
-

Item 8.01. Other Events.

On February 17, 2011, Trex Company, Inc. issued a press release announcing a change in its accounting for inventories from a Specific Goods last in, first out (LIFO) approach to a Link Chain LIFO method. A copy of such press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Trex Company herewith files the following exhibit:

Exhibit Number	Description of Exhibit
99.1	Press release dated February 17, 2011

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: February 17, 2011

/s/ James E. Cline

James E. Cline
Vice President and Chief Financial Officer

Trex Company Announces LIFO Inventory Accounting Change from Specific Goods to Link Chain

WINCHESTER, Va.--(BUSINESS WIRE)--February 17, 2011--Trex Company, Inc. (NYSE: TREX) today announced a change in its accounting for inventories from a Specific Goods last in, first out (LIFO) approach to a Link Chain LIFO method. The company believes the change is preferable because the Link Chain LIFO method:

- is based on a single inventory pool vs. more than 30 LIFO pools under the prior method, simplifying the LIFO calculation;
- provides better matching of sales and expenses by creating fewer LIFO liquidations; and
- aligns the Company's inventory costing method with prevalent inventory practice.

The change to the Link Chain LIFO method is effective during the 2010 fourth quarter and affected periods subsequent to December 31, 2006.

The attached schedules provide the historical non-cash impact of the change on selected financial data from 2007 through the nine months ended September 30, 2010. The change will be reflected in the Company's Form 10-K for the fiscal year ended December 31, 2010, which will be subsequently filed with the Securities and Exchange Commission.

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 5,500 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.

Selected Financial Data
Annual Impact of LIFO Change from 2007 through Nine Months Ended September 30, 2010
(Dollars in Millions)

	<u>Fiscal Year 2007</u>			<u>Fiscal Year 2008</u>			<u>Fiscal Year 2009</u>			<u>Nine Months Ended September 2010</u>		
	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>
P&L												
Net Sales	\$329.0	\$0.0	\$329.0	\$329.2	\$0.0	\$329.2	\$272.3	\$0.0	\$272.3	\$242.4	\$0.0	\$242.4
Cost of Sales	\$289.5	\$12.8	\$302.3	\$240.2	\$2.2	\$242.4	\$191.4	\$0.4	\$191.8	\$186.3	\$1.8	\$188.1
Gross Profit	\$39.4	(\$12.8)	\$26.6	\$89.0	(\$2.2)	\$86.8	\$80.9	(\$0.4)	\$80.5	\$56.1	(\$1.8)	\$54.3
<i>% of Net Sales</i>	<i>12.0%</i>		<i>8.1%</i>	<i>27.0%</i>		<i>26.4%</i>	<i>29.7%</i>		<i>29.6%</i>	<i>23.1%</i>		<i>22.4%</i>
Net Income (loss)	(\$65.4)	(\$12.8)	(\$78.2)	\$7.5	(\$2.2)	\$5.3	(\$16.4)	(\$0.4)	(\$16.9)	(\$7.7)	(\$1.8)	(\$9.5)
<i>% of Net Sales</i>	<i>-19.9%</i>		<i>-23.8%</i>	<i>2.3%</i>		<i>1.6%</i>	<i>-6.0%</i>		<i>-6.2%</i>	<i>-3.2%</i>		<i>-3.9%</i>
Balance Sheet												
Inventories	\$92.6	(\$12.8)	\$79.8	\$69.4	(\$15.0)	\$54.4	\$45.5	(\$15.4)	\$30.1	\$57.2	(\$17.2)	\$40.0
Total Stockholder's Equity	\$128.4	(\$12.8)	\$115.6	\$137.8	(\$15.0)	\$122.8	\$125.6	(\$15.4)	\$110.2	\$119.7	(\$17.2)	\$102.5

Selected Financial Data
Quarterly Impact of LIFO Change from Q1 2009 through Nine Months Ended September 30, 2010
(Dollars in Millions)

	<u>Q1 2009</u>			<u>Q2 2009</u>			<u>Q3 2009</u>			<u>Q4 2009</u>			<u>Fiscal Year 2009</u>		
	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>
P&L															
Net Sales	\$67.7	\$0.0	\$67.7	\$91.5	\$0.0	\$91.5	\$61.9	\$0.0	\$61.9	\$51.2	\$0.0	\$51.2	\$272.3	\$0.0	\$272.3
Cost of Sales	\$50.9	(\$0.8)	\$50.1	\$62.9	(\$2.5)	\$60.4	\$43.5	\$1.7	\$45.2	\$34.1	\$2.0	\$36.1	\$191.4	\$0.4	\$191.8
Gross Profit	\$16.8	\$0.8	\$17.6	\$28.6	\$2.5	\$31.1	\$18.4	(\$1.7)	\$16.7	\$17.1	(\$2.0)	\$15.1	\$80.9	(\$0.4)	\$80.5
<i>% of Net Sales</i>	24.8%		26.0%	31.2%		34.0%	29.8%		27.1%	33.5%		29.5%	29.7%		29.6%
Net Income (loss)	(\$3.1)	\$0.8	(\$2.3)	\$7.4	\$2.5	\$9.9	(\$22.5)	(\$1.7)	(\$24.2)	\$1.8	(\$2.0)	(\$0.2)	(\$16.4)	(\$0.4)	(\$16.9)
<i>% of Net Sales</i>	-4.6%		-3.4%	8.1%		10.8%	-36.3%		-39.0%	3.4%		-0.5%	-6.0%		-6.2%
Balance Sheet															
Inventories	\$61.1	(\$14.2)	\$46.9	\$40.1	(\$11.7)	\$28.4	\$37.7	(\$13.4)	\$24.3	\$45.5	(\$15.4)	\$30.1	\$45.5	(\$15.4)	\$30.1
Total Stockholder's Equity	\$135.3	(\$14.2)	\$121.1	\$143.6	(\$11.7)	\$131.9	\$122.3	(\$13.4)	\$108.9	\$125.6	(\$15.4)	\$110.2	\$125.6	(\$15.4)	\$110.2

	<u>Q1 2010</u>			<u>Q2 2010</u>			<u>Q3 2010</u>			<u>Nine Months Ended September 2010</u>					
	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>	<u>Before</u>	<u>Change</u>	<u>After</u>			
P&L															
Net Sales	\$66.3	\$0.0	\$66.3	\$115.5	\$0.0	\$115.5	\$60.6	\$0.0	\$60.6				\$242.4	\$0.0	\$242.4
Cost of Sales	\$50.3	\$0.9	\$51.1	\$84.8	\$0.8	\$85.6	\$51.3	\$0.1	\$51.4				\$186.3	\$1.8	\$188.1
Gross Profit	\$16.1	(\$0.9)	\$15.2	\$30.7	(\$0.8)	\$29.9	\$9.3	(\$0.1)	\$9.2				\$56.1	(\$1.8)	\$54.3
<i>Margin %</i>	24.2%		22.9%	26.6%		25.9%	15.3%		15.2%				23.1%		22.4%
Net Income (loss)	(\$4.6)	(\$0.9)	(\$5.5)	\$5.6	(\$0.8)	\$4.8	(\$8.7)	(\$0.1)	(\$8.8)				(\$7.7)	(\$1.8)	(\$9.5)
<i>% of Net Sales</i>	-7.0%		-8.3%	4.9%		4.2%	-14.4%		-14.6%				-3.2%		-3.9%
Balance Sheet															
Inventories	\$52.0	(\$16.3)	\$35.7	\$50.9	(\$17.1)	\$33.8	\$57.2	(\$17.2)	\$40.0				\$57.2	(\$17.2)	\$40.0
Total Stockholder's Equity	\$121.2	(\$16.3)	\$104.9	\$127.3	(\$17.1)	\$110.2	\$119.7	(\$17.2)	\$102.5				\$119.7	(\$17.2)	\$102.5

CONTACT:
Trex Company, Inc.
James E. Cline, 540-542-6300
VP and Chief Financial Officer
or
Lippert/Heilshorn & Associates
Harriet Fried, 212-838-3777