

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): July 28, 2003

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)

Item 12. Results of Operations and Financial Condition.

On July 28, 2003, Trex Company, Inc. issued a press release announcing financial results for the quarter ended June 30, 2003. 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.

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: July 28, 2003

/s/ Robert G. Matheny

Robert G. Matheny
President and CEO

EXHIBIT INDEX

Exhibit Number

Exhibit Description

99.1

Press release dated July 28, 2003

Trex Company Reports 29% Revenue Growth in Second Quarter

WINCHESTER, Va.--(BUSINESS WIRE)--July 28, 2003--Trex Company, Inc. (NYSE: TWP), manufacturer of Trex(R) decking and railing, today announced financial results for the second quarter ended June 30, 2003.

Net sales for the quarter increased to \$59.2 million from \$45.9 million in the second quarter of 2002. Net income increased to \$6.5 million from \$5.6 million in the same period last year. On a fully diluted per share basis, net income for the quarter rose to \$0.44 per share from \$0.39 per share in 2002.

President Robert Matheny commented, "Trex was successful in either meeting or exceeding our financial goals for the second quarter of 2003 despite the adverse weather conditions that negatively affected building activities all along the East Coast of the U.S. Our SG&A expenses, which totaled \$15.9 million, represented 27% of sales. Consistent with previous announcements, this included increased branding expenditures designed to help us expand our leadership position in non-wood decking.

"To fulfill our goal of telling more people about Trex and the many benefits of our product, we have augmented our print and television placements by participating in more than 300 home and trade shows since January. This effort was highlighted in the second quarter by our strong presence at the Pacific Coast Builders Conference, held in San Francisco in June.

"To fulfill our goal of making Trex easier to buy, we have increased the number of dealers who sell Trex to 3,300 and expanded the number of qualified TrexPros(TM), our contractor partners, to 2,700; 47% more than at year-end 2002.

"In recent months, we have also increased our activity with home builders and sold product for use in a number of showcase projects. Among the most prominent are the Disney Saratoga Springs Resort Boardwalk, the Tahoe City, California Commercial Pier, and portions of Yosemite National Park.

"We are pleased with the progress we are making in our many initiatives and, as a result, are maintaining our guidance for the year, which calls for revenue to exceed \$200 million and earnings to range between \$1.63 and \$1.66 per share."

About Trex Company

Trex Company is the nation's largest manufacturer of non-wood decking, which is marketed under the brand name Trex(R). Trex Wood-Polymer(R) lumber offers an attractive appearance and the workability of wood without the ongoing need for protective sealants or repairs. Trex decking and railing is manufactured in a proprietary process that combines waste wood fibers and reclaimed polyethylene and is used primarily for residential and commercial decking. The Company sells its products through approximately 90 wholesale distribution locations, which in turn sell Trex decking to approximately 3,300 independent contractor-oriented retail lumberyards across the United States.

For a Trex decking and railing dealer near you, call 1-800-BUY-TREX (289-8739) or for dealers and product details, visit www.trex.com.

Trex(R) and Trex Wood-Polymer(R) are trademarks of Trex Company, Inc., Winchester, Va.

Note: The Company has scheduled a conference call to discuss second-quarter results for 11:00 a.m. EDT on July 29. A live webcast of the conference call will be available to all investors at the Trex Company web site at www.trex.com. The call will also be simulcast at www.streetevents.com. For those who cannot listen to the live broadcast, an audio replay of the call will be available on these web sites for 30 days. A telephone replay of the call will also be available from 12:00 p.m. EDT on July 29 until 12:00 a.m. EDT on August 5. To listen to the telephone replay, dial 800-642-1687 (706-645-9291 outside the U.S.) and enter conference ID number 1552667.

The statements in this press release regarding the Company's expected sales performance and operating results, its projections of revenues and earnings, its anticipated financial condition and its

business strategy 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 sensitivity of the Company's business to general economic conditions, and the highly competitive markets in which the Company operates. The Company's report on Form 10-K filed with the Securities and Exchange Commission on March 19, 2003 discusses 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.

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

| | Quarter Ended June 30, | | Six Months Ended June 30, | |
|---|---------------------------|------------|------------------------------|------------|
| | 2002 | 2003 | 2002 | 2003 |
| Net sales | \$45,924 | \$59,198 | \$97,920 | \$127,876 |
| Cost of sales | 21,676 | 32,300 | 53,710 | 71,220 |
| Gross profit | 24,248 | 26,898 | 44,210 | 56,656 |
| Selling, general and administrative expenses | 11,823 | 15,903 | 18,959 | 28,462 |
| Income from operations | 12,425 | 10,995 | 25,251 | 28,194 |
| Interest expense, net | (3,341) | (884) | (5,811) | (1,797) |
| Income before taxes | 9,084 | 10,111 | 19,440 | 26,397 |
| Income taxes | 3,454 | 3,578 | 7,390 | 9,767 |
| Net income | \$5,630 | \$6,533 | \$12,050 | \$16,630 |
| Fully diluted earnings per common share | \$0.39 | \$0.44 | \$0.84 | \$1.13 |
| Weighted average fully diluted shares outstanding | 14,404,296 | 14,751,928 | 14,343,799 | 14,663,715 |

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

| | 31-Dec-02 | 30-Jun-03 |
|-----------------------------------|-----------|-------------|
| | | (unaudited) |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$14,893 | \$21,629 |
| Trade accounts receivable | 840 | 21,947 |
| Inventories | 22,429 | 15,981 |
| Prepaid expenses and other assets | 1,395 | 1,970 |
| Deferred income taxes | 2,269 | 2,256 |

| | | |
|--|-----------|-----------|
| Total current assets | 41,826 | 63,783 |
| Property, plant and equipment, net | 133,570 | 135,385 |
| Goodwill, net | 6,837 | 6,837 |
| Other assets | 1,323 | 1,698 |
| Total assets | \$183,556 | \$207,703 |
| ===== | | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Trade accounts payable | \$10,056 | \$11,673 |
| Accrued expenses | 6,089 | 3,735 |
| Income taxes payable | 114 | 1,202 |
| Other current liabilities | 638 | 1,085 |
| Current portion long-term debt | 795 | 873 |
| Total current liabilities | 17,692 | 18,568 |
| Deferred income taxes | 9,915 | 11,008 |
| Debt-related derivatives | 2,773 | 3,013 |
| Long-term debt, net of current portion | 54,401 | 53,917 |
| Total liabilities | 84,781 | 86,506 |
| ----- | | |
| Stockholders' equity: | | |
| Preferred stock, \$0.01 par value, 3,000,000 shares authorized; none issued and outstanding | -- | -- |
| Common stock, \$0.01 par value, 40,000,000 shares authorized; 14,297,711 and 14,676,322 shares issued and outstanding at December 31, 2002 and June 30, 2003 | 143 | 147 |
| Additional capital | 49,354 | 55,006 |
| Retained earnings | 53,397 | 70,027 |
| Deferred compensation | (2,400) | (2,115) |
| Accumulated other comprehensive net loss | (1,719) | (1,868) |
| Total stockholders' equity | 98,775 | 121,197 |
| Total liabilities and stockholders' equity | \$183,556 | \$207,703 |
| ===== | | |

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

| | Six Months Ended June 30, | |
|---|------------------------------|-----------|
| | 2002 | 2003 |
| | ----- | |
| OPERATING ACTIVITIES | | |
| Net income | \$12,050 | \$16,630 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 4,479 | 6,075 |
| Other non-cash charges | 4,867 | 1,822 |
| Changes in operating assets and liabilities | 13,923 | (15,148) |
| | ----- | |
| Net cash provided by operating activities | \$35,319 | \$9,379 |
| | ----- | |
| INVESTING ACTIVITIES | (\$952) | (\$7,891) |
| | ----- | |
| FINANCING ACTIVITIES | (\$28,638) | \$5,248 |
| | ----- | |
| Net increase in cash and cash equivalents | \$5,729 | \$6,736 |
| Cash and cash equivalents at beginning of period | \$- | \$14,893 |
| | ----- | |
| Cash and cash equivalents at end of period | \$5,729 | \$21,629 |

CONTACT: Trex Company, Inc.
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or
Lippert/Heilshorn & Associates
John Nesbett / Harriet Fried
212-838-3777