

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 27, 2005

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 2.02. Results of Operations and Financial Condition.

On July 27, 2005, Trex Company, Inc. issued a press release announcing financial results for the quarter ended June 30, 2005. 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 27, 2005

/s/ Robert G. Matheny

Robert G. Matheny
Chairman and Chief Executive Officer

EXHIBIT INDEX

Exhibit Number

Exhibit Description

99.1

Press release dated July 27, 2005

Trex Company Announces Second Quarter 2005 Results

WINCHESTER, Va.--(BUSINESS WIRE)--July 27, 2005--Trex Company, Inc. (NYSE: TWP), manufacturer of Trex(R) decking and railing, today announced financial results for the second quarter ended June 30, 2005.

Net sales for the 2005 second quarter totaled \$82.9 million, compared to \$83.4 million for the second quarter of 2004. The Company reported a net loss for the 2005 second quarter of \$1.0 million, or \$0.07 per diluted share, compared to net income of \$11.1 million, or \$0.75 per diluted share, for the 2004 second quarter.

For the six months ended June 30, 2005, Trex Company reported net sales of \$172.8 million, compared to net sales of \$159.7 million for the six months ended June 30, 2004. Net income for the 2005 six-month period totaled \$7.4 million, or \$0.50 per diluted share, compared to \$20.4 million, or \$1.38 per diluted share, for the 2004 six-month period.

Chairman and Chief Executive Officer Robert Matheny said, "As we previously announced, 2005 has been more challenging than expected due to a variety of factors. While our second-quarter revenues exceeded the estimates we provided in June, our sales for the period were still negatively affected by higher-than-anticipated trade inventory levels entering 2005 and a resulting adjustment of inventory by retailers and distributors. Sales of Trex products reported at the retail level exceeded our sales growth at the Company level, reflecting a draw-down of channel inventory. Bad weather in many parts of the U.S. further impeded the sell-through of our products by delaying the onset of this year's decking season, while constraints in railing production capacity restricted our ability to capitalize on the growth in demand in this product area and also affected related decking sales.

"Although the Company's bottom-line results for the 2005 second quarter also exceeded the earnings estimate we provided in June, our earnings were negatively affected by a substantial increase in the price of plastic raw materials and a less-favorable manufacturing performance than in last year's second quarter.

"While our results in the first half of 2005 were disappointing, we are encouraged by the positive reaction to our new decking products, Trex Accents(R) and Trex Brasilia(TM). Both have been well-received and are setting the standard for aesthetics in the composite decking market. Although trade inventories are not highly transparent, we believe the inventory adjustment is now largely behind us and that the stronger velocity of Trex products we have been seeing at the retail level will gradually be reflected in our Company sales.

"In addition, we are actively pursuing a number of initiatives that we expect will further strengthen our momentum in the second half of the year, including retail expansion in many channels and pull-through oriented marketing programs. We are also reducing SG&A spending and pursuing manufacturing efficiencies at each of our three plants. However, fixed manufacturing costs will be under-absorbed in the second half, as we slow our production rate to achieve the optimal finished goods inventory level at year-end.

"Beyond working to maximize results in the second half of 2005, we are vigorously pursuing initiatives to strengthen Trex Company for 2006. We intend to continue to set the standard for market-based innovation in the category, building on our recent success with Trex Accents, Trex Brasilia, and the new Trex Artisan Series Railing(TM). In particular, we will continue to leverage our leading brand to create product awareness, assurance, and interest."

The Company confirmed its most recent guidance for 2005, announced on June 22, 2005, which called for net sales to range from \$270 million to \$280 million and diluted earnings per share to range from \$0.50 to \$0.60.

The Company has scheduled a conference call for 10:00 a.m. ET on July 28, 2005 to discuss its second-quarter 2005 results. A live webcast of the conference call will be available to all investors at the Trex Company website 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 through Wednesday, August 3, 2005. To listen to the telephone replay, dial 706-645-9291 and enter conference ID #7806740.

About Trex Company

Trex Company is the nation's largest manufacturer of composite decking and railing, with over 13 years of product experience. Products are marketed under the brand name Trex(R). Made from a unique formulation of reclaimed wood and plastic, combined through a

proprietary process, Trex decking and railing offer significant design flexibility with fewer ongoing maintenance requirements than wood. For more information, visit the Company's website, www.trex.com. Trex(R), Trex Accents(R), Trex Brasilia(TM) and Trex Artisan Series Railing(TM) are trademarks of Trex Company, Inc., Winchester, Va.

The statements in this press release regarding the Company's expected sales performance and operating results, its projections of net sales, net income, earnings per share and costs, 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, the Company's ability to continue to obtain raw materials at acceptable prices, the Company's ability to increase production levels to meet increasing demand for its products, 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 16, 2005 and its subsequent filing on Form 10-Q for the first quarter of 2005 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.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2005	2004	2005
Net sales	\$ 83,407	\$ 82,865	\$ 159,664	\$ 172,769
Cost of sales	46,425	59,992	92,699	116,560
Gross profit	36,982	22,873	66,965	56,209
Selling, general and administrative expenses	18,528	25,025	32,667	44,441
Income (loss) from operations	18,454	(2,152)	34,298	11,768
Interest expense, net	(935)	(720)	(1,909)	(1,476)
Income (loss) before income taxes	17,519	(2,872)	32,389	10,292
Income taxes	6,451	(1,858)	11,984	2,902
Net income (loss)	\$ 11,068	\$ (1,014)	\$ 20,405	\$ 7,390
Diluted earnings (loss) per common share	\$ 0.75	\$ (0.07)	\$ 1.38	\$ 0.50
Diluted weighted average shares outstanding	14,771,024	14,772,498	14,765,333	14,912,299

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

	31-Dec-04	30-Jun-05
	-----	-----
ASSETS		(unaudited)
Current assets:		
Cash and cash equivalents	\$23,925	\$8,814
Restricted cash	20,959	4,631
Accounts receivable	21,964	26,842
Inventories	44,357	47,861
Prepaid expenses and other assets	4,162	3,411
Income taxes receivable	497	6,542
Deferred income taxes	2,975	1,629
	-----	-----
Total current assets	118,839	99,730
	-----	-----
Property, plant and equipment, net	158,389	189,838
Goodwill	6,837	6,837
Other assets	2,986	2,809
	-----	-----
Total assets	\$287,051	\$299,214
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$31,496	\$43,942
Current portion long-term debt	8,932	8,993
	-----	-----
Total current liabilities	40,428	52,935
	-----	-----
Deferred income taxes	15,808	15,534
Debt-related derivatives	1,736	1,730
Long-term debt, net of current portion	69,565	61,029
	-----	-----
Total liabilities	127,537	131,228
	-----	-----
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; 14,843,820 and 14,881,667 shares issued and outstanding at December 31, 2004 and June 30, 2005	148	149
Additional paid-in capital	60,182	61,750
Deferred compensation	(1,259)	(1,751)
Accumulated other comprehensive loss	(1,098)	(1,093)
Retained earnings	101,541	108,931
	-----	-----
Total stockholders' equity	159,514	167,986
	-----	-----
Total liabilities and stockholders' equity	\$287,051	\$299,214
	=====	=====

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

	Six Months Ended June	
	2004	2005
	-----	-----
OPERATING ACTIVITIES		
Net income	\$ 20,405	\$ 7,390
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	6,576	7,406
Other non-cash charges	1,684	3,038
Changes in operating assets and liabilities	11,159	(1,230)

Net cash provided by operating activities	\$ 39,824	\$ 16,604
INVESTING ACTIVITIES	(\$9,059)	(\$23,467)
FINANCING ACTIVITIES	(\$28)	(\$8,248)
Net increase (decrease) in cash and cash equivalents	\$ 30,737	\$ (15,111)
Cash and cash equivalents at beginning of period	\$ 8,151	\$ 23,925
Cash and cash equivalents at end of period	\$ 38,888	\$ 8,814

CONTACT: Trex Company, Inc.
Paul Fletcher, 540-542-6300
or
Investor Relations:
Lippert/Heilshorn & Assoc.
Harriet Fried, 212-838-3777