

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): March 31, 2005

REX STORES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 001-09097 31-1095548
(State or other jurisdiction (Commission File No.) (IRS Employer Identification No.)
of incorporation)

2875 Needmore Road, Dayton, Ohio 45414
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (937) 276-3931

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:

- 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 March 31, 2005, REX Stores Corporation issued a press release announcing financial results and comparable store sales for the three- and twelve-month periods ended January 31, 2005. The press release is furnished as Exhibit 99 to this report.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits. The following exhibits are furnished with this report:

99 Press Release dated March 31, 2005

SIGNATURES

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.

REX STORES CORPORATION

Date: March 31, 2005

By: /s/ DOUGLAS L. BRUGGEMAN

Name: Douglas L. Bruggeman
Title: Vice President - Finance,
Chief Financial Officer
and Treasurer

[REX STORES LOGO]

News Announcement

For Immediate Release

For further information contact:

Douglas Bruggeman
Chief Financial Officer
937/276-3931

Stewart A. Lewack, Joseph N. Jaffoni
Jaffoni & Collins Incorporated
212/835-8500 or rsc@jcir.com

REX STORES REPORTS FOURTH QUARTER NET INCOME
OF \$16.8 MILLION, OR \$1.30 PER DILUTED SHARE

Dayton, Ohio (March 31, 2005) -- REX Stores Corporation (NYSE: RSC), a specialty retailer of consumer electronic products and appliances, today announced financial results and comparable store sales for the three- and twelve-month periods ended January 31, 2005 (the Company's 2004 fiscal year).

Net income in the three months ended January 31, 2005 was \$16.8 million, or \$1.30 per diluted share, compared to net income of \$17.1 million, or \$1.32 per diluted share, in the three months ended January 31, 2004. Net income in the fiscal 2004 fourth quarter includes \$4.8 million of investment income from a synthetic fuel limited partnership. Results for the 2004 period also reflect an income tax benefit due to the reduction of valuation allowances for tax credits earned by its investment in a synthetic fuel limited partnership, which resulted from the completion of an Internal Revenue Service examination. Per share results are based on 12,899,000 and 12,966,000 diluted weighted average shares outstanding for the three-month periods ending January 31, 2005 and 2004, respectively.

Net sales in the three months ended January 31, 2005 fell 4% to \$125.4 million from \$130.2 million in the three months ended January 31, 2004. Comparable store sales during the period fell 2% compared to the year-ago period. The Company reports sales performance quarterly and considers a store to be comparable after it has been open six full fiscal quarters. Comparable store sales figures do not include sales of extended service contracts.

During the three-month period ended January 31, 2005, REX purchased approximately 70,000 shares of its common stock in open market transactions. The Company has approximately 430,745 authorized shares remaining available to purchase under its previously announced stock buy-back authorization.

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Net income for the fiscal year ended January 31, 2005 was \$27.5 million, or \$2.17 per diluted share, compared to net income of \$27.4 million, or \$2.17 per diluted share, in the twelve-month period ended January 31, 2004. Net income in fiscal 2004 includes \$18.6 million of investment income from a synthetic fuel limited partnership, as well as an income tax benefit due to the reduction of valuation allowances for tax credits earned by its investment in a synthetic fuel limited partnership. Per share results are based on 12,714,000 and 12,648,000 diluted weighted average shares outstanding for the twelve-month periods ending January 31, 2005 and 2004, respectively. Net sales in fiscal 2004 were \$391.3 million compared to \$405.4 million in fiscal 2003, while comparable store sales fell 2%.

Commenting on the results, Stuart Rose, Chairman and Chief Executive Officer, stated, "Our strongest product category in fiscal 2004 remained televisions, reflecting higher demand for LCD, DLP, plasma and other high definition-ready televisions. We continued to strengthen our balance sheet in fiscal 2004 with the cash generated from our synthetic fuel investments, reducing long-term debt by \$25.4 million by pre-paying mortgages on 43 retail locations. This action will continue to benefit the Company going forward."

The Company will host a conference call and webcast today at 11:00 a.m. EST, which are open to the general public. The conference call dial-in number is 212/341-7098; please call ten minutes in advance to ensure that you are connected prior to the presentation. Interested parties may also access the call live via the Investor Relations page of the Company's website, WWW.REXTV.COM, or at WWW.FULLDISCLOSURE.COM; please allow 15 minutes to register, download and install any necessary software.

Following its completion, a telephonic replay of the call can be accessed through 1:00 p.m. EST on March 31, 2005 by dialing 800/633-8284 or 402/977-9140 (international callers). The access code for the audio replay is 21236574. A replay of the webcast will be available for 30 days at WWW.REXTV.COM or WWW.FULLDISCLOSURE.COM.

REX Stores Corporation is a leading specialty retailer of consumer electronic products and appliances. As of January 31, 2005 the Company operated 234 stores in 37 states under the trade name "REX."

This news announcement contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by use of forward-looking terminology such as "may," "expect," "believe," "estimate," "anticipate" or "continue" or the negative thereof or other variations thereon or comparable terminology. Readers are cautioned that there are risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. These risks and uncertainties include among other things: the highly competitive nature of the consumer electronics retailing industry, changes in the national or regional economies, weather, the effects of terrorism or acts of war on consumer spending patterns, the availability of certain products, technological changes, new regulatory restrictions or tax law changes relating to the Company's synthetic fuel investments, the fluctuating amount of quarterly payments received by the Company with respect to sales of its partnership interest in a synthetic fuel investment, and the uncertain amount of synthetic fuel production and tax credits received from time to time from the Company's synthetic fuel investments.

-tables follow-

REX STORES CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (in thousands, except per share amounts)

	Three Months Ended January 31,		Twelve Months Ended January 31,			
	2005	2004	2005	2004		
NET SALES	\$ 125,435	\$ 130,170	\$ 391,300	\$ 405,413		
COSTS AND EXPENSES:						
Cost of merchandise sold	91,030	93,776	282,047	286,273		
Selling, general and administrative expenses	29,753	29,939	103,437	105,564		
Total costs and expenses	120,783	123,715	385,484	391,837		
Income from continuing operations before interest, other items, income taxes and discontinued operations	4,652	6,455	5,816	13,576		
INVESTMENT INCOME	26	23	178	77		
INTEREST EXPENSE	(706)	(1,065)	(3,130)	(4,751)		
LOSS ON EARLY TERMINATION OF DEBT		(65)	(18)	(679)	(18)	
GAIN ON SALE OF REAL ESTATE	125	375	246	1,153		
INCOME FROM SYNTHETIC FUEL LIMITED PARTNERSHIP INVESTMENTS			4,817	6,094	18,615	16,011
Income from continuing operations before provision for income taxes and discontinued operations	8,849	11,864	21,046	26,048		
BENEFIT FOR INCOME TAXES	(7,834)	(5,216)	(6,840)	(1,725)		
Income from continuing operations	16,683	17,080	27,886	27,773		
Loss from discontinued operations, net of tax	(97)	(26)	(549)	(333)		
Gain on disposal of discontinued operations, net of tax ..	212	0	212	0		
Net Income	\$ 16,798	\$ 17,054	\$ 27,549	\$ 27,440		
WEIGHTED AVERAGE SHARES						
OUTSTANDING - BASIC	11,049	10,992	11,081	10,863		
Basic income per share from continuing operations	\$ 1.51	\$ 1.55	\$ 2.52	\$ 2.56		
Basic loss per share from discontinued operations	(0.01)	(0.00)	(0.05)	(0.03)		
Basic gain on disposal of discontinued operations	0.02	0.00	0.02	0.00		
BASIC NET INCOME PER SHARE	\$ 1.52	\$ 1.55	\$ 2.49	\$ 2.53		
WEIGHTED AVERAGE SHARES						
OUTSTANDING - DILUTED	12,899	12,966	12,714	12,648		
Diluted income per share from continuing operations	\$ 1.29	\$ 1.32	\$ 2.19	\$ 2.20		
Diluted loss per share from discontinued operations	(0.01)	(0.00)	(0.04)	(0.03)		
Diluted gain on disposal of discontinued operations	0.02	0.00	0.02	0.00		
DILUTED NET INCOME PER SHARE	\$ 1.30	\$ 1.32	\$ 2.17	\$ 2.17		

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REX STORES CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEET
 (in thousands, except per share amounts)

	January 31, 2005	January 31, 2004	
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ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 4,671	\$ 19,780	
Accounts receivable, net	5,460	4,806	
Synthetic fuel receivable	1,675	3,098	
Investments available for sale	--	7,000	
Merchandise inventory	124,188	116,755	
Prepaid expenses and other	1,230	1,481	
Future income tax benefits	10,929	8,703	
	-----	-----	
Total current assets	148,153	161,623	
PROPERTY AND EQUIPMENT, NET		129,723	131,409
ASSETS HELD FOR SALE	1,986	--	
OTHER ASSETS	841	3,477	
FUTURE INCOME TAX BENEFITS		27,978	14,645
RESTRICTED INVESTMENTS		2,270	2,257
	-----	-----	
Total assets	\$ 310,951	\$ 313,411	
	=====	=====	
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Current portion of long-term debt	\$ 2,897	\$ 5,258	
Accounts payable, trade	32,842	32,745	
Accrued income taxes	1,567	806	
Current portion of deferred income and deferred gain on sale and leaseback	10,432	10,544	
Accrued payroll	6,303	6,602	
Other current liabilities	6,152	7,214	
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Total current liabilities	60,193	63,169	
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LONG-TERM LIABILITIES:			
Long-term mortgage debt	30,501	53,548	
Deferred income	11,703	12,762	
	-----	-----	
Total long-term liabilities	42,204	66,310	
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SHAREHOLDERS' EQUITY:			
Common stock	290	283	
Paid-in capital	133,474	126,124	
Retained earnings	212,629	185,080	
Treasury stock	(137,839)	(127,555)	
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Total shareholders' equity	208,554	183,932	
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Total liabilities and shareholders' equity	\$ 310,951	\$ 313,411	
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