

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): November 29, 2007

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
of incorporation) Identification No.)

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 November 29, 2007, REX Stores Corporation issued a press release announcing financial results for the three month and nine month periods ended October 31, 2007. 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 November 29, 2007

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: November 29, 2007 By: /s/ DOUGLAS L. BRUGGEMAN

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

News Announcement

For Immediate Release

FOR FURTHER INFORMATION CONTACT:

Douglas Bruggeman
Chief Financial Officer
937/276-3931

Joseph N. Jaffoni/David Collins
Jaffoni & Collins Incorporated
212/835-8500 or rsc@jcir.com

REX STORES REPORTS FISCAL THIRD QUARTER DILUTED
EARNINGS PER SHARE OF \$1.25 VERSUS \$0.42 IN THE PRIOR YEAR

- REPURCHASES 487,000 SHARES PURSUANT TO PRIOR AUTHORIZATION -

Dayton, Ohio (November 29, 2007) -- REX Stores Corporation (NYSE:RSC) today announced financial results for the three month period ended October 31, 2007.

Net income in the fiscal 2007 third quarter ended October 31, 2007 was \$14.7 million, or \$1.25 per diluted share, compared with net income of \$4.8 million, or \$0.42 per diluted share, in the third quarter of fiscal 2006. For the quarter ended October 31, 2007, income from continuing operations, net of taxes was \$11.7 million, compared with income from continuing operations, net of taxes of \$3.8 million in the same period a year ago. Per share results are based on 11,750,000 and 11,517,000 diluted weighted average shares outstanding for the quarters ended October 31, 2007 and October 31, 2006, respectively.

Net sales and revenue in the fiscal 2007 third quarter were \$58.8 million compared with \$61.1 million in the fiscal 2006 third quarter. Comparable store sales for the quarter ended October 31, 2007 declined 8.0%. 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.

As previously disclosed, during the fiscal 2007 third quarter, REX received 3,693,858 shares of US BioEnergy (NASDAQ: USBE) common stock and approximately \$4.8 million of cash as total consideration for its interest in Millennium Ethanol, LLC (acquired by US BioEnergy) based upon the conversion of REX's \$14 Million Convertible Secured Promissory Note, accrued interest and exercise of its Related Purchase Rights. Accordingly, REX recorded a \$17.1 million net gain on sale of investments in the fiscal 2007 third quarter adjusted for US BioEnergy's October 31, 2007 closing share price of \$7.56. Inclusive of this gain, in the three months ended October 31, 2007 REX recorded a total of \$18.1 million of pre-tax income from net interest income, net gains on sale of

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REX REPORTS FISCAL 2007 THIRD QUARTER, 11/29/07

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real estate, equity in unconsolidated affiliates, loss from synthetic fuel limited partnership investments, equity in unconsolidated affiliates and the realized and unrealized gain on investments related to Millennium Ethanol, LLC and US BioEnergy. The loss from synthetic fuel limited partnership investments reflects the increase in the Company's estimate of the phase out to 60% and the previously announced closure of the Colona facility. In the fiscal 2006 third quarter, REX recorded approximately \$6.3 million of pre-tax income from these sources.

The Company's financial results reflect the consolidation of One Earth Energy LLC as of October 30, 2007 and Levelland/Hockley County Ethanol, LLC as of September 30, 2006.

During the quarter ended October 31, 2007 REX recognized a \$0.4 million after tax loss from discontinued operations, net of taxes, compared with a \$0.1 million loss from discontinued operations, net of taxes, in the year ago period. In addition, REX recorded a \$3.4 million gain on disposal of discontinued operations, net of taxes, in the three months ended October 31, 2007 compared with a \$1.1 million gain on disposal of discontinued operations, net of taxes, in the comparable prior year period.

In the fiscal 2007 third quarter, REX purchased approximately 487,000 shares of its common stock in open market transactions. In the fiscal 2007 fourth quarter to date, the Company has repurchased an additional 86,200 shares of its common stock in open market transactions. The Company has approximately 231,400 authorized shares remaining available to purchase under the expanded June 2007 stock buy-back authorization.

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 212/676-4905; 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.earnings.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 December 6, 2007 by dialing 800/633-8284 or 402/977-9140 (international callers). The access code for the audio replay is 21358650. Alternatively, a replay will be available on the Internet for 30 days at WWW.REXTV.COM or WWW.EARNINGS.COM.

REX Stores Corporation presently has interests in ethanol entities and has been active in synthetic fuel investments. REX is also a specialty retailer of consumer electronic products and appliances. As of October 31, 2007, the Company operated 124 retail stores in 34 states under the trade name "REX."

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This news announcement contains or may contain 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 the risk factors set forth from time to time in the Company's filings with the Securities and Exchange Commission and include among other things: risks and uncertainties relating to the the financial performance of U.S. BioEnergy Corporation; fluctuations in the market prices and trading volumes of U.S. BioEnergy Corporation common stock; 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, changes in real estate market conditions, 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, the potential for Section 29/45K tax credits to phase out based on the price of crude oil adjusted for inflation, and the uncertain amount of synthetic fuel production and resulting income received from time to time from the Company's synthetic fuel investments. As it relates to ethanol investments, risks and uncertainties include among other things: the uncertainty of constructing plants on time and on budget and the price volatility of corn, dried distiller grains, ethanol, gasoline and natural gas.

-tables follow-

REX STORES CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
UNAUDITED

	Three Months Ended October 31,		Nine Months Ended October 31,		
	----- 2007	----- 2006	----- 2007	----- 2006	
(In Thousands, Except Per Share Amounts)					
Net sales and revenue		\$ 58,765	\$ 61,113	\$ 162,848	\$ 178,968
Cost of sales (Excluding depreciation)		42,292	44,561	113,759	128,904
Gross profit	16,473	16,552	49,089	50,064	
Selling, general and administrative expenses		(15,612)	(17,151)	(46,995)	(50,444)
Interest income	1,503	341	4,772	920	
Interest expense	(59)	(387)	(199)	(1,084)	
Loss on early termination of debt		-	-	(651)	-
Gains on sale of real estate, net		901	462	1,446	2,197
Equity in income of unconsolidated ethanol affiliates			535	-	2,057
Realized and unrealized investment gains, net			17,118	-	17,118
Income (loss) from synthetic fuel investments			(1,860)	5,865	8,279
				8,279	8,650
Income from continuing operations before provision for income taxes and minority interest		18,999	5,682	34,916	10,303
Provision for income taxes		7,374	1,834	13,665	3,556
Minority interest	32	-	(12)	-	
Income from continuing operations		11,657	3,848	21,239	6,747
Loss from discontinued operations, net of tax		(413)	(123)	(1,830)	(36)
Gain on disposal of discontinued operations, net of tax		3,422	1,090	8,601	1,090
NET INCOME		\$14,666	\$4,815	\$28,010	\$7,801
WEIGHTED AVERAGE SHARES OUTSTANDING - BASIC		10,433	10,333	10,509	10,268
Basic income per share from continuing operations			\$1.12	\$0.37	\$2.02
Basic loss per share from discontinued operations			(0.04)	(0.01)	(0.17)
Basic income per share on disposal of discontinued operations			0.33	0.11	0.82
BASIC NET INCOME PER SHARE			\$1.41	\$0.47	\$2.67
WEIGHTED AVERAGE SHARES OUTSTANDING - DILUTED		11,750	11,517	11,864	11,608
Diluted income per share from continuing operations			\$0.99	\$0.33	\$1.79
Diluted loss per share from discontinued operations			(0.03)	(0.01)	(0.15)
Diluted income per share on disposal of discontinued operations			0.29	0.10	0.72
DILUTED NET INCOME PER SHARE			\$1.25	\$0.42	\$2.36

- balance sheet follows -

REX STORES CORPORATION AND SUBSIDIARIES
 CONSOLIDATED CONDENSED BALANCE SHEETS
 UNAUDITED

	October 31, 2007	January 31, 2007	October 31, 2006	
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	(In Thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 102,966	\$ 43,008	\$ 15,923	
Accounts receivable, net	1,317	1,975	3,757	
Synthetic fuel receivable	1,683	8,838	7,592	
Merchandise inventory, net	78,427	70,078	116,065	
Prepaid expenses and other	1,550	2,915	1,655	
Future income tax benefits	6,619	9,192	9,588	
	-----	-----	-----	
Total current assets	192,562	136,006	154,580	
PROPERTY AND EQUIPMENT, NET		91,634	122,769	121,846
ASSETS HELD FOR SALE, NET		522	2,009	1,497
OTHER ASSETS	14,630	18,986	17,305	
GOODWILL	1,322	1,322	726	
FUTURE INCOME TAX BENEFITS		25,943	26,245	28,397
INVESTMENTS	66,936	35,699	5,000	
RESTRICTED INVESTMENTS		2,462	2,406	2,384
	-----	-----	-----	
Total assets	\$ 396,011	\$ 345,442	\$ 331,735	
	=====	=====	=====	
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Notes payable	\$ 1,510	\$ --	\$ --	
Current portion of long-term debt	2,231	2,678	2,354	
Deferred income	14,472	15,641	15,287	
Accounts payable, trade	35,411	23,254	23,153	
Deferred gain on sale and leaseback	1,730	101	101	
Other current liabilities	13,315	10,510	12,189	
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Total current liabilities	68,669	52,184	53,084	
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LONG-TERM LIABILITIES:				
Long-term mortgage debt	24,218	31,236	21,454	
Deferred income	16,958	19,286	18,477	
Deferred gain on sale and leaseback	5,187	504	529	
Other	619	--	--	
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Total long-term liabilities	46,982	51,026	40,460	
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MINORITY INTEREST IN CONSOLIDATED SUBSIDIARY			28,568	11,443
				12,119
SHAREHOLDERS' EQUITY:				
Common stock	298	295	295	
Paid-in capital	143,682	139,337	138,700	
Retained earnings	279,772	252,249	248,699	
Treasury stock	(171,960)	(161,092)	(161,622)	
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Total shareholders' equity	251,792	230,789	226,072	
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Total liabilities and shareholders' equity	\$ 396,011	\$ 345,442	\$ 331,735	
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