

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): June 5, 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 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 June 5, 2007, REX Stores Corporation issued a press release announcing financial results for the three month period ended April 30, 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 June 5, 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: June 5, 2007

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 Joseph N. Jaffoni/David Collins
 Chief Financial Officer Jaffoni & Collins Incorporated
 937/276-3931 212/835-8500 or rsc@jcir.com

REX STORES REPORTS FISCAL FIRST QUARTER DILUTED
 EARNINGS PER SHARE OF \$0.64 VERSUS \$0.13 IN THE PRIOR YEAR

- PRIOR SHARE REPURCHASE AUTHORIZATION EXPANDED TO 1,000,000 SHARES -

Dayton, Ohio (June 5, 2007) -- REX Stores Corporation (NYSE:RSC) today announced financial results for the three month period ended April 30, 2007 (the Company's 2007 fiscal year).

Net income in the fiscal 2007 first quarter ended April 30, 2007 was \$7.5 million, or \$0.64 per diluted share, compared with net income of \$1.5 million, or \$0.13 per diluted share, in the first quarter of fiscal 2006. For the quarter ended April 30, 2007, income from continuing operations, net of taxes was \$6.0 million, or \$0.51 per diluted share, compared with income from continuing operations, net of taxes of \$1.2 million, or \$0.10 per diluted share in the same period a year ago. Per share results are based on 11,799,000 and 11,543,000 diluted weighted average shares outstanding for the quarters ended April 30, 2007 and April 30, 2006, respectively.

Net sales and revenue in the fiscal 2007 first quarter were \$57.9 million compared with \$66.0 million in the fiscal 2006 first quarter. Comparable store sales for the quarter ended April 30, 2007 declined 10.0%. Gross profit margin on net sales and revenue rose to 30.3% in the fiscal 2007 first quarter from 27.7% in the comparable 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.

REX recorded a total of \$7.8 million of income from synthetic fuel limited partnership investments, and equity in unconsolidated affiliates in the quarter ended April 30, 2007 of which approximately \$6.7 million was income from synthetic fuel limited partnership investments. In the fiscal 2006 first quarter, REX recorded approximately \$2.1 million of income from these sources all of which was derived from synthetic fuel limited partnership investments.

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REX REPORTS FISCAL 2007 FIRST QUARTER, 6/5/07

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On April 30, 2007, REX Stores through wholly-owned subsidiaries, completed the sale of 86 of its current and former store locations for \$74.5 million in cash, before selling expenses. Concurrent with the closing of the sale, the Sellers entered into leases to leaseback 40 of the properties from the Purchaser. REX realized a total gain of approximately \$14.8 million from this transaction, of which approximately \$11.6 million was deferred in accordance with sale and leaseback accounting. In addition, REX recognized pre-tax gains of approximately \$2.2 million and approximately \$1.0 million classified as discontinued operations and continuing operations, respectively.

The Company paid off \$16.1 million in mortgage debt and prepayment penalties related to the properties sold and plans to use the balance of the sale proceeds to fund its alternative energy projects, stock buybacks and for other general corporate purposes. As of April 30, 2007 REX had cash and cash equivalents of \$105.4 million compared with cash and cash equivalents of \$43.0 million at January 31, 2007.

The Company also announced that its Board of Directors has expanded a previous share repurchase authorization to 1,000,000 shares. Purchases will be made from time to time in open market or private transactions at prevailing market prices, and all shares purchased will be held in the Company's treasury for possible future use.

On June 1, 2007, REX announced that in conjunction with U.S. BioEnergy Corporation's proposed acquisition of Millennium Ethanol, LLC, REX has entered into an agreement with U.S. BioEnergy Corporation and Millennium Ethanol for the conversion of REX's \$14 Million Convertible Secured Promissory Note and Related Purchase Rights into 33.92% of the membership interests in Millennium Ethanol. The aggregate consideration payable by U.S. BioEnergy to Millennium's members in the transaction is approximately \$135 million and is payable in US BioEnergy common stock, cash, or any combination thereof at US BioEnergy's election,

subject to certain limitations. Based on the transaction details announced by US BioEnergy Corporation and the May 31, 2007 closing price of US BioEnergy Corporation common shares, REX would receive approximately 3.3 million shares of US BioEnergy Corporation.

The Company will host a conference call and webcast today at 11:00 a.m. EDT, which are open to the general public. The conference call dial-in number is 415/537-1802; 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. EDT on June 12, 2007 by dialing 800/633-8284 or 402/977-9140 (international callers). The access code for the audio replay is 21340013. Alternatively, a replay will be available on the Internet for 30 days at www.rextv.com or www.earnings.com.

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Over the past eight years, REX has been active in several synthetic fuel investments and in addition to Millennium, REX has agreements to participate in four ethanol entities. REX Stores Corporation is also a specialty retailer of consumer electronic products and appliances. As of April 30, 2007, the Company operated 164 retail stores in 35 states under the trade name "REX."

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 among other things: risks and uncertainties relating to the proposed acquisition of REX Stores' interest in Millennium Ethanol, LLC by U.S. BioEnergy Corporation including, but not limited to the satisfaction of conditions to closing; including receipt of member, regulatory and other consents and approvals; delays in consummating the proposed transaction; uncertainty of the financial performance of U.S. BioEnergy Corporation following completion of the proposed transaction; 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, the price volatility of corn, dried distiller grains, ethanol, gasoline and natural gas, and the ability to remain in compliance with related debt covenants.

-tables follow-

REX STORES CORPORATION AND SUBSIDIARIES
 CONSOLIDATED CONDENSED STATEMENTS OF INCOME
 UNAUDITED

	Three Months Ended		
	April 30,		
	2007	2006	
	----	----	
	(In Thousands, Except Per Share Amounts)		
NET SALES AND REVENUE		\$ 57,933	\$ 66,049
Cost of sales (Excluding depreciation)		40,365	47,774
	-----	-----	
Gross profit	17,568	18,275	
Selling, general and administrative expenses		(16,907)	(18,310)
INTEREST INCOME		1,293	292
INTEREST EXPENSE		(165)	(401)
LOSS ON EARLY TERMINATION OF DEBT			(651) --
GAINS ON SALE OF REAL ESTATE, NET			984 --
EQUITY IN INCOME OF UNCONSOLIDATED			
ETHANOL AFFILIATES	1,110	--	
INCOME FROM SYNTHETIC FUEL INVESTMENTS			6,733 2,062
	-----	-----	
Income from continuing operations before provision for income taxes, minority interest and discontinued operations		9,965	1,918
PROVISION FOR INCOME TAXES		3,846	743
MINORITY INTEREST		(95)	--
	-----	-----	
Income from continuing operations		6,024	1,175
(Loss) income from discontinued operations, net of tax		(758)	314
Gains on disposal of discontinued operations, net of tax		2,268	--
	-----	-----	
NET INCOME		\$ 7,534	\$ 1,489
	=====	=====	
WEIGHTED AVERAGE SHARES			
OUTSTANDING - BASIC		10,468	10,145
	=====	=====	
Basic income per share from continuing operations		\$ 0.57	\$ 0.12
Basic (loss) income per share from discontinued operations		(0.07)	0.03
Basic income per share on disposal of discontinued operations		0.22	--
	-----	-----	
BASIC NET INCOME PER SHARE		\$ 0.72	\$ 0.15
	=====	=====	
WEIGHTED AVERAGE SHARES			
OUTSTANDING - DILUTED		11,799	11,543
	=====	=====	
Diluted income per share from continuing operations		\$ 0.51	\$ 0.10
Diluted (loss) income per share from discontinued operations		(0.06)	0.03
Diluted income per share on disposal of discontinued operations		0.19	--
	-----	-----	
DILUTED NET INCOME PER SHARE		\$ 0.64	\$ 0.13
	=====	=====	

- balance sheet follows -

REX STORES CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
UNAUDITED

	April 30, 2007	January 31, 2007	April 30, 2006	
	----	----	----	
ASSETS		(In Thousands)		
CURRENT ASSETS:				
Cash and cash equivalents		\$ 105,355	\$ 43,008	\$ 15,081
Accounts receivable, net		3,439	1,975	3,642
Synthetic fuel receivable		5,485	8,838	3,021
Merchandise inventory		90,427	70,078	108,516
Prepaid expenses and other		1,428	2,915	1,955
Future income tax benefits		7,288	9,192	9,339
	-----	-----	-----	
Total current assets		213,422	136,006	141,554
PROPERTY AND EQUIPMENT, NET			74,426	122,769
ASSETS HELD FOR SALE, NET			1,676	2,009
OTHER ASSETS		3,631	8,752	735
GOODWILL		1,322	1,322	--
FUTURE INCOME TAX BENEFITS			26,290	26,245
INVESTMENTS		41,936	35,699	--
RESTRICTED INVESTMENTS			2,425	2,406
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Total assets		\$ 365,128	\$ 335,208	\$ 300,084
	=====	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Current portion of long-term debt		\$ 2,013	\$ 2,678	\$ 2,432
Current portion of deferred income - extended warranties			11,092	11,372
Current portion of deferred gain on sale and leaseback			5,420	101
Accounts payable, trade		45,461	23,254	25,340
Other current liabilities		8,606	10,510	10,415
	-----	-----	-----	-----
Total current liabilities		72,592	47,915	48,845
	-----	-----	-----	-----
LONG-TERM LIABILITIES:				
Long-term mortgage debt		20,627	31,236	20,701
Deferred income - extended warranties			12,947	13,321
Deferred gain on sale and leaseback			6,748	504
Other		940	--	--
	-----	-----	-----	-----
Total long-term liabilities		41,262	45,061	33,009
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MINORITY INTEREST IN CONSOLIDATED SUBSIDIARY			11,619	11,443
SHAREHOLDERS' EQUITY:				
Common stock		295	295	295
Paid-in capital		140,264	139,337	137,400
Retained earnings		259,496	252,249	242,387
Treasury stock		(160,400)	(161,092)	(161,852)
	-----	-----	-----	-----
Total shareholders' equity		239,655	230,789	218,230
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Total liabilities and shareholders' equity		\$ 365,128	\$ 335,208	\$ 300,084
	=====	=====	=====	=====

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