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 3, 2003

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

Delaware	0-13283	31-1095548
(State or other jurisdiction of incorporation)	(Commission File No.)	(IRS Employer 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

Item 7. Financial Statements and Exhibits

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

99.1 Press Release dated June 3, 2003

99.2 Transcript of conference call held June 3, 2003

Item 9. Regulation FD Disclosure (Information furnished pursuant to Item 12. Results of Operations and Financial Condition)

On June 3, 2003, REX Stores Corporation issued a press release announcing financial results for the fiscal quarter ended April 30, 2003 and held a conference call with analysts and other interested parties. The press release and transcript of the related conference call are furnished as Exhibits 99.1 and 99.2, respectively, to this report.

In accordance with the procedural guidance in SEC Release No. 33-8216, the information in this report and the attached exhibits is being furnished under "Item 9. Regulation FD Disclosure" rather than under "Item 12. Results of Operations and Financial Condition." The information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

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 9, 2003

By: /s/ DOUGLAS L. BRUGGEMAN

Name: Douglas L. Bruggeman

Title: Vice President - Finance and Chief Financial Officer

[LOGO]

News Announcement | For Immediate Release

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REX STORES' FIRST QUARTER COMPARABLE STORE SALES INCREASE 5%

Dayton, Ohio (June 3, 2003) -- REX Stores Corporation (NYSE:RSC), a specialty retailer of consumer electronic products and appliances, today announced financial results and comparable store merchandise sales for the Company's fiscal 2003 first quarter ended April 30, 2003.

Net sales in the fiscal 2003 first quarter rose 2% to $95.4 million from $93.5 million in the fiscal 2002 first quarter, reflecting increased sales of HDTV-ready large-screen televisions. Comparable store sales for the three months ended April 30, 2003 rose 5%. 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.

Net income in the fiscal 2003 first quarter was $3.1 million, or $0.25 per diluted share, compared to net income of $4.2 million, or $0.28 per diluted share, in the first quarter of fiscal 2002. Per share results are based on 12,632,000 and 14,814,000 diluted weighted average shares outstanding for the fiscal 2003 and 2002 periods, respectively, and reflect a 3-for-2 stock split paid in February 2002.

Net income for the first quarter of 2003 reflects approximately $3.1 million of pre-tax investment income from the sales of the Company's entire Partnership interest in a synthetic fuel limited partnership. As previously disclosed, the IRS is auditing this limited partnership. Of the amount stated above, approximately $1.8 million of the payments relating to sales of certain portions of the limited partnership interest due the Company during the quarter are being held in escrow pending the results of the IRS audit. Future payments due the Company relating to certain of these sales will also be held in escrow pending the completion of the IRS audit.

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Commenting on the results, Stuart Rose, Chairman and Chief Executive Officer, stated, "It's a tribute to our employees that we were able to generate a 5% increase in comparable store sales during the tough economic climate that prevailed during the first quarter. Our sales force did a great job of serving the customer and focusing on products we sell best, like HDTV-ready large-screen televisions."

During the fiscal 2003 first quarter, REX purchased approximately 372,500 shares of its common stock. Subsequent to the close of the first quarter, the Company purchased approximately 97,170 additional shares of its common stock. As of June 2, 2003, the Company had approximately 260,480 authorized shares remaining available to purchase under its authorized stock buy-back program.

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 numbers are 212-346-6414 or 415-537-1841; 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.vcall.com; please allow 15 minutes to register and download and install any necessary software. Following its completion, a telephonic replay of the call can be accessed from 1:00 p.m. to 8:00 p.m. EDT that day by dialing 800/633-8284 or 402/977-9140 (international callers). The access code for the audio replay is 21145891. Alternatively, a replay will be available on the Internet for 30 days at www.rextv.com or www.vcall.com.

REX Stores Corporation is a leading specialty retailer of consumer electronic products and appliances. As of April 30, 2003, the Company operated 252 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 and technological changes.

-tables follow-

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

	Three Months Ended,	
	April 30, 2003	April 30, 2002
NET SALES	$95,411	$93,536
COSTS AND EXPENSES:		
Cost of merchandise sold	67,573	66,282
Selling, general and administrative expenses	25,922	25,005
Total costs and expenses	93,495	91,287
INCOME FROM OPERATIONS	1,916	2,249
INVESTMENT INCOME	17	150
INTEREST EXPENSE	(1,200)	(1,583)
GAIN ON SALE OF REAL ESTATE	386	--
INCOME FROM LIMITED PARTNERSHIPS	3,064	4,636
Income before provision for income taxes	4,183	5,452
PROVISION FOR INCOME TAXES	1,045	1,268
NET INCOME	$ 3,138	$ 4,184
WEIGHTED AVERAGE SHARES OUTSTANDING -- BASIC	10,939	12,297
BASIC NET INCOME PER SHARE *	$ 0.29	$ 0.34
WEIGHTED AVERAGE SHARES OUTSTANDING -- DILUTED	12,632	14,814
DILUTED NET INCOME PER SHARE *	$ 0.25	$ 0.28

* All per share amounts have been adjusted to reflect a 3-for-2 split of the Company's common stock paid on February 11, 2002.

(more)

REX STORES CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	April 30, 2003	January 31, 2003	April 30, 2002
ASSETS:			
Cash and cash equivalents	$ 1,671	$ 1,380	$ 24,720
Accounts receivable, net	2,495	3,413	995
Synthetic fuel receivable	8,644	6,619	446
Merchandise inventory	161,588	142,063	116,902
Prepaid expenses and other	1,981	2,567	2,377
Future income tax benefits	10,350	10,350	12,614
Total current assets	186,729	166,392	158,054
PROPERTY AND EQUIPMENT, NET	133,780	134,563	137,962
OTHER ASSETS	2,437	1,656	--
FUTURE INCOME TAX BENEFITS	6,070	6,070	7,320
RESTRICTED INVESTMENTS	2,246	2,241	2,227
Total assets	$ 331,262	$ 310,922	$ 305,563
LIABILITIES AND SHAREHOLDERS' EQUITY:			
CURRENT LIABILITIES:			
Notes payable	$ 8,744	$ 13,451	$ --
Current portion of long-term debt	6,413	5,657	4,680
Current portion, deferred income and deferred gain on sale and leaseback	11,422	11,107	11,486
Accounts payable, trade	57,855	27,417	37,710
Accrued income taxes	521	--	2,258
Accrued payroll	3,957	6,750	3,700
Other current liabilities	8,315	8,669	9,021
Total current liabilities	97,227	73,051	68,855
LONG-TERM LIABILITIES:			
Long-term mortgage debt	61,825	64,426	68,975
Deferred income	13,547	13,993	14,621
Deferred gain on sale and leaseback	198	348	796
Total long-term liabilities	75,570	78,767	84,392
SHAREHOLDERS' EQUITY:			
Common stock	277	277	277
Paid-in capital	121,286	121,282	118,718
Retained earnings	160,778	157,640	138,892
Treasury stock	(123,876)	(120,095)	(105,571)
Total shareholders' equity	158,465	159,104	152,316
Total liabilities & shareholders' equity	$ 331,262	$ 310,922	$ 305,563

# # #

Jaffoni & Collins
Moderator: Stuart Rose
June 3, 2003
06/03/03 10:00 CT

Operator: Ladies and gentlemen, thank you for standing by. Welcome to the Rex Stores First Quarter Results Conference Call. During the presentation, all participants will be in a listen-only mode. Afterwards, we will conduct a question and answer session. At the time, if you have a question, please press the "1" followed by the "4" on your telephone. As a reminder, this conference is being recorded Tuesday, June 3rd, 2003. The speakers for today are Mr. Doug Bruggeman, Vice President of Finance, and Mr. Stuart Rose, Chief Executive Officer. Please go ahead, Mr. Rose.

Stuart Rose: Thank you, operator. I'd like to welcome everyone to our first quarter conference call. As people have seen by the press release, we're pleased to announce a same-store sale increase of 5 percent which is a turnaround from the past few quarters. And again, it's caused by a large increase in high-definition-ready big screen televisions. That's become, by far, our biggest growth area, and the prices of those items have come down significantly, which has allowed them to become affordable to many of our customers.

As people have noticed, operating profit was down slightly. The biggest reason for that was that we changed and started going back to television advertising, and we also chose to increase our commissions in a period of time where other people are cutting back commissions or taking salesmen off commission. We want to do whatever we can to attract the very best in the industry. So, we actually increased our commission, so we think that has a lot to do with our large increase in high-definition-ready television. And again, to show the operating profit we did, and to show the earnings per share we did during these tough economic times when other people are showing large same-store sale decreases caused by war, weather, whatever, and some times large operating losses. We're happy to report that earnings --

In terms of synthetic fuel, that was down a little bit, but it was still a strong number. And again, we're limited partners in that synthetic fuel operation and with that -- it's an asset that's still returning unbelievable returns for our investment, something that North Carolina Power and Light, the head partner, is keeping in good production. We're happy to see that number.

In terms of the other big number, a different number on our balance sheet to gain on the sale of real estate, that was a closed store. Again, we've been fortunate enough, again, when we closed the store, to report a gain on the sale, whereas many companies report losses on the sale. This is related to our strategy of owning properties versus leasing properties in a period of greatly rising property values. We think our strategy there is, again, something that sets us apart from the rest of the industry.

In terms of how things have gone since the end of the quarter, we continue to show nice same-store sale increases. They have actually increased for the period of time a little bit over the -- they're doing a little better than that 5 percent that we reported for the first quarter. So, we're happy with that. Again, we caution everyone, this is air conditioning season so, depending on the weather, depending on whether it gets hot or not, that can drastically change same-store sales one way or another. With that, I'll leave the conference call open to questions.

Operator: Thank you. Ladies and gentlemen, if you'd like to register a question, please press the "1" followed by the "4" on your telephone. You will hear a three-tone prompt to acknowledge your request. If your question has been answered and you'd like to withdraw your registration, please press the "1" followed by the "3." If you are using a speakerphone, please lift your handset before entering your request. One moment please, for the first question.

The first question will come from the line of Scot Ciccarelli with Gerard Klauer Mattison. Please go ahead.

Scot Ciccarelli: Hi, guys.

Stuart Rose: Hi Scot, how are you?

Scot Ciccarelli: Good, Stu. Couple of questions. First of all, on the HDTV side, can you give us an idea of what percentage of your product mix that is today -- I know TVs themselves are a big segment, but you know, what is digital television, what is big screens, etc?

Stuart Rose: Doug, do you want to go ahead?

Doug Bruggeman: Yeah, that's fine. Scot, in general, television sales have grown to be a little bit more than 50 percent of our overall sales so far this fiscal year in the first quarter, and high-definition-ready TVs are about half of our total television sales.

Scot Ciccarelli: Okay. And that's on a dollar basis, right, Doug?

Doug Bruggeman: That is correct.

Scot Ciccarelli: Okay. And then another question regarding the operating expenses, you know, what we're seeing there. Stu, you mentioned increasing commissions obviously, as well as increasing advertising. I know that's something you kind of alluded to before. How much of that may have been front-end loaded and how much of that is continuing? What is the game plan and what shall we expect to see on the operating expense side going forward?

Stuart Rose: We are running roughly the same amount of television, give or take, and I believe it's planned; some of it gets preempted, that type of thing; or, sometimes we get extra. But it would be my thinking right now to go with about the same dollar amount per month. And again second quarter with the air conditioning and everything else, it's usually a little bit stronger quarter anyway, as I alluded to earlier. At least for the first month and few days, comps have accelerated a little bit on a percentage basis, that should be going down.

Scot Ciccarelli: Okay. And can you just give us an idea of, you know, what that increase was on a year-over-year basis on the advertising, now that you've moved to television?

Stuart Rose: Sure, I think Doug can give you that.

Doug Bruggeman: Scot, the increase for the quarter was somewhere between $500,000 and $600,000 in advertising cost.

Scot Ciccarelli: Okay. So, it's pretty meaningful, I got it. Okay. And then the last question is, can you guys give us an update regarding the synthetic fuel, what we're seeing, you know. I know there's an audit going on, you've been putting money into an escrow account. How should we be thinking about that just in terms of, you know, kind of going forward and what is the latest info you have on that? Thanks.

Stuart Rose: The latest info is no change, that it is just a routine audit, that no findings whatsoever been brought out one way or another. And again, the proof is in the pudding. We're limited partners, but the fact that our general partner is still producing like they are producing indicates that they're comfortable that things -- it cost them a lot of money to produce this product. If for some reason, there's a problem in the audit and they don't get the tax credits as they expect to get, or it doesn't generate the tax credits that it's expected to generate -- so, they're still producing at a very, very strong clip. We also have another partnership that is not being audited, to the best of our knowledge and that one is producing also very, very strongly. That one is -- we're partners with Sempra Energy. So, we feel real good about that whole part of our business right now.

Scot Ciccarelli: Now, is that the segment, you know, from Sempra that we see kind of flowing into the cash flow, with the stuff from Empire going into the escrow account?

Stuart Rose: No, the part from Sempra we use to offset -- to lower our own -- we use that tax credits to lower our own tax rate, Scot. The other one, the one that's from Florida Progress or North Carolina Power and Light, whatever you want to call it, that one, part of it goes into escrow and part of it is unescrowed. That's why it's --.

Scot Ciccarelli: I'm just confused how that's determined. What do you determine what goes into escrow and what doesn't?

Stuart Rose: What goes into escrow is basically -- we had three separate sales which are outlined -- they're pretty complicated and we really don't know --

Doug Bruggeman: They're outlined in the Q.

Stuart Rose: In the Q, but the sale of the first one right now is not escrowed. The second and third sales, we sold them each in three separate transactions. The second and third sales are escrowed, per their rights in the agreement.

Scot Ciccarelli: Got it. Okay. Thanks, guys.

Doug Bruggeman: Thanks, Scot. Appreciate it.

Operator: The next question will come from the line of (Buzz Zaino) with Royce & Associates. Please go ahead.

Stuart Rose: Hi Buzz.

(Buzz Zaino): Hi, Stu. On the non-TV business, you know, earlier experience may have been that air conditioning is weak and (overly) weak in -- I think in terms of the East coast generally has been cooler than normal.

Stuart Rose: Yes, it has been cold in parts of the country. On the other hand, we didn't have a great early air conditioning season last year so, we're doing just fine in that category right now.

(Buzz Zaino): And the general appliances?

Stuart Rose: General appliances are, again, we seem to be doing fine there too. They haven't been -- that's a more stable business than -- I'd say a little bit more stable anyway, than the rest of the business. And it's doing not dramatically great or anything, but margin seems to be up in that business and the volume would not include air conditioning, since the first quarter seems to be holding its own.

(Buzz Zaino): Has the early success of HDTV created traffic in the stores leading to sales of other products from --.

Stuart Rose: It certainly helps a lot in accessory products needed to hook up -- that is, one of our major suppliers, Recoton, actually went bankrupt over the quarter. And believe it or not that, we're going to use that as a positive for ourselves. That gives us a chance to go in and talk to a bunch of different vendors and we play one up against the other. And so, that category, we're actually more excited than ever about right now, and that's probably the biggest thing that you get out of high-definition.

(Buzz Zaino): All right.

Stuart Rose: In terms of extra business, that's in accessory business.

(Buzz Zaino): Do you do any service, hook ups, installation, that sort if stuff?

Stuart Rose: No, we do sell service policy, so, and that also -- is a good product for (that).

(Buzz Zaino): Sure. Thanks very much.

Stuart Rose: Sure, my pleasure.

Operator: The next question will come from the line of Rick Shea (Shea) with (Vardon). Please go ahead.

(Rick Shea): Hi, Stuart.

Stuart Rose: Hi. How are you?

(Rick Shea): Good. How are you?

Stuart Rose: Good, thanks.

(Rick Shea): Just give us some thought as to how you're seeing the change in price points affect demand for the large screen and HDTV-ready TV?

Stuart Rose: I can only you give you my personal feeling and that's --

(Rick Shea): Yeah, (indiscernible)

Stuart Rose: Once we got under $2000 for a 16 x 9 50-inch television, the business started to fly. At that point, you could buy a 16 x 9 high-definition-ready set for not much more than what people thought they would have to spend on a regular big screen, and that's really what's made the difference. That's the price to me that makes all the difference in the world.

(Rick Shea): Under $2000.

Stuart Rose: Under $2000 for 50-inch or above.

(Rick Shea): Right.

Stuart Rose: And 16 x 9.

(Rick Shea): What's the extent of the businesses under that price now?

Stuart Rose: I don't know exactly.

(Rick Shea): Okay.

Stuart Rose: I'm not sure. It is significant, though. It's a lot.

(Rick Shea): Okay. What are your thoughts on that price curve between now and holiday?

Stuart Rose: I don't think -- I think it's going to go down, but that's -- what will happen -- that's still the magic price. I think you'll be able to get even a bigger set for the money. It wouldn't surprise me if some manufacturers -- 57-inch becomes $1999.

(Rick Shea): Uh-huh.

Stuart Rose: In fact, I would be surprised if it didn't.

(Rick Shea): Okay.

Stuart Rose: All right?

(Rick Shea): Yeah, thanks a lot.

Stuart Rose: Sure, my pleasure.

Operator: As a reminder to register for question, please press the "1" followed by the "4" at this time. Once again, to ask the question, please press the "1" followed by the "4". The next question will come from the line of Bob McDorman with Investment Counselors. Please go ahead.

Bob McDorman: Stuart?

Stuart Rose: Hi Bob. How are you?

Bob McDorman: Pretty good. Can you hear me?

Stuart Rose: Sure.

Bob McDorman: I have two questions. Number one, you may have addressed this and I went out of the room for a minute. The other synthetic fuel plant that you bought, is that still sitting around unused in --

Stuart Rose: Right now, we're dismantling it, we have a letter of intent with an operator. It is not a binding contract yet, and so, but we have someone that we are talking to, and we have hopes to have them operate the plant for us, where we will receive some type of tax credits and some type of royalty. And again, we're going full steam ahead on that. It's not just sitting there.

Bob McDorman: When would that might -- if this agreement goes forward when --`

Stuart Rose: When will it go forward, when will that happen?

Bob McDorman: Yes.

Stuart Rose: Towards the end of this year would be when -- towards the end or early next year would be my guess when production would start.

Bob McDorman: Okay. And then the other --.

Stuart Rose: And that plant again, the investment versus the potential return is huge for all shareholders, should it happen. Should it not happen, the risk of the investment is not huge. Go ahead, Bob.

Bob McDorman: I was wondering if you -- couple of things. Number one, given the share repurchases over the years, which is reasonably timely, and the number of outstanding options relative to the shares outstanding is huge, the flow has been reduced. I was wondering if the new tax law has any effect on your feelings on dividend distributions as opposed to share repurchases or --.

Stuart Rose: Well, the only reason -- to me it's always been a dividend. The only reason I like share repurchases still, although it's much more marginal -- before, it was a no-brainer, but you still lower the number of shares outstanding when you do a share repurchase versus a dividend. And so, by doing that, if you spend your money that way, instead of just dividending it out, your future earnings become much higher, your future -- I should say earnings per share - become much higher. And so to me, that's still an advantage, although it's not the huge advantage it was when the tax rates were so high on dividends. So, it's something we'll have to look at very closely and decide. The disadvantage of a share repurchase, which we've been able to take care of through splits, is that you lower your float. That's the downside. On the other hand, that could be taken care of also through a split.

Bob McDorman: Did anybody ask about the big increase in inventory, is that the timely purchase?

Stuart Rose: Yeah, as you probably know, Bob, our industry has had a rough times the first quarter. A lot of people are reporting way lower sales than they expected and that's caused a lot of cancellations, and we're there to pick up the pieces. We try very hard to be the manufacturer's preferred supplier to do that. We don't destroy them in the marketplace. We try to have -- we tried, when they sell to us, to sell it in an orderly basis. We take their overstocks. We take their canceled orders. In return, we ask for much lower price and we think we've gotten that. So, we'll see what happens.

Bob McDorman: All right, thanks.

Stuart Rose: I think we - this is something we've been doing for -- I've been doing for over 20 years and its something we think that we do that's both good for us and good for our suppliers.

Operator: Next question will come from the line of Scot Ciccarelli with Gerard Klauer Mattison. Please go ahead.

Stuart Rose: Hi Scot.

Scot Ciccarelli: Hey guys. Just a follow-up or two. How much of the inventory or, I guess, both inventory and inventory increase is centered on the big screen televisions and HD-ready TVs?

Stuart Rose: Doug, do you --?

Doug Bruggeman: I don't have a number readily available, Scot.

Stuart Rose: I can just tell you, since I do the television purchasing, that there have been oppurtunistic buys in that category, as well as every other category on the video side.

Scot Ciccarelli: All right. Let me ask in a different way. Do you think inventory is roughly skewed to what the sales mix is? Are we heavier, lighter in any particular categories?

Stuart Rose: I would say it's skewed -- probably we're a little bit heavier. It's been a slight bit more - a little bit heavier in video than we are in what I call video camcorder, and I'm just talking on the video side right now, a little bit more skewed heavily in camcorder, that type of product, the video side, than we are in television side. But the stuff that we have -- the purchases we've made based on current prices -- look extremely good right now.

Scot Ciccarelli: Okay. And then the other question was a follow-up on a statement you made earlier, Stu, about the properties you guys own. How many of your stores do you actually own as oppose to lease today? And then what's that average rate on the mortgage debt -- with the implication -- are we potentially going to get additional benefits down the road from additional re-fis, etc? Thanks.

Stuart Rose: Doug.

Doug Bruggeman: Yeah. We own currently about a 153 of our stores, Scot. We've pretty much refinanced everything last year, and most of what we've done is taking them to a variable rate at this point. So, you know, going forward, I don't really see much more savings on refinancings, you know, we did that about a year ago and did about a good --.

Stuart Rose: They are variable rate, which means they should be a lower rate over the last year, I would guess.

Doug Bruggeman: Yeah, that is correct. And we have started to anniversary that here in the first quarter because we wrapped that up last year in the first quarter.

Scot Ciccarelli: Okay. And what is that --

Stuart Rose: One thing I wanted to say, Scott, related to owning our properties -- that's turned out to be huge edge because real estate prices today are just doing -- good, topnotch commercial real estate is -- when you can't find it -- the raw land costs are going way, way up, even in small cities. So, we actually have decreasing occupancy costs, whereas our competitors, if they do have good locations and they did lease stores have, at a minimum, cost-of-living increases. And if they have to leave their stores and do a lease somewhere else, so they're looking at huge increases.

Scot Ciccarelli: Right. Okay. And then the last one is just a housekeeping item. What was cash flow from operations?

Doug Bruggeman: We have not put that out yet. Scot, we'll put that in the Q.

Scot Ciccarelli: Can you give us an idea?

Doug Bruggeman: From operations, actually, I mean there is probably a use there because of the build in inventory, you know, probably in the range of $9 million to $10 million. Again, because of the build in inventory.

Scot Ciccarelli: Okay. All right. Thanks, guys.

Stuart Rose: Thanks, Scott.

Operator: The next question will come from the line of (Todd Turchetta) with TGT Capital. Please go ahead.

(Todd Turchetta): Hi Stuart. Hey, Doug.

Stuart Rose: Hi, Todd.

(Todd Turchetta): Following-up on the buyback. Now that you're down to 200,000 shares and the stock's up a little bit, are there any -- I may have a tax question after this, the tax changes verus dividend versus stock buyback --

Stuart Rose: Yeah.

(Todd Turchetta): -- but is there any plan to authorize anymore, if you do get done with that, or is the stock --?

Stuart Rose: I imagine, if you look at our history, we seem to -- a lot depends on the stock price, but we've been very successful both for us and our shareholders, buying in shares. It allows -- and so, I would -- There's nothing in our thinking that has changed just because we're getting down on that authorization. There's nothing in our capital structure as such that, should we decide to increase it, there's no major change in our thinking that would stop us from doing that.

(Todd Turchetta): Okay. Thank you.

Stuart Rose: Okay.

Operator: The next question will come from the line of (Rick Shea) with (Vardon). Please go ahead.

Rick Shea: Stuart, I just want to follow up on the synthetic fuel plans you talked about in terms of -- you don't have a binding agreement, but you're in process?

Stuart Rose: Right, we're in process. We're working with someone very closely to try and basically do what we've done in the other partnerships -- allow us to not be the general and allow someone else to run it, someone else to find a site for it and everything, and we would just receive income or tax credits or both.

Rick Shea: Could you just give us some sense of the order of magnitude?

Stuart Rose: We're not at that point now.

Rick Shea: Okay.

Stuart Rose: I wouldn't want to put in any numbers in on that yet. We're not there.

Rick Shea: Do you consider it material?

Stuart Rose: I would say it would be -- certainly material to the limited partnership (line).

Rick Shea: Okay. And is there any sort of time horizon over which we would think that this might happen?

Stuart Rose: Yeah, I would hope that if it does happen, it'll happen and be up and operating either -- hopefully late this year, probably more realistic, the first quarter of next year.

Rick Shea: Okay.

Doug Bruggeman: To follow up on Scot's earlier question. I've looked on the balance sheet. We actually had an increase in accounts payable, so that actually will probably result in -- not a cash use, but a cash flow from operating activities. And I don't have that calculation done yet, so I will defer answering that till we get the Q filed.

Rick Shea: Right. Thanks.

Operator: The next question will come from the line of Bernard Robinowitz with Smith Barney. Please go ahead.

Bernard Robinowitz: Yeah. Hi, Stuart. Bernie.

Stuart Rose: Hi Bernie, how are you?

Bernard Robinowitz: How are you? Good quarter.

Stuart Rose: Thanks, Bern.

Bernard Robinowitz: Congratulations. I may have missed something, I've been in and out. Did you talk about store openings and the strategy there and where the stores might be and whether you changed in any way this strategy of your openings?

Stuart Rose: I think I -- you didn't miss anything, but our strategy has been right now, during the economic times, to slow down on the openings and just concentrate on same-stores. As you saw, we were able to increase same-store sales 5 percent in the first quarter and we think that's a healthier way -- If we can do it that way right, during these times, that's the smartest thing to do. Long-term, our strategy has not changed a bit, it's to be the largest and to dominate the small towns in the United States.

Bernard: Very good.

Stuart Rose: Thanks, Bernie.

Bernard: Yeah.

Operator: Gentlemen, I'm showing no further questions at this time.

Please continue with your presentation or any closing remarks you may have.

Stuart Rose: Right. Well, we just want to thank everyone for their support and thank you very much for listening. I appreciate it very much. Bye.

Operator: Ladies and gentlemen, that does conclude your conference call for today. We thank you for your participation and ask that you please disconnect your line.