

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): September 4, 2003

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

Delaware
(State or other jurisdiction
of incorporation)

0-13283
(Commission File No.)

31-1095548
(IRS Employer Identification No.)

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

45414
(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 Press Release dated September 4, 2003

Item 12. Results of Operations and Financial Condition

On September 4, 2003, REX Stores Corporation issued a press release announcing financial results for the fiscal quarter ended July 31, 2003. The press release is furnished as Exhibit 99 to this report.

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: September 4, 2003

By: /s/ DOUGLAS L. BRUGGEMAN

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

[REX LOGO]

News Announcement

For Immediate Release

For further information contact:

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REX STORES REPORTS SECOND QUARTER RESULTS

Dayton, Ohio (September 4, 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 second quarter ended July 31, 2003.

Net income in the fiscal 2003 second quarter was \$3.2 million, or \$0.25 per diluted share, compared to net income of \$5.4 million, or \$0.37 per diluted share, in the second quarter of fiscal 2002. Per share results are based on 12,626,000 and 14,728,000 diluted weighted average shares outstanding for the fiscal 2003 and 2002 periods, respectively.

Net sales in the fiscal 2003 second quarter fell 2% to \$91.4 million from \$93.1 million in the fiscal 2002 second quarter. Comparable store sales for the three months ended July 31, 2003 were flat when compared to the same period in 2002. 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 first half of fiscal 2003 was \$6.3 million, or \$0.50 per diluted share, compared to net income of \$9.6 million, or \$0.65 per diluted share, in the first half of fiscal 2002. Per share results are based on 12,567,000 and 14,755,000 diluted weighted average shares outstanding for the first halves of fiscal 2003 and 2002, respectively, and reflect a 3-for-2 stock split paid in February 2002. Net sales in the first half of fiscal 2003 were essentially flat at \$186.8 million compared to the first half of fiscal 2002, while comparable store sales rose 2%.

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Net income for the second quarter and first half of 2003 reflects approximately \$3.1 million and \$6.2 million, respectively, 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 \$1.9 million and \$3.7 million for the second quarter and first half of 2003, respectively, of the payments relating to sales of certain portions of the limited partnership interest due the Company during the periods 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.

Commenting on the results, Stuart Rose, Chairman and Chief Executive Officer, stated, "Fiscal 2003 second quarter air conditioner sales were lower than those in the year-ago period. Excluding this product, comparable store sales, which were flat for the fiscal 2003 second quarter, would have risen approximately 5%, an overall sales trend consistent with fiscal 2003 first quarter results."

During the fiscal 2003 second quarter, REX purchased approximately 187,200 shares of its common stock. As of September 3, 2003, the Company had approximately 170,500 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 212-346-6424 or 415-537-1836; 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 21159408. 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 July 31, 2003, the Company operated 249 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,		Six Months Ended	
	July 31,	July 31,	July 31,	July 31,
	2003	2002	2003	2002
	-----	-----	-----	-----
NET SALES	\$91,436	\$93,070	\$186,847	\$186,606
COSTS AND EXPENSES:				
Cost of merchandise sold	63,079	63,740	130,652	130,022
Selling, general and administrative expenses	25,979	26,012	51,901	51,017
Total costs and expenses	89,058	89,752	182,553	181,039
INCOME FROM OPERATIONS	2,378	3,318	4,294	5,567
INVESTMENT INCOME	23	133	40	283
INTEREST EXPENSE	(1,297)	(1,267)	(2,497)	(2,850)
GAIN ON SALE OF REAL ESTATE	--	--	386	--
INCOME FROM LIMITED PARTNERSHIPS	3,119	5,004	6,183	9,640
Income before provision for income taxes	4,223	7,188	8,406	12,640
PROVISION FOR INCOME TAXES	1,056	1,797	2,101	3,065
NET INCOME	<u>\$ 3,167</u>	<u>\$ 5,391</u>	<u>\$ 6,305</u>	<u>\$ 9,575</u>
WEIGHTED AVERAGE SHARES OUTSTANDING - BASIC	<u>10,705</u>	<u>12,522</u>	<u>10,821</u>	<u>12,411</u>
BASIC NET INCOME PER SHARE *	<u>\$ 0.30</u>	<u>\$ 0.43</u>	<u>\$ 0.58</u>	<u>\$ 0.77</u>
WEIGHTED AVERAGE SHARES OUTSTANDING - DILUTED	<u>12,626</u>	<u>14,728</u>	<u>12,567</u>	<u>14,755</u>
DILUTED NET INCOME PER SHARE *	<u>\$ 0.25</u>	<u>\$ 0.37</u>	<u>\$ 0.50</u>	<u>\$ 0.65</u>

* 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.

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

	July 31, 2003	January 31, 2003	July 31, 2002
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ASSETS:			
Cash and cash equivalents	\$ 2,116	\$ 1,380	\$ 10,039
Accounts receivable, net	1,844	3,413	548
Synthetic fuel receivable	400	6,619	3,327
Merchandise inventory	169,101	142,063	138,860
Prepaid expenses and other	3,068	2,567	3,073
Future income tax benefits	10,350	10,350	12,614
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Total current assets	186,879	166,392	168,461
PROPERTY AND EQUIPMENT, NET	133,439	134,563	136,940
OTHER ASSETS	2,434	1,656	--
FUTURE INCOME TAX BENEFITS	6,070	6,070	7,320
SYNTHETIC FUEL ESCROW	10,042	--	--
RESTRICTED INVESTMENTS	2,250	2,241	2,232
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Total assets	\$ 341,114	\$ 310,922	\$ 314,953
	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY:			
CURRENT LIABILITIES:			
Notes payable	\$ 30,775	\$ 13,451	\$ 65
Current portion of long-term debt	6,478	5,657	4,783
Current portion, deferred income and deferred gain on sale and leaseback	11,301	11,107	11,096
Accounts payable, trade	45,407	27,417	41,138
Accrued income taxes	51	--	2,847
Accrued payroll	4,495	6,750	4,914
Other current liabilities	8,738	8,669	9,454
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Total current liabilities	107,245	73,051	74,297
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LONG-TERM LIABILITIES:			
Long-term mortgage debt	60,504	64,426	67,723
Deferred income	13,015	13,993	14,069
Deferred gain on sale and leaseback	49	348	646
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Total long-term liabilities	73,568	78,767	82,438
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SHAREHOLDERS' EQUITY:			
Common stock	278	277	277
Paid-in capital	121,786	121,282	119,026
Retained earnings	163,945	157,640	144,283
Treasury stock	(125,708)	(120,095)	(105,368)
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Total shareholders' equity	160,301	159,104	158,218
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Total liabilities & shareholders' equity	\$ 341,114	\$ 310,922	\$ 314,953
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