

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): September 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 September 5, 2007, REX Stores Corporation issued a press release announcing financial results for the three month period ended July 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 September 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: September 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 SECOND QUARTER DILUTED
EARNINGS PER SHARE OF \$0.48 VERSUS \$0.13 IN THE PRIOR YEAR

- REPURCHASES 454,700 SHARES PURSUANT TO PRIOR AUTHORIZATION -

Dayton, Ohio (September 5, 2007) -- REX Stores Corporation (NYSE:RSC) today announced financial results for the three month period ended July 31, 2007.

Net income in the fiscal 2007 second quarter ended July 31, 2007 was \$5.8 million, or \$0.48 per diluted share, compared with net income of \$1.5 million, or \$0.13 per diluted share, in the second quarter of fiscal 2006. For the quarter ended July 31, 2007, income from continuing operations, net of taxes was \$3.8 million, compared with income from continuing operations, net of taxes of \$1.6 million in the same period a year ago. Per share results are based on 11,989,000 and 11,575,000 diluted weighted average shares outstanding for the quarters ended July 31, 2007 and July 31, 2006, respectively.

Net sales and revenue in the fiscal 2007 second quarter were \$56.3 million compared with \$63.6 million in the fiscal 2006 second quarter. Comparable store sales for the quarter ended July 31, 2007 declined 12.0%. 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.

REX recorded a total of \$5.9 million of income from synthetic fuel limited partnership investments, interest income, gains on sale of real estate and equity in unconsolidated affiliates in the quarter ended July 31, 2007 of which approximately \$3.4 million was income from synthetic fuel limited partnership investments. In the fiscal 2006 second quarter, REX recorded approximately \$2.7 million of income from these sources (none which was derived from equity in unconsolidated affiliates). During the quarter ended July 31, 2007 REX recognized a \$0.6 million loss from

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REX REPORTS FISCAL 2007 SECOND QUARTER, 9/5/07

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discontinued operations, net of taxes, compared with a \$0.07 million loss from discontinued operations, net of taxes, in the year ago period. In addition, REX recorded a \$2.6 million gain on disposal of discontinued operations, net of taxes, in the three months ended July 31, 2007.

In the fiscal 2007 second quarter, REX purchased approximately 195,400 shares of its common stock in open market transactions. In the fiscal 2007 third quarter to date, the Company has repurchased an additional 259,300 shares of its common stock in open market transactions. The Company has approximately 545,300 authorized shares remaining available to purchase under the expanded June 2007 stock buy-back authorization.

On August 30, 2007 (in REX's 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.

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 212/231-6010; 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 September 12, 2007 by dialing 800/633-8284 or 402/977-9140 (international callers). The access code for the audio replay is 21347687. Alternatively, a replay will be available on the Internet for 30 days at WWW.REXTV.COM or WWW.EARNINGS.COM.

Over the past eight years, REX has been active in several synthetic fuel

investments and has agreements to participate in four ethanol entities. REX Stores Corporation is also a specialty retailer of consumer electronic products and appliances. As of July 31, 2007, the Company operated 142 retail stores in 35 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 acquisition of REX Stores' interest in Millennium Ethanol, LLC by U.S. BioEnergy Corporation including uncertainty of the financial performance of U.S. BioEnergy Corporation following completion of the 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 and the price volatility of corn, dried distiller grains, ethanol, gasoline and natural gas.

-tables follow-

REX STORES CORPORATION AND SUBSIDIARIES
 CONSOLIDATED CONDENSED BALANCE SHEETS
 UNAUDITED

July 31, January 31, July 31,
 2007 2007 2006

		(In Thousands)		
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents		\$ 90,293	\$ 43,008	\$ 5,481
Accounts receivable, net		3,128	1,975	4,149
Synthetic fuel receivable		3,851	8,838	3,171
Note receivable, related party		-	-	5,595
Merchandise inventory, net		84,256	70,078	123,349
Prepaid expenses and other		2,932	2,915	2,226
Future income tax benefits		6,562	9,192	9,354
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Total current assets		191,022	136,006	153,325
PROPERTY AND EQUIPMENT, NET			78,575	122,769
ASSETS HELD FOR SALE, NET			1,064	2,009
OTHER ASSETS		23,595	18,986	10,580
GOODWILL		1,322	1,322	-
FUTURE INCOME TAX BENEFITS			23,533	26,245
INVESTMENTS		60,887	35,699	-
RESTRICTED INVESTMENTS			2,443	2,406
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Total assets		\$ 382,441	\$ 345,442	\$ 320,316
	=====	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Current portion of long-term debt		\$ 2,183	\$ 2,678	\$ 2,476
Deferred income - extended warranties			15,085	15,641
Accounts payable, trade		42,923	23,254	31,557
Current portion of deferred gain on sale and leaseback			2,068	101
Other current liabilities		9,381	10,510	11,296
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Total current liabilities		71,640	52,184	60,831
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LONG-TERM LIABILITIES:				
Long-term mortgage debt		19,122	31,236	20,117
Deferred income - extended warranties			17,653	19,286
Deferred gain on sale and leaseback			6,163	504
Other		940	-	-
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Total long-term liabilities		43,878	51,026	38,725
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MINORITY INTEREST IN CONSOLIDATED SUBSIDIARY				11,764
				11,443
				-
SHAREHOLDERS' EQUITY:				
Common stock		298	295	295
Paid-in capital		143,214	139,337	138,238
Retained earnings		265,106	252,249	243,884
Treasury stock		(163,176)	(161,092)	(161,657)
Accumulated other comprehensive income, net of tax			9,717	-
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Total shareholders' equity		255,159	230,789	220,760
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Total liabilities and shareholders' equity		\$382,441	\$ 345,442	\$ 320,316
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