

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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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): July 22, 1997

NL INDUSTRIES, INC.  
(Exact name of registrant as specified in charter)

New Jersey                              1-640                              13-5267260  
(State or other                      (Commission File No.)              (Employer ID No.)  
jurisdiction of  
incorporation)

16825 Northchase Dr., Suite 1200, Houston, Texas                              77060  
(Address of principal executive offices)                              (Zip Code)

Registrant's telephone number, including area code      (281) 423-3300

Not Applicable  
(Former name or former address, if changed since last report)

Item 5.      Other Events.

On July 22, 1997, the Registrant issued the press release attached hereto as Exhibit 99.1 and incorporated herein in its entirety by this reference.

Item 7.      Financial Statements, Pro Forma Financial Information and Exhibits.

(c)      Exhibits

(i)      Exhibit 99.1.      Press Release dated July 22, 1997.

\* \* \* \* \*

SIGNATURE

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 thereunto duly authorized.

NL INDUSTRIES, INC.  
(Registrant)

/s/ Dennis G. Newkirk  
Dennis G. Newkirk  
Vice President & Controller

Dated: July 24, 1997

Dennis G. Newkirk  
(281) 423-3332

EXHIBIT 99.1

FOR IMMEDIATE RELEASE

NL RETURNS TO PROFITABILITY

HOUSTON, TEXAS -- July 22, 1997 -- NL Industries, Inc. (NYSE:NL) reported net income for the second quarter of 1997 of \$2.3 million, or \$.04 per share, compared to net income in the second quarter of 1996 of \$11.9 million, or \$.23 per share. NL reported a net loss in the first half of 1997 of \$33.5 million, or \$.65 per share, compared to net income in the first half of 1996 of \$25.4 million, or \$.49 per share on comparable net sales. The 1997 results include a first-quarter \$30 million noncash charge, or \$.59 per share, related to NL's adoption of the AICPA's Statement of Position No. 96-1, "Environmental Remediation Liabilities."

Operating income of Kronos' titanium dioxide pigments ("TiO2") business in the second quarter of 1997 was \$16.8 million, \$8.6 million less than the second quarter of 1996, but up \$8.1 million over the first quarter of 1997. Kronos' average TiO2 selling prices for the second quarter of 1997 were 3% higher than the first quarter of 1997 and 8% lower than the second quarter of 1996. Selling prices at the end of the second quarter of 1997 were 1% higher than the average for the quarter. Kronos achieved record second quarter sales volumes reflecting continued strong TiO2 demand. Kronos' second quarter and six month sales volumes increased 9% and 14%, respectively, from the year-earlier periods, with higher sales volumes worldwide. Kronos' operating income in the second quarter of 1997 includes a \$2.7 million gain related to the sale of surplus assets. The Company expects further increases in its TiO2 selling prices during the second half of 1997.

Rheox's operating income of \$12.2 million in the second quarter of 1997 was \$1.5 million higher than the year-earlier period due to higher sales volumes and selling prices. Rheox's operating income in the first half of 1997 was \$1.9 million higher than the 1996 period, excluding a first-quarter 1996 \$2.7 million gain related to the reduction of certain U.S. employee pension benefits.

Corporate expenses, net in the first half of 1997 includes the first-quarter \$30 million noncash charge mentioned above.

NL Industries, Inc. is a major international producer of titanium dioxide pigments and specialty chemicals.

The statements in this release relating to matters that are not historical facts are forward-looking statements that involve risks and uncertainties, including, but not limited to, future global economic and political conditions, global TiO2 productive capacity and the amount and timing of capacity changes, competitive products and prices, and other risks and uncertainties detailed in the Company's Securities and Exchange Commission filings.

NL INDUSTRIES, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)  
(Unaudited)

	Quarters ended		Six months ended	
	June 30,		June 30,	
	1996	1997	1996	1997
Net sales				
Kronos	\$228.3	\$214.4	\$434.6	\$418.8
Rheox	34.9	38.4	69.0	73.5
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	\$263.2	\$252.8	\$503.6	\$492.3
	=====	=====	=====	=====
Operating income				
Kronos	\$ 25.4	\$ 16.8	\$ 54.9	\$ 25.5
Rheox	10.7	12.2	23.1	22.3
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Operating income	36.1	29.0	78.0	47.8
General corporate income (expense):				
Expenses, net	(.6)	(4.6)	(2.2)	(37.8)
Interest expense	(18.5)	(19.4)	(37.6)	(38.4)
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Income before income taxes	17.0	5.0	36.2	(28.4)
Income tax expense	(5.1)	(2.7)	(10.8)	(5.1)
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Net income	\$ 11.9	\$ 2.3	\$ 25.4	\$ (33.5)
	=====	=====	=====	=====
Per share of common stock	\$ .23	\$ .04	\$ .49	\$ (.65)
	=====	=====	=====	=====
Weighted average common shares outstanding	51.5	51.1	51.5	51.1
	=====	=====	=====	=====