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VALHI INC /DE/  
Form SC 13D/A  
February 18, 2003

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Schedule 13D

Under the Securities Exchange Act of 1934  
(Amendment No. 66)\*

VALHI, INC.  
(Name of Issuer)

Common Stock, \$0.01 par value  
(Title of Class of Securities)

918905 10 0  
(CUSIP Number)

STEVEN L. WATSON  
THREE LINCOLN CENTRE  
SUITE 1700  
5430 LBJ FREEWAY  
DALLAS, TEXAS 75240-2694  
(972) 233-1700  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

February 7, 2003  
(Date of Event which requires Filing  
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. [ ]

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

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Valhi Group, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Nevada

	7	SOLE VOTING POWER	-0-
NUMBER OF SHARES	8	SHARED VOTING POWER	
BENEFICIALLY OWNED BY EACH			92,739,554
REPORTING PERSON	9	SOLE DISPOSITIVE POWER	
WITH			-0-
	10	SHARED DISPOSITIVE POWER	
			92,739,554

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

92,739,554

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

77.6%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 918905 10 0

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1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

National City Lines, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7	SOLE VOTING POWER	-0-
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	103,630,563
	9	SOLE DISPOSITIVE POWER	-0-
	10	SHARED DISPOSITIVE POWER	103,630,563

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

103,630,563

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

86.8%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

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CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

NOA, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Texas

7 SOLE VOTING POWER

-0-

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

8 SHARED VOTING POWER

103,630,563

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

103,630,563

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

103,630,563

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

86.8%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

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CUSIP No. 918905 10 0

- 1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
  
Dixie Holding Company
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
  
(a) [ ]  
  
(b) [ ]
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (SEE INSTRUCTIONS)  
  
Not Applicable
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION  
  
Delaware
- |  |    |                          |            |
|--|----|--------------------------|------------|
|  | 7  | SOLE VOTING POWER        | -0-        |
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON<br>WITH | 8  | SHARED VOTING POWER      | 92,739,554 |
|  | 9  | SOLE DISPOSITIVE POWER   | -0-        |
|  | 10 | SHARED DISPOSITIVE POWER | 92,739,554 |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
  
92,739,554
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ ]
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
  
77.6%
- 14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

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CO

CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Dixie Rice Agricultural Corporation, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Louisiana

7 SOLE VOTING POWER

-0-

NUMBER OF  
SHARES  
BENEFICIALLY

8 SHARED VOTING POWER

OWNED BY  
EACH

92,739,554

REPORTING  
PERSON  
WITH

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

92,739,554

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

92,739,554

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

77.6%

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14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Southwest Louisiana Land Company, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

Not Applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Louisiana

7 SOLE VOTING POWER

-0-

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH

8 SHARED VOTING POWER

103,630,563

REPORTING  
PERSON  
WITH

9 SOLE DISPOSITIVE POWER

-0-

10 SHARED DISPOSITIVE POWER

103,630,563

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

103,630,563

12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ ]

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13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)  
86.8%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)  
CO

CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON  
Contran Corporation

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a) [ ]  
(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)  
WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION  
Delaware

	7	SOLE VOTING POWER	-0-
NUMBER OF SHARES	8	SHARED VOTING POWER	
BENEFICIALLY OWNED BY EACH			106,597,463
REPORTING PERSON	9	SOLE DISPOSITIVE POWER	
WITH			-0-
	10	SHARED DISPOSITIVE POWER	
			106,597,463

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
106,597,463

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12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) [ ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

89.2%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

CO

CUSIP No. 918905 10 0

1 NAME OF REPORTING PERSON  
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Harold C. Simmons

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP(SEE INSTRUCTIONS)

(a) [ ]

(b) [ ]

3 SEC USE ONLY

4 SOURCE OF FUNDS(SEE INSTRUCTIONS)

Not applicable

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) [ ]

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

	7	SOLE VOTING POWER	3,383
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER	108,312,463
	9	SOLE DISPOSITIVE POWER	3,383
	10	SHARED DISPOSITIVE POWER	108,312,463

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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3,383

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES  
CERTAIN SHARES (SEE INSTRUCTIONS) [ X ]

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

0.0%

14 TYPE OF REPORTING PERSON(SEE INSTRUCTIONS)

IN

AMENDMENT NO. 66  
TO SCHEDULE 13D

This amended statement on Schedule 13D (this "Statement") relates to the common stock, par value \$0.01 per share (the "Shares"), of Valhi, Inc., a Delaware corporation (the "Company"). Items 2, 3, 4, 5 and 7 of this Statement are hereby amended as set forth below.

Item 2. Identity and Background

Item 2(a) is amended and restated as follows.

(a) This Statement is filed (i) by Valhi Group, Inc. ("VGI") and National City Lines, Inc. ("National") as direct holders of Shares, (ii) by virtue of the direct and indirect ownership of securities of VGI and National (as described below in this Statement), by NOA, Inc. ("NOA"), Dixie Holding Company ("Dixie Holding"), Dixie Rice Agricultural Corporation, Inc. ("Dixie Rice"), Southwest Louisiana Land Company, Inc. ("Southwest") and Contran Corporation ("Contran") and (iii) by virtue of positions he holds with Contran and certain of the other entities (as reported on this Statement), by Harold C. Simmons (collectively, the "Reporting Persons"). By signing this Statement, each Reporting Person agrees that this Statement is filed on its or his behalf.

VGI, National and Contran are the direct holders of approximately 77.6%, 9.1% and 2.1%, respectively, of the 119,437,836 Shares outstanding as of February 7, 2003 according to information furnished by the Company (the "Outstanding Shares"). Together, VGI, National and Contran may be deemed to control the Company. National, NOA and Dixie Holding are the direct holders of approximately 73.3%, 11.4% and 15.3%, respectively, of the outstanding common stock of VGI. Together, National, NOA and Dixie Holding may be deemed to control VGI. Contran and NOA are the direct holders of approximately 85.7% and 14.3%, respectively, of the outstanding common stock of National and together may be deemed to control National. Contran and Southwest are the direct holders of approximately 49.9% and 50.1%, respectively, of the outstanding common stock of NOA and together may be deemed to control NOA. Dixie Rice is the direct holder of 100% of the outstanding common stock of Dixie Holding and may be deemed to control Dixie Holding. Contran is the holder of 100% of the outstanding common stock of Dixie Rice and may be deemed to control Dixie Rice. Contran is the holder of approximately 88.9% of the outstanding common stock of Southwest and may be deemed to control Southwest.

Substantially all of Contran's outstanding voting stock is held by trusts established for the benefit of certain children and grandchildren of

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Harold C. Simmons (the "Trusts"), of which Mr. Simmons is the sole trustee. As sole trustee of each of the Trusts, Mr. Simmons has the power to vote and direct the disposition of the shares of Contran stock held by each of the Trusts. Mr. Simmons, however, disclaims beneficial ownership of any shares of Contran stock that the Trusts hold.

The Harold Simmons Foundation, Inc. (the "Foundation") directly holds approximately 1.3% of the Outstanding Shares. The Foundation is a tax-exempt foundation organized for charitable purposes. Harold C. Simmons is the chairman of the board of the Foundation and may be deemed to control the Foundation.

The Contran Deferred Compensation Trust No. 2 (the "CDCT No. 2") directly holds approximately 0.4% of the Outstanding Shares. U.S. Bank National Association serves as the trustee of the CDCT No. 2. Contran established the CDCT No. 2 as an irrevocable "rabbi trust" to assist Contran in meeting certain deferred compensation obligations that it owed to Harold C. Simmons. If the CDCT No. 2 assets are insufficient to satisfy such obligations, Contran is obligated to satisfy the balance of such obligations as they come due. Pursuant to the terms of the CDCT No. 2, Contran (i) retains the power to vote the Shares held directly by the CDCT No. 2, (ii) retains dispositive power over such Shares and (iii) may be deemed the indirect beneficial owner of such Shares. The description of the CDCT No. 2 is qualified in its entirety by reference to the copy of the Amended and Restated Contran Deferred Compensation Trust No. 2 Agreement between Contran and U.S. Bank National Association filed as Exhibit 1 to Amendment No. 64 to this Statement, which agreement is incorporated herein by reference.

The Combined Master Retirement Trust (the "CMRT") directly holds approximately 0.1% of the Outstanding Shares. The Company established the CMRT as a trust to permit the collective investment by master trusts that maintain the assets of certain employee benefit plans the Company and related companies adopt. Mr. Simmons is the sole trustee of the CMRT and a member of the trust investment committee for the CMRT. Mr. Simmons is a participant in one or more of the employee benefit plans that invest through the CMRT.

Mr. Simmons is chairman of the board of the Company, VGI, National, NOA, Dixie Holding, Dixie Rice, Southwest and Contran.

By virtue of the holding of the offices, the stock ownership and his service as trustee, all as described above, (a) Mr. Simmons may be deemed to control such entities and (b) Mr. Simmons and certain of such entities may be deemed to possess indirect beneficial ownership of the Shares directly held by certain of such other entities. However, Mr. Simmons disclaims beneficial ownership of the Shares beneficially owned, directly or indirectly, by any of such entities, except to the extent of his interest as a beneficiary of the CDCT No. 2 and his vested beneficial interest, if any, in the Shares held by the CMRT.

The Company and Tremont LLC are the direct holders of approximately 63.2% and 21.4%, respectively, of the outstanding common stock of NL Industries, Inc. ("NL") and together may be deemed to control NL. The Company is the sole member of Tremont LLC and may be deemed to control Tremont LLC. Valmont Insurance Company ("Valmont"), NL, and a subsidiary of NL directly own 1,000,000 Shares, 3,522,967 Shares and 1,186,200 Shares, respectively. The Company is the direct holder of 100% of the outstanding common stock of Valmont and may be deemed to control Valmont. Pursuant to Delaware law, the Company treats the Shares that Valmont, NL and its subsidiary own as treasury stock for voting purposes and for the purposes of this Statement are not deemed outstanding.

Certain information concerning the directors and executive officers of the Reporting Persons, including offices held by Mr. Simmons, is set forth on Schedule B attached hereto and incorporated herein by reference.

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### Item 3. Source and Amount of Funds or Other Consideration

Item 3 is amended as follows.

The total amount of funds required by Contran to acquire the Shares reported in Item 5(c) was \$779,329.00. Such funds were provided by Contran's cash on hand and no funds were borrowed for such purpose.

The Reporting Persons understand that the funds required by each person named in Schedule B to this Statement to acquire Shares were from such person's personal funds.

### Item 4. Purpose of Transaction

Item 4 is amended as follows.

On February 7, 2003, a wholly owned subsidiary of the Company merged (the "TGI Merger") with and into Tremont Group, Inc. ("TGI"), with TGI surviving the merger as a wholly owned subsidiary of the Company. The description of the TGI Merger contained in this Statement is qualified in its entirety by reference to the Agreement and Plan of Merger dated as of November 4, 2002 among Valhi, Inc., Tremont Group, Inc. and Valhi Acquisition Corp. II filed as Exhibit 10.3 to the Quarterly Report on Form 10-Q of Valhi, Inc. for the quarter ended September 30, 2002, which exhibit is incorporated herein by reference.

Promptly after the TGI Merger, another wholly owned subsidiary of the Company merged (the "Tremont Merger") with and into Tremont Corporation ("Tremont") with Tremont surviving as a wholly owned subsidiary of the Company. Pursuant to the Tremont Merger, each former stockholder of Tremont, other than the Company and TGI, received 3.4 Shares for each outstanding share of Tremont common stock held by such stockholder immediately prior to the Tremont Merger, and cash in lieu of any fractional Shares to which the former Tremont stockholder would otherwise have been entitled. Shares of Tremont common stock held directly by the Company and TGI prior to the Tremont Merger were canceled in the Tremont Merger. The description of the Tremont Merger contained in this Statement is qualified in its entirety by reference to the Agreement and Plan of Merger (Restated to include Amendment No. 1 thereto) by and among Valhi, Inc., Valhi Acquisition Corp. and Tremont Corporation set forth in Appendix A to the Pre-Effective Amendment No. 1 to the Registration Statement on Form S-4 (Reg. No. 333-101244) filed by the Company on January 8, 2003 (the "Registration Statement") with the Securities and Exchange Commission (the "Commission"), which Appendix A is incorporated herein by reference.

Promptly after the Tremont Merger, TGI and Tremont merged (collectively with the TGI Merger and the Tremont Merger, the "Mergers") with and into Tremont LLC, with Tremont LLC surviving as a wholly owned limited liability company of the Company.

Pursuant to the TGI Merger, the Company issued 3,495,200 Shares to NL, which was the only stockholder of TGI other than the Company. The number of Shares issued to NL in the TGI Merger was equal to NL's 20% pro rata interest in the 5,141,421 shares of Tremont common stock owned by TGI, adjusted for the same 3.4 exchange ratio in the Tremont Merger. Additionally, pursuant to the Tremont Merger, the Company issued 27,767 Shares to NL, plus cash in lieu of a fractional share, in exchange for the 8,167 shares of Tremont common stock NL directly owned prior to the Tremont Merger.

Immediately after the Mergers, NL directly and indirectly owned 4,709,167 Shares as a result of the issuance to NL of 3,522,967 Shares in the TGI and Tremont Mergers in addition to the 1,186,200 Shares owned by a subsidiary of NL prior to the Mergers.

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Depending upon their evaluation of the Company's business and prospects, and upon future developments (including, but not limited to, performance of the Shares in the market, availability of funds, alternative uses of funds, the Reporting Persons' tax planning objectives and stock market and general economic conditions), any of the Reporting Persons or other entities or persons that may be deemed to be affiliated with Contran may from time to time purchase Shares, and any of the Reporting Persons or other entities or persons that may be deemed to be affiliated with Contran may from time to time dispose of all or a portion of the Shares held by such entity or person, or cease buying or selling Shares. Any such additional purchases or sales of the Shares may be in open market or privately negotiated transactions or otherwise.

As described under Item 2, Harold C. Simmons, through Contran, may be deemed to control the Company.

The Reporting Persons understand that prior purchases of Shares by each of the persons named in Schedule B to this Statement (other than Harold C. Simmons) were made for the purpose of each such person's personal investment.

Certain of the persons named in Schedule B to this Statement, namely Eugene K. Anderson, Robert D. Graham, J. Mark Hollingsworth, William J. Lindquist, A. Andrew R. Louis, Kelly D. Luttmer, Bobby D. O'Brien, Harold C. Simmons, Glenn R. Simmons, Gregory M. Swalwell and Steven L. Watson are directors or officers of the Company and may acquire Shares from time to time pursuant to benefit plans that the Company sponsors or other compensation arrangements with the Company.

Except as described in this Item 4, none of the Reporting Persons nor, to the best knowledge of such persons, any other person named in Schedule B to this Statement has formulated any plans or proposals that relate to or would result in any matter required to be disclosed in response to paragraphs (a) through (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

Item 5 is amended as follows.

(a) VGI, National, Contran, the Foundation, the CDCT No. 2, the CMRT and Mr. Harold C. Simmons are the direct beneficial owners of 92,739,554, 10,891,009, 2,527,500, 1,600,000, 439,400, 115,000 and 3,383 of the Shares, respectively.

By virtue of the relationships described under Item 2 of this Statement:

(1) VGI, Dixie Holding and Dixie Rice may each be deemed to be the beneficial owner of the 92,739,554 Shares (approximately 77.6% of the Outstanding Shares) that VGI directly holds;

(2) National, NOA and Southwest each may be deemed to be the beneficial owner of the 103,630,563 Shares (approximately 86.8% of the Outstanding Shares) that VGI and National directly hold;

(3) Contran may be deemed to be the beneficial owner of the 106,597,463 Shares (approximately 89.2% of the Outstanding Shares) that VGI, National, Contran and the CDCT No. 2 directly hold; and

(4) Harold C. Simmons may be deemed to be the beneficial owner of the 108,315,846 Shares (approximately 90.7% of the Outstanding Shares) that VGI, National, Contran, the Foundation, the CDCT No. 2, the CMRT and he directly hold.

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Except for the 3,383 Shares that he holds directly and to the extent of his interest as a beneficiary of the CDCT No. 2 and his vested beneficial interest, if any, in Shares directly held by the CMRT, Mr. Simmons disclaims beneficial ownership of all Shares.

(b) By virtue of the relationships described in Item 2:

(1) VGI, Dixie Holding and Dixie Rice may each be deemed to share the power to vote and direct the disposition of the Shares that VGI directly holds;

(2) National, NOA and Southwest may each be deemed to share the power to vote and direct the disposition of the Shares that VGI and National directly hold;

(3) Contran may be deemed to share the power to vote and direct the disposition of the Shares that VGI, National, Contran and the CDCT No. 2 directly hold; and

(4) Harold C. Simmons may be deemed to share the power to vote and direct the disposition of the Shares that VGI, National, Contran, the Foundation, the CDCT No. 2, the CMRT and he directly hold.

The Reporting Persons understand, based on ownership filings with the Securities and Exchange Commission or upon information provided by the persons listed on Schedule B to this Statement, that such persons may be deemed to personally beneficially own the Shares as indicated on Schedule C to this Statement.

(c) The table below sets forth transactions in the Shares by the Reporting Persons during the past 60 days. Contran was the only Reporting Person to have transactions in the Shares during the past 60 days. Contran executed all of such transactions, which were all purchases of Shares, on the New York Stock Exchange.

Date	Number of Shares	Approximate Price Per Share (\$) (exclusive of commissions)
-----	-----	-----
02/10/03	1,100	\$8.1600
02/10/03	400	\$8.2000
02/10/03	3,000	\$8.2500
02/10/03	500	\$8.3000
02/10/03	100	\$8.4000
02/10/03	100	\$8.5800
02/11/03	200	\$8.5800
02/11/03	2,000	\$8.6000
02/11/03	100	\$8.5600
02/11/03	4,600	\$8.7000
02/11/03	300	\$8.6400
02/11/03	300	\$8.6500
02/11/03	200	\$8.6900
02/11/03	200	\$8.8200
02/11/03	4,100	\$8.9000
02/11/03	800	\$8.8500
02/11/03	6,500	\$8.8600
02/12/03	700	\$9.1500
02/12/03	100	\$9.1100
02/12/03	2,500	\$9.0000

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02/12/03	200	\$8.9900
02/12/03	6,500	\$9.2400
02/12/03	5,900	\$9.3500
02/13/03	15,000	\$9.4000
02/13/03	100	\$9.3800
02/13/03	5,000	\$9.4100
02/13/03	100	\$9.4400
02/13/03	11,300	\$9.5000
02/13/03	100	\$9.4900
02/14/03	10,000	\$9.6500
02/14/03	2,200	\$9.5700

Certain of the persons named on Schedule B to this Statement acquired Shares during the past 60 days. Such acquisitions are set forth on Schedule D attached hereto and incorporated herein by reference. The Reporting Persons understand that such acquisitions were all of the transactions by the persons named on Schedule B during the past 60 days.

(d) Each of VGI, National, Contran, the Foundation, the CDCT No. 2, the CMRT and Harold C. Simmons has the right to receive and the power to direct the receipt of dividends from, and proceeds from the sale of, the Shares directly held by such entity or person.

(e) Not applicable.

Item 7. Material to be Filed as Exhibits.

Item 7 is amended as follows.

Exhibit 1 Press release of Valhi, Inc. dated February 7, 2003 (incorporated by referenced to Exhibit 99.1 to the Current Report on Form 8-K dated February 11, 2003 filed by Valhi, Inc. with the Securities and Exchange Commission on February 11, 2003).

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: February 17, 2003

/s/ Harold C. Simmons

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Harold C. Simmons  
Signing in his  
individual capacity only.

Signature

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After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: February 17, 2003

/s/ Steven L. Watson

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Steven L. Watson  
Signing in the  
capacities listed on  
Schedule "A" attached  
hereto and  
incorporated herein by  
reference.

SCHEDULE A

Steven L. Watson, as President or Executive Vice President of each of:

CONTRAN CORPORATION  
DIXIE HOLDING COMPANY  
DIXIE RICE AGRICULTURAL CORPORATION, INC.  
NATIONAL CITY LINES, INC.  
NOA, INC.  
SOUTHWEST LOUISIANA LAND COMPANY, INC.  
VALHI GROUP, INC.

SCHEDULE B

The names of the directors and executive officers of Contran Corporation ("Contran"), Dixie Holding Company ("Dixie Holding"), Dixie Rice Agricultural Corporation, Inc. ("Dixie Rice"), National City Lines, Inc. ("National"), NOA, Inc. ("NOA"), Southwest Louisiana Land Company, Inc. ("Southwest") and Valhi Group, Inc. ("VGI") and their present principal occupations are set forth below. Except as otherwise indicated, the business address of each such person is 5430 LBJ Freeway, Suite 1700, Dallas, Texas 75240.

Name	Present Principal Occupation
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Eugene K. Anderson	Vice president of Contran, Dixie Holding, Dixie Rice, National, NOA, Southwest, Tremont LLC, a wholly owned limited liability company of Valhi, Inc., Valhi, Inc. (the "Company") and VGI; and treasurer of the Harold Simmons Foundation, Inc. (the "Foundation").

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Robert D. Graham	Vice president of Contran, Dixie Holding, Dixie Rice, National, NOA, Southwest, Tremont LLC, the Company and VGI.
J. Mark Hollingsworth	Vice president and general counsel of Contran, Dixie Holding, Dixie Rice, National, NOA, Southwest, Tremont LLC, the Company and VGI; general counsel of the Foundation; general counsel of CompX International Inc., an affiliate of the Company ("CompX"); general counsel of The Combined Master Retirement Trust, a trust the Company formed to permit the collective investment by trusts that maintain the assets of certain employee benefit plans the Company and related companies adopt (the "CMRT"); and acting general counsel of Keystone Consolidated Industries, Inc. ("Keystone"), an affiliate of Contran.
William J. Lindquist	Director and senior vice president of Contran, Dixie Holding, National, NOA, Tremont LLC and VGI; senior vice president of Dixie Rice, Southwest and the Company.
A. Andrew R. Louis	Secretary of Contran, CompX, Dixie Holding, Dixie Rice, National, NOA, Southwest, Tremont LLC, the Company and VGI.
Kelly D. Luttmer	Tax director of Contran, CompX, Dixie Holding, Dixie Rice, National, NOA, Southwest, Tremont LLC, VGI and the Company.
Andrew McCollam, Jr. (1)	President and director of Southwest; director of Dixie Rice; and a private investor.
Harold M. Mire (2)	Vice president of Dixie Rice and Southwest.
Bobby D. O'Brien	Vice president and treasurer of Contran, Dixie Rice, Southwest and Tremont LLC; vice president, chief financial officer and treasurer of the Company; and director, vice president and treasurer of Dixie Holding, National, NOA and VGI.
Glenn R. Simmons	Vice chairman of the board of Contran, Dixie Holding, National, NOA, Tremont LLC, the Company and VGI; chairman of the board of CompX and Keystone; director and executive vice president of Southwest and Dixie Rice; director of NL Industries, Inc., a subsidiary of the Company ("NL"); and a director of Titanium Metals Corporation, an affiliate of the Company ("TIMET").
Harold C. Simmons	Chairman of the board of Contran, Dixie Holding, Dixie Rice, the Foundation, National, NL, NOA, Southwest, Tremont LLC, the Company and VGI; and trustee and member of the trust investment committee of the CMRT.
Richard A. Smith	Vice president of Dixie Rice.
Gregory M. Swalwell	Vice president and controller of Contran, Dixie Holding, National, NOA, Tremont LLC, the Company and

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VGI; vice president of Dixie Rice and Southwest.

Steven L. Watson                      Director and president of Contran, Dixie Holding, Dixie Rice, National, NOA and VGI; director, president and chief executive officer of the Company; director and executive vice president of Southwest; director, vice president and secretary of the Foundation; president of Tremont LLC; and a director of CompX, NL, Keystone and TIMET.

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- (1)        The principal business address for Mr. McCollam is 402 Canal Street, Houma, Louisiana 70360.
- (2)        The principal business address for Messrs. Mire and Smith is 600 Pasquiere Street, Gueydan, Louisiana 70542-0010.

### SCHEDULE C

Based upon ownership filings with the Securities and Exchange Commission or upon information provided by the persons listed on Schedule B to this Statement, such persons may be deemed to own personally and beneficially Shares, as outlined below:

Name -----	Shares Held -----	Options Held (1) -----
Eugene K. Anderson (2)	1,446	34,400
Robert D. Graham	-0-	-0-
J. Mark Hollingsworth	-0-	74,400
William J. Lindquist	-0-	125,700
A. Andrew R. Louis	-0-	47,600
Kelly D. Luttmer	-0-	44,600
Andrew McCollam, Jr.	550	-0-
Harold M. Mire	1,137	-0-
Bobby D. O'Brien	-0-	69,400
Glenn R. Simmons(3)	13,247	148,000
Harold C. Simmons(4)	3,383	-0-
Richard A. Smith	333	-0-
Gregory M. Swalwell(5)	1,166	74,400

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Steven L. Watson(6)

17,246

163,300

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- (1) Represents Shares issuable pursuant to the exercise within 60 days of the date of this Statement of stock options.
- (2) The Reporting Persons understand that the Shares indicated as held by Eugene K. Anderson include 1,446 Shares held in his individual retirement account.
- (3) The Reporting Persons understand the Shares indicated as held by Glenn R. Simmons include 2,511 Shares held in his individual retirement account. The Reporting Persons further understand that the Shares indicated as held by Mr. Simmons also include 800 Shares held in his wife's retirement account, with respect to which Mr. Simmons disclaims beneficial ownership.
- (4) Mr. Harold C. Simmons may be deemed to possess indirect beneficial ownership of the Shares set forth in Item 5(a) of this Statement, held by other Reporting Persons. Mr. Simmons disclaims beneficial ownership of all Shares except for the 3,383 Shares that he holds directly and to the extent of his interest as a beneficiary of the CDCT No. 2 and his vested beneficial interest, if any, in Shares directly held by the CMRT.
- (5) The Reporting Persons understand that the Shares indicated as held by Gregory M. Swalwell include 1,166 Shares held in his individual retirement account.
- (6) The Reporting Persons understand that the Shares indicated as held by Steven L. Watson include 2,035 Shares held in his individual retirement account.

SCHEDULE D

Based upon ownership filings with the Securities and Exchange Commission or upon information provided by the persons listed on Schedule B to this Statement, such persons had the following transactions in shares (the "Shares") of common stock, par value \$0.01 per share, of Valhi, Inc. (the "Company") during the past 60 days. All of such transactions were acquisitions of Shares.

Name	Date of Acquisition	Acquisition Price Per Share	Shares Acquired
Glenn R. Simmons	02/07/03	(1)	64 (1)
Steven L. Watson	02/07/03	(2)	15,211 (2)
Glenn R. Simmons	02/14/03	\$9.62	10,000 (3)

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- (1) Acquired in exchange for 19 shares of common stock, par value \$1.00 per

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share, of Tremont Corporation ("Tremont"), plus cash in lieu of a fractional share, as a result of the merger (the "Tremont Merger") of Tremont with and into a wholly owned subsidiary of the Company. The Tremont Merger was effective February 7, 2003. The closing prices per share of Tremont and Company common stock on February 6, 2003 were \$27.98 and \$8.14 per share, respectively.

- (2) Acquired in the Tremont Merger plus cash in lieu of a fractional share in exchange for 4,474 shares of Tremont common stock. The closing prices per share of Tremont and Company common stock on February 6, 2003 were \$27.98 and \$8.14 per share, respectively.
- (3) An open market purchase effected on the New York Stock Exchange.