

PRESS RELEASE

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ANDREWS COUNTY RECEIVES FIRST PAYMENT FOR WASTE DISPOSAL WCS presents Commissioner's Court with check for \$630,000

ANDREWS, TEXAS . . . September 5, 2012 . . . Waste Control Specialists LLC ("WCS"), a subsidiary of Valhi, Inc. (NYSE: VHI), presented Andrews County with its first payment – in the amount of \$630,000 -- representing the county's fee for disposal operations at the Texas Compact Low Level Radioactive Waste Disposal facility in Andrews County. Disposal operations began in earnest in July and William J. Lindquist, CEO of Waste Control Specialists, was on hand to make the presentation to the Andrews County Commissioners today.

"We would like to thank the county and its citizens for their years of support," Lindquist said. "The unwavering commitment was evident on numerous occasions when the community turned-out to support this project. That support was reaffirmed when the county passed a \$75 million bond issue that provided the financing for the facility."

Under the terms of its agreement as the operator of the Texas Compact Disposal Facility, WCS will make quarterly payments to the state and county, based on the state fiscal year which ended August 31, 2012. This is the first of what will become quarterly payments to Andrews County as well as to the state of Texas.

"We felt it was important to get the state and county revenue stream going as quickly as possible – since the licensing, permitting and oversight process has taken almost a decade," Lindquist said. "To ensure that the county and state received a meaningful September payment, we offered generators discounts for payments made prior to August 31, 2012."

Lindquist said that WCS was honored to make the presentation to Andrews County leadership on Wednesday.

"This community put its faith in our company," he said. "There would be no Texas Solution – no Texas Compact Disposal Facility – without the leadership and citizens of Andrews County. I've never been prouder to write a check than I was today."

More information about WCS may be found at <u>www.texassolution.com</u>.

About the WCS Facility

The WCS facility in western Andrews County is the only commercial facility in the United States licensed to dispose of Class A, B and C low-level radioactive waste. It is also licensed for the treatment and storage of low-level radioactive waste and has safely and has successfully served as a temporary storage facility for past U.S. Department of Energy projects.

Situated in a semi-arid and isolated location, the WCS facility sits atop a formation of 500 feet of impermeable red-bed clay which makes it an ideal setting for the storage and disposal of low-level radioactive waste. The state of Texas has determined the WCS facility does not sit above or adjacent to any underground drinking water formations.

The WCS facility is the site of the disposal facility for the Texas Low-Level Radioactive Waste Disposal Compact, and was the site of the successful storage and disposal of byproduct material from the DOE Fernald, Ohio, cleanup site.

WCS has been processing and storing low-level radioactive waste at its facility since 1998.

WCS is a subsidiary of Valhi, which is engaged in the titanium dioxide products, component products (security products, furniture components and performance marine components) and waste management industries.

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