

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Kronos Worldwide, Inc.		76-0294959	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Clarence B. Brown, III	972-448-1453	cbrown@valhi.net	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
5430 LBJ Freeway, Suite 1700		Dallas, TX 75240	
8 Date of action		9 Classification and description	
See Statement 1		Non-Dividend Cash Distributions	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
50105F105		KRO	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **See Statement 1**

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15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Stockholders who received any or all of the 2016 quarterly cash distributions listed in the response to question 14 will treat those distributions as either a reduction of stock basis, pursuant to IRC Section 301(c)(2), or a payment in excess of stock basis, pursuant to IRC Section 301(c)(3).**

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16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Please see the response to question 15 for a description of the calculation.**

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**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 301(c)(1), 301(c)(2), and 301(c)(3).

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18 Can any resulting loss be recognized? ▶ Not applicable.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The correct amount of 2016 KRO non-dividends will be reported to each stockholder on a Form 1099-DIV. Stockholders are urged to consult with their tax advisor to determine the specific treatment of the 2016 non-dividend distributions.

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<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶ <u>Kelly Duttmer</u>	Date ▶ <u>12/15/16</u>		
<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Kelly D. Luttmer</u>	Title ▶ <u>E.V.P. &amp; Global Tax Director</u>		Check <input type="checkbox"/> if self-employed
	Print/Type preparer's name	Preparer's signature	Date	PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

**Form 8937, Part I, Line 8 - Dates of Action:**

March 17, 2016  
June 16, 2016  
September 15, 2016  
December 15, 2016

**Form 8937, Part II, Line 14 - Organizational Actions:**

During 2016, Kronos Worldwide, Inc. ("KRO") declared and paid cash dividends on its common stock each calendar quarter. The dates of record and payment, and distribution amount associated with each of the 2016 quarterly dividends were as follows:

<u>Date of Record</u>	<u>Date of Payment</u>	<u>Amount per Common Share</u>
March 7, 2016	March 17, 2016	\$0.15
June 6, 2016	June 16, 2016	\$0.15
September 6, 2016	September 15, 2016	\$0.15
December 6, 2016	December 15, 2016	\$0.15

KRO has now determined the entire amount of each of its 2016 quarterly cash distributions (listed above) must be characterized as "non-dividend".