



THREE LINCOLN CENTRE
5430 LBJ FREEWAY
SUITE 1700
DALLAS, TEXAS 75240-2697



March 26, 2007

Dear Stockholder:

It is our pleasure to welcome you as a stockholder of Titanium Metals Corporation (NYSE: TIE). On March 26, 2007, Valhi Inc. (NYSE: VHI) paid a special dividend to you in the form of 0.4776 of a share of common stock of Titanium Metals Corporation ("TIMET") for every share of Valhi common stock you held of record as of the close of business on March 12, 2007, the record date for the special dividend. No fractional shares of TIMET common stock were distributed. As part of the special dividend, American Stock Transfer and Trust Company, the stock transfer agent for TIMET and paying agent for the special dividend ("AST"), aggregated and then sold at the then prevailing market price all undistributed fractional shares of TIMET common stock. If you would have otherwise been entitled to receive a fractional share, enclosed is a check for your portion of such sale proceeds.

Subject to the determination of Valhi's 2007 year-end earnings and profits, the federal income tax treatment to you of the special dividend and regular 2007 Valhi quarterly cash dividends (the "distributions") will be as follows.

- The amount of the distributions will be the value on the payment date of the TIMET shares (including any fractional share) and the cash you receive for regular quarterly dividends. For purposes of the special dividend, the value of the TIMET shares (and any fractional share) is \$36.90 per share, which was the closing price, as reported on the New York Stock Exchange, for a share of TIMET common stock as of the March 26, 2007 payment date.
- The distributions will be taxable to you as dividend income to the extent of Valhi's current or accumulated earnings and profits.
- If the distributions exceed Valhi's current or accumulated earnings and profits, they will be treated as a non-taxable return of capital to the extent of your basis in your Valhi stock.
- Any remaining portion of the distributions will be treated as a capital gain.
- If you received cash in lieu of a fractional share of TIMET common stock, you may recognize short-term gain or loss equal to the difference between the cash received and the portion of the value of the TIMET common stock that is allocable to the fractional share.

Valhi currently believes that a majority, if not all, of the distributions will likely be considered either a non-taxable return of capital and/or a capital gain. However, if any or all of the distributions were to be treated as a dividend for federal income tax purposes, such dividend could be considered an "extraordinary dividend" for Valhi stockholders that are corporations, which could result in a reduction to such corporate stockholders' tax basis in their Valhi stock. ***The specific tax treatment of the distributions will not be determined until after December 31, 2007.*** You should receive a Form 1099 or a letter from Valhi reporting the appropriate tax treatment. *You are urged to consult with your tax advisor as to your specific tax treatment of the distributions.*

The enclosed statement confirms your ownership of TIMET common stock. For your security and convenience, AST has established a book-entry account in your name and credited the account with your whole share balance of TIMET common stock. The book-entry method eliminates the need for traditional paper stock certificates. ***If you wish to keep your shares in book-entry form at AST, no action is necessary on your part.***

Holding your shares in book-entry form can be advantageous to you since it eliminates the potential for lost or stolen certificates. You will not receive a stock certificate for your shares of TIMET common stock unless you request it. If you wish to receive a stock certificate, please call AST at 1-800-937-5449. Your request will be processed without charge, and a certificate will be mailed to you.

The enclosed statement also includes information about how to transfer your shares out of the book-entry system. If you have other questions about your shares of TIMET common stock, please call AST at 1-800-937-5449, write AST at 59 Maiden Lane, New York, New York 10038 or visit the AST web site at www.amstock.com.

Sincerely

Harold C. Simmons
Chairman of the Board of VALHI, INC.

Sincerely,

Steven L. Watson
Vice Chairman of the Board and Chief Executive Officer of
TITANIUM METALS CORPORATION