

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

Filing Date: **2005-05-02** | Period of Report: **2004-12-31**
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FILER

DXP ENTERPRISES INC

CIK: **1020710** | IRS No.: **760509661** | State of Incorporation: **TX** | Fiscal Year End: **1231**
Type: **10-K/A** | Act: **34** | File No.: **000-21513** | Film No.: **05789319**
SIC: **5084** Industrial machinery & equipment

Mailing Address
7272 PINEMONT DRIVE
HOUSTON TX 77040

Business Address
7272 PINEMONT DRIVE
HOUSTON TX 77040
7139964700

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K
Commission File No. 001-35276

ESOP Trust
[X] FULLY AUTOMATIC PERFORMANCE BASED RESTRICTIONS TO THE PAYMENT OF THE EXERCISE PRICE FOR THE ESOP SHARES TO BE PURCHASED AT THE END OF THE TERM
OR
[] FULLY AUTOMATIC PERFORMANCE BASED RESTRICTIONS TO THE PAYMENT OF THE EXERCISE PRICE FOR THE ESOP SHARES TO BE PURCHASED AT THE END OF THE TERM
For the calendar period from 12/31/2004 to 12/31/2005

1
Consistent with Section 401(a) of the Internal Revenue Code
ESOP Agreement No. 2004-01
(If not a name of organization or registered or exempt securities)

Trust
Trustee
Trust Agreement

Agreement of Sale
Trust Agreement

Trustee Name
Trustee Name

Trustee Name
Trustee Name

Reference to stock...
Trust Agreement

Trustee Name
Trustee Name

Trustee Name
Trustee Name

Trustee Name
Trustee Name

Trustee Name
Trustee Name

Trustee Name
Trustee Name

Trustee Name
Trustee Name

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Trustee Name
Trustee Name

Trustee Name
Trustee Name

NAME AND ADDRESS OF BENEFICIAL OWNER(1)	COMMON STOCK	RESTRICTED COMMON STOCK	PERCENTAGE OF COMMON STOCK
David C. Latta	1,275,000	80,000	100.0%
J. Michael Wiegler	1,275,000	80,000	100.0%
David C. Latta	1,275,000	80,000	100.0%
J. Michael Wiegler	1,275,000	80,000	100.0%

Trustee Name
Trustee Name

Trustee Name
Trustee Name

NAME	EXERCISE PRICE	EXERCISE DATE	EXERCISE TYPE	EXERCISE QUANTITY	EXERCISE VALUE
David C. Latta	0.00	12/31/2004	RSU	1,275,000	\$127,500,000
J. Michael Wiegler	0.00	12/31/2004	RSU	80,000	\$8,000,000

Trustee Name
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Trustee Name
Trustee Name

Trustee Name
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Trustee Name

Trustee Name
Trustee Name

Edward R. Miller, Director	14,200	0.7%
Chris Pines, Director	10,000	0.5%

Director's shares, options and restricted stock	1,942,147	98.3%
Director's restricted stock	15,000	0.8%

Edward R. Schaefer	175	0.01%
Thomas G. Schuch	175	0.01%

Charles R. Smith	107	0.01%
Edward R. Schuch	107	0.01%

- Each shareholder's percentage ownership is based on the number of shares owned and reported by each company. During 2004, DSP transferred such company for an aggregate of \$17,323 for business use of the plan during 2004.
- These shareholders' DSP interest that is not currently held by the individual can, upon liquidation, be sold, transferred or otherwise disposed of by the individual.
- Includes 1,427,072 shares of common stock and 1,942,147 shares of restricted stock owned by Edward R. Schaefer and Charles R. Smith as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 15,000 shares of common stock owned by Edward R. Schaefer as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 10,000 shares of common stock owned by Chris Pines as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 1,942,147 shares of common stock owned by Edward R. Schaefer and Charles R. Smith as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 15,000 shares of common stock owned by Edward R. Schaefer as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 10,000 shares of common stock owned by Chris Pines as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
- Includes 1,942,147 shares of common stock owned by Edward R. Schaefer and Charles R. Smith as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.

The following table provides information regarding shares covered by the Company's equity compensation plan as of December 31, 2004:

Plan category	Number of Shares Available for Future Issuance	Weighted Average Exercise Price	Number of Shares Reserved
Equity compensation plan approved by shareholders	963,847	\$ 2.15	862,833 (1)
Equity compensation plan approved by directors	90,000 (2)	1.75	50,000
Total	1,053,847	\$ 1.98	912,833

- Includes an additional 10,000 shares that may be issued under the DSP program, the Long Term Incentive Plan and the DSP program, the 1999 Employee Stock Option Plan, respectively.
- Includes an amount that may be issued under the DSP program. All of the options are fully vested. There are currently 90,000 shares at \$1.75 per share, 10,000 at \$1.75 per share, 40,000 shares at \$1.75 per share and 100,000 shares at \$1.75 per share under the 1999, 2001, 2002, 2003 and 2004 programs.

ITEM 13. Certain Relationships and Related Transactions

A company wholly owned by Mr. Wright is controlled by DSP for Mr. Wright and other DSP employees' business use of a phone owned and operated by such company. During 2004, DSP transferred such company for an aggregate of \$17,323 for business use of the plan during 2004. Mr. Wright is the former Director for the benefit of M. L. Smith, Director, each of which holds 14,200 shares of common stock and 100,000 shares of restricted stock. Mr. Wright exercises voting and investment power over the shares held by such firms.

Mr. Lillis is currently general counsel for the 1999-2004 plan of the Company's DSP which is under liability.

Since 2002, the Board has approved DSP making advance and loans to M.L. Smith. During 2004, M.L. Smith and his wife, M.L. Smith, have received these loans from M.L. Smith, including interest, each having a fixed rate of interest of 10 percent per annum and until December 31, 2010. Actual interest has actually, on March 31, 2004 and approved by the Board, DSP exchanged five of the notes payable from Mr. Lillis with a face value of \$128,511, including accrued interest, for 90,000 shares of common stock held by three trusts for the benefit of M. L. Smith's children. The shares were valued at the \$2.20 per share closing market price on March 31, 2004. The total balance of the notes was \$900,000 and \$1,218,000 as of December 31, 2004 and as of December 31, 2003, respectively.

During 2004, DSP paid for the expenses of Mr. Wright and other DSP employees' business use of a phone owned and operated by such company. During 2004, DSP transferred such company for an aggregate of \$17,323 for business use of the plan during 2004.

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Thomas G. Schuch	175	0.01%
Charles R. Smith	107	0.01%
Edward R. Schuch	107	0.01%

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- These shareholders' DSP interest that is not currently held by the individual can, upon liquidation, be sold, transferred or otherwise disposed of by the individual.
- Includes 1,427,072 shares of common stock and 1,942,147 shares of restricted stock owned by Edward R. Schaefer and Charles R. Smith as of December 31, 2004. These shares are subject to the terms of the Restricted Stock Plan.
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