



Quanex Corporation: Company Increases Its Common Stock Cash Dividend by 6.25%

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HOUSTON, Feb. 26 /PRNewswire-FirstCall/ -- Quanex Corporation (NYSE: NX), an industry-leading manufacturer of engineered materials and components for the Vehicular Products and Building Products markets, announced today that its Board of Directors authorized an annual dividend increase of \$.04 per common share outstanding, effective immediately. The Company indicated that its annual \$.64 dividend will increase to \$.68, a 6.25% increase. Quanex shareholders can expect to see the higher dividend amount when the Company issues its first quarter dividend on March 31, 2003, to shareholders of record of March 14, 2003.

"We have confidence that the implementation of our strategic plan will produce cash flows and earnings that will allow us to continue to invest in our core businesses both internally and through acquisitions, while at the same time increasing the value of our shareholder's investment. This dividend increase is just one part of that plan," commented Raymond Jean, chairman and chief executive officer. "Our served markets are integral to the economy and our strong business attributes will enable us to outperform their underlying growth rates."

The Company stated that its March 31, 2003 dividend will represent Quanex's 60th consecutive quarterly payout.

Statements that use the words "expect," "should," "will," "might," or similar words reflecting future expectations or beliefs are forward-looking statements. The statements above are based on current expectations. Actual results or events may differ materially from this release. Factors that could impact future results may include, without limitation, the effect of both domestic and global economic conditions, the impact of competitive products and pricing, and the availability and cost of raw materials. For a more complete discussion of factors that may affect the Company's future performance, please refer to the Company's most recent 10-K filing of December 20, 2002 under the Securities Exchange Act of 1934, in particular the sections titled, "Private Securities Litigation Reform Act" contained therein.

For further information on Quanex, please visit its website at <http://www.quanex.com>.

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