SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

1. Name and Address of Reporting Person*

Hammonds Paul A

(Last) (First) (Middle)

1900 WEST LOOP SOUTH

SUITE 1500

(Street)

HOUSTON **TX** **77027**

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol

QUANEX CORP [**NX**]

3. Date of Earliest Transaction (Month/Day/Year)

04/23/2008

4. If Amendment, Date of Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

	Director		10% Owner
X	Officer (give title below)		Other (specify below)

VP - Corporate Development

6. Individual or Joint/Group Filing (Check Applicable Line)

X Form filed by One Reporting Person

Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	04/23/2008		D		3,265.9325	D	(1)	0	D	
Common Stock	04/23/2008		M		3,679.813	A	(2)	3,679.813	D	
Common Stock	04/23/2008		D		3,679.813	D	$54.22	0	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (right to buy)	$37.47	04/23/2008		M			4,100	(3)	12/05/2016	Common Stock	4,100	$16.75	0	D	
Employee Stock Option (right to buy)	$17.6	04/23/2008		M			4,500	(3)	12/03/2013	Common Stock	4,500	$36.62	0	D	
Employee Stock Option (right to buy)	$40.9467	04/23/2008		M			3,750	(3)	12/01/2015	Common Stock	3,750	$13.2733	0	D	
Employee Stock Option (right to buy)	$26.3111	04/23/2008		M			11,250	(3)	12/01/2014	Common Stock	11,250	$27.9089	0	D	
Employee Stock Option (right to buy)	$13.3555	04/23/2008		M			3,001	(3)	03/10/2013	Common Stock	3,001	$16.75	0	D	
Phantom Stock Units	(2)	04/23/2008		M			3,679.813	04/23/2008	04/23/2008	Common Stock	3,679.813	(2)	0	D	

Explanation of Responses:

1. Disposed of pursuant to merger agreement among issuer, Gerdau S.A. and Gerdau Delaware, Inc.

2. Each share of phantom stock was the economic equivalent of one share of Quanex Corporation common stock. The reporting person settled his shares of phantom stock for cash.

3. All employee stock options were cancelled on 4/23/2008 pursuant to the merger agreement among issuer, Gerdau S.A. and Gerdau Delaware, Inc. in exchange for an amount equal to the merger consideration ($39.20) plus the value of a share of Quanex Building Products Corporation common stock at the close of business on the transaction date ($15.02) less the exercise price.

/s/ John J. Mannion, Power of Attorney   04/24/2008

** Signature of Reporting Person   Date