

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **December 04, 2007**

QUANEX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-5725
(Commission File Number)

38-1872178
(IRS Employer Identification No.)

1900 West Loop South, Suite 1500, Houston, Texas
(Address of principal executive offices)

77027
(Zip Code)

Registrant's telephone number, including area code: **713-961-4600**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On December 4, 2007, Quanex Corporation issued a press release (the "Press Release") reporting its earnings results for the fourth quarter and fiscal year of 2007. The foregoing is qualified by reference to the Press Release which is filed as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1 Press Release dated December 4, 2007

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

QUANEX CORPORATION

(Registrant)

December 05, 2007

/s/ THOMAS M. WALKER

(Date)

Thomas M. Walker
*Senior Vice President - Finance and Chief Financial Officer, (Principal
Financial Officer)*

Exhibit Index

99.1 Press release dated December 04, 2007

Quanex Fiscal Fourth Quarter and 2007 Annual Results

Record Fourth Quarter and Annual Sales

Strong Performance by Operating Groups Versus Served Markets

HOUSTON, Dec. 4, 2007 (PRIME NEWSWIRE) -- Quanex Corporation (NYSE:NX) today reported fiscal fourth quarter and 2007 annual results for the period ending October 31, 2007. Net sales for the quarter were a record \$557.9 million compared to \$527.7 million last year. Annual sales were a record at \$2,049.0 million compared to \$2,032.6 million last year. Net income from continuing operations was \$41.6 million for the quarter and \$134.6 million for the year, compared to \$39.1 million and \$160.3 million, respectively, reported a year ago. Diluted earnings per share from continuing operations were \$1.05 for the fourth quarter and \$3.41 for the year, compared to \$1.03 and \$4.09, respectively, in 2006. Diluted earnings per share were \$1.05 and \$3.41 for the quarter and the year, respectively.

Highlights

- Quanex's consolidated 2007 net sales of \$2,049.0 million were best ever.
- Fourth quarter net income from continuing operations was \$41.6 million, up 6% over a year ago.
- Vehicular Products reported record fourth quarter net sales and operating income of \$302.3 million and \$41.1 million, respectively.
- Building Products reported fourth quarter net sales and operating income of \$260.0 million and \$31.6 million, respectively.
- Cash provided by operating activities for 2007 was \$224.1 million compared to \$190.3 million for 2006.
- The Company's cash and investments were \$217.6 million at year end.
- Quanex announced its Building Products business will be spunoff to shareholders, followed by the merger of Quanex with Gerdau S.A. (NYSE:GGB) for \$39.20 per share.

Selected Financial Information

Fourth Quarter and Fiscal Year Financials (\$ in millions, except per share data)

| | 4th qtr 2007 | 4th qtr 2006 | inc/ (dcr) | FY 2007 | FY 2006 | inc/ (dcr) |
|--|-----------------|-----------------|---------------|------------|------------|---------------|
| Net Sales | \$ 557.9 | \$ 527.7 | 6% | \$ 2,049.0 | \$ 2,032.6 | 1% |
| Operating Income | 62.9 | 59.3 | 6% | 202.9 | 251.4 | (19%) |
| Income from Continuing Ops | 41.6 | 39.1 | 6% | 134.6 | 160.3 | (16%) |
| EPS: Basic Earnings from Continuing Ops | \$ 1.12 | \$ 1.06 | 6% | \$ 3.64 | \$ 4.28 | (15%) |
| EPS: Diluted Earnings from Continuing Ops | \$ 1.05 | \$ 1.03 | 2% | \$ 3.41 | \$ 4.09 | (17%) |
| EPS: Diluted Earnings | \$ 1.05 | \$ 1.03 | 2% | \$ 3.41 | \$ 4.08 | (16%) |

Segment Commentary

VEHICULAR PRODUCTS (\$ in millions)

| 4th qtr 2007 | 4th qtr 2006 | FY 2007 | FY 2006 |
|--------------|--------------|---------|---------|
|--------------|--------------|---------|---------|

| | | | | |
|------------------|----------|----------|------------|----------|
| Net Sales | \$ 302.3 | \$ 264.8 | \$ 1,085.0 | \$ 988.8 |
| Operating Income | \$ 41.1 | \$ 40.6 | \$ 132.7 | \$ 154.6 |

Vehicular Products is focused on providing customers with engineered steel bar quality products and value added services. The segment's key market driver is light vehicle builds, which account for 65% of the segment's sales.

"MACSTEEL's tons shipped were second best ever in both the quarter and the year as demand for our steel bar products and value added services improved throughout the year. Our sales reflected sequentially improving demand in the North American transportation market, while recent capital spending and the strength of new programs allowed us to maintain a favorable product mix for much of the year, along with high utilization rates at our operations. Operating income was down due to rising consumable supply costs throughout the year, and higher alloy costs in the back half of the year," said Raymond A. Jean, chairman and chief executive officer. "MACSTEEL's bar shipments for the year were up about 2% on the strength of new programs with our automotive customers, while North American light vehicle builds were down some 2% over the same period."

BUILDING PRODUCTS

ENGINEERED PRODUCTS (\$ in millions)

| | 4th qtr 2007 | 4th qtr 2006 | FY 2007 | FY 2006 |
|------------------|--------------|--------------|----------|----------|
| | ----- | ----- | ----- | ----- |
| Net Sales | \$ 123.9 | \$ 132.2 | \$ 457.8 | \$ 524.6 |
| Operating Income | \$ 13.2 | \$ 13.4 | \$ 43.8 | \$ 52.5 |

Engineered Products is focused on providing window and door OEM customers with engineered products and components. Key market drivers are housing starts (apprx. 50% of segment sales) and remodeling activity (apprx. 50% of segment sales).

"Engineered Products reported a 6% decrease in fiscal fourth quarter net sales with little change in operating income compared to the year ago quarter, while housing starts for the same period were down some 22%. For 2007, net sales and operating income for the segment were down 13% and 17%, respectively, from last year," said Jean. "Rising home inventories and a significant tightening in the credit markets dramatically slowed residential construction activity, which in turn had an adverse impact on OEM demand for our window and door products. However, we were able to markedly offset this sector decline in 2007. We believe our customer base, comprised of companies considered the leaders in this industry, have generally performed better than the market as a whole. Also, our Engineered Products business has continued to benefit from extensive new programs with new and existing customers, the introduction of new products, and ongoing lean initiatives," Jean said.

ALUMINUM SHEET PRODUCTS (\$ in millions)

| | 4th qtr 2007 | 4th qtr 2006 | FY 2007 | FY 2006 |
|------------------|--------------|--------------|----------|----------|
| | ----- | ----- | ----- | ----- |
| Net Sales | \$ 136.1 | \$ 135.2 | \$ 524.2 | \$ 539.8 |
| Operating Income | \$ 18.3 | \$ 17.9 | \$ 65.7 | \$ 82.2 |

Aluminum Sheet Products is a leading-provider of common alloy aluminum sheet products for the building and construction, transportation and other consumer durable markets. Its primary market drivers are housing starts and remodeling activity, which account for 60% of segment sales.

"Nichols Aluminum had a great finish to the year. Both net sales and operating income were up in the fourth quarter compared to the year ago quarter, even in the face of a 22% drop in housing starts over the same period. Aluminum sheet shipped pounds in the quarter were up 3% as the business benefited from a slight rise in remodeling demand. For the year, our shipped pounds were off some 7% compared to last year, relatively good performance given the year's market environment. Nichols' spread (selling price less raw material cost) in the quarter was down 5% and 3% compared to the year ago period and sequential quarter, respectively, but remained at relatively strong levels as the LME price of aluminum ingot has remained historically high. Our scrap based, relatively energy efficient process provides significant competitive advantage in a time of very high energy costs," Jean added.

Cash Flow

"Through the careful management of our conversion cycle, we continue to generate excellent cash flow, as 'cash provided by operating activities' for the year came in at \$224.1 million, despite the challenging market conditions we experienced throughout the year. Cash and investments were \$217.6 million at year end. Our 2007 return on invested capital was 14.5%, exceeding our weighted average cost of capital," continued Jean.

Outlook

Vehicular Products

Fiscal first quarter 2008 light vehicle production at the "Big Three" is expected to be down 2% from a year ago, while total North American light vehicle builds are projected to be down 1% compared to the fiscal first quarter of 2007. MACSTEEL will continue

to focus on increasing its content with the "Big Three," while taking advantage of rising transplant opportunities as the domestic sourcing of powertrain components grows.

For fiscal 2008, total North American light vehicle builds are expected to be down 3% compared to 2007. MACSTEEL expects its total 2008 shipped tons to be up slightly from 2007, and operating income is expected to be in a range of \$140 million to \$150 million. Depreciation and amortization costs are estimated at \$40 million.

Building Products

Fiscal first quarter and full year housing starts are expected to be down 26% and 24%, respectively, over the year ago periods as the market continues to face difficult conditions brought on by tougher credit requirements by lenders and an expanding inventory of available homes for sale. For the full year, the Building Products business expects net sales to be down some 5% compared to 2007. The group's ability to consistently outperform the market is a testimony to its success in introducing new products, and capturing new programs and customers. Building Products also has an outstanding customer base that continues to experience meaningful growth with the "Big Box" outlets. While new home starts will remain under pressure during 2008, there is evidence our customers are now starting to focus more of their efforts on stimulating the remodeling markets. Operating income in 2008 is expected to be in a range of \$80 million to \$95 million. Depreciation and amortization costs are estimated at \$37 million.

Quanex

The Company's fiscal first quarter (Nov - Jan) financial results are generally its weakest of the year due to fewer production days associated with the holidays and reduced home building activity during the winter season. Quarterly financial results typically improve through the remainder of the year, culminating with fourth quarter earnings that are usually the Company's strongest. For fiscal 2008, Quanex assumes a corporate expense run rate of approximately \$25 million, which includes a \$4 million estimate for stock options.

LIFO

A \$3.9 million (\$0.06 per diluted share) non-cash LIFO charge was taken in the fourth quarter of 2007, and for the year, LIFO charges totaled \$9.9 million (\$0.16 per diluted share). The LIFO charges reflect the rise in steel scrap and alloy costs at MACSTEEL. Quanex uses the LIFO method of accounting that requires it to forecast both year-end inventory prices and levels. Periodically, it will adjust interim inventory balances with a final reconciliation in the fourth quarter.

Other

On January 26, 2005, the Company irrevocably elected, pursuant to the indenture governing its 2.50% convertible senior debentures due 2034, to settle the principal amount of the debentures in cash while the premium amount of the debentures may be settled in any combination of cash and common stock when they become convertible and are surrendered by the holders thereof. Allowing for this election using a \$25.45 conversion price and an average stock closing price of \$43.44 for the fourth quarter, the Company's fourth quarter diluted earnings from continuing operations reflect a reduction of \$0.06 per share, and with an average stock closing price of \$42.34 for the year, represent a reduction of \$0.18 per share.

On November 19, 2007, the Company announced plans to separate its Building Products and Vehicular Products businesses. The Building Products business will be spun off, virtually debt-free to existing shareholders, followed by the merger of Quanex with Gerdau Delaware, Inc., a wholly owned subsidiary of Gerdau S.A. for \$39.20 in cash per share. The merger transaction is expected to close by the end of the first calendar quarter of 2008, and is subject to approval by Quanex shareholders, clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, the Exon-Florio Provision and other customary closing conditions.

Dividend Declared

The Board of Directors declared the Company's quarterly cash dividend of \$0.14 per share on the common stock, payable December 31, 2007, to shareholders of record on December 18, 2007.

Corporate Profile

Quanex Corporation is an industry-leading manufacturer of value added, engineered materials and components serving the vehicular products and building products markets.

Financial Statistics as of 10/31/07

Book value per common share: \$23.75; Total debt to capitalization: 12.7%; Return on invested capital: 14.5%; Return on common equity: 16.5%; Actual number of common shares outstanding: 37,189,587.

Definitions

Book value per common share - calculated as total stockholders' equity as of balance sheet date divided by actual number of common shares outstanding;

Total debt to capitalization - calculated as the sum of both the current and long term portion of debt, as of balance sheet date, divided by the sum of both the current and long term portion of debt plus total stockholders' equity as of balance sheet date;

Return on invested capital - calculated as the total of the prior 12 months net income plus prior 12 months after-tax interest expense and capitalized interest, the sum of which is divided by the trailing five quarters average total debt (current and long term) and total stockholders' equity;

Return on common equity - calculated as the prior 12 months net income, divided by the trailing five quarters average common stockholders' equity.

Statements that use the words "expect," "should," "believe," "will," "might," or similar words reflecting future expectations or beliefs are forward-looking statements. The statements found 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 (December 21, 2006) under the Securities Exchange Act of 1934, in particular the section titled, "Private Securities Litigation Reform Act" contained therein.

This press release may be deemed to be soliciting material relating to the proposed merger transaction between Quanex Corporation and a wholly owned subsidiary of Gerdau S.A. In connection with the proposed merger, Quanex will file a proxy statement and other relevant documents concerning the proposed merger with the SEC. Investors and securities holders of Quanex are urged to read the proxy statement when it becomes available because that document will contain important information about the proposed merger. The definitive proxy statement will be mailed to Quanex stockholders. Investors and security holders may obtain a copy of such documents free of charge from the SEC's website at www.sec.gov. Copies of such documents may also be obtained free of charge from Quanex's website at www.quanex.com.

For additional information about Quanex, visit its website at www.quanex.com.

The Quanex Corporation logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=1117>

QUANEX CORPORATION
INDUSTRY SEGMENT INFORMATION
(In thousands)
(Unaudited)

| Three months ended October 31, | | | Twelve months ended October 31, | |
|-----------------------------------|---------------|-------------------------------------|------------------------------------|---------------|
| ----- 2007 | ----- 2006 | | ----- 2007 | ----- 2006 |
| ----- | ----- | | ----- | ----- |
| | | Net sales: | | |
| \$302,332 | \$264,793 | Vehicular Products | \$1,085,047 | \$ 988,799 |
| | | Engineered Building Products | 457,764 | 524,625 |
| 123,866 | 132,157 | Aluminum Sheet Building Products | 524,215 | 539,773 |
| 136,124 | 135,192 | | ----- | ----- |
| 259,990 | 267,349 | Building Products | 981,979 | 1,064,398 |
| (4,464) | (4,422) | Corporate and Other | (18,005) | (20,625) |
| ----- | ----- | | ----- | ----- |
| \$557,858 | \$527,720 | Net sales | \$2,049,021 | \$2,032,572 |
| ===== | ===== | | ===== | ===== |
| | | Operating income: | | |
| \$ 41,109 | \$ 40,603 | Vehicular Products | \$ 132,723 | \$ 154,571 |
| | | Engineered Building Products | 43,814 | 52,540 |
| 13,220 | 13,379 | Aluminum Sheet Building Products | 65,732 | 82,177 |
| 18,331 | 17,927 | | ----- | ----- |
| 31,551 | 31,306 | Building Products | 109,546 | 134,717 |
| (9,805) | (12,611) | Corporate and Other | (39,329) | (37,894) |
| ----- | ----- | | ----- | ----- |
| \$ 62,855 | \$ 59,298 | Operating Income | \$ 202,940 | \$ 251,394 |
| ===== | ===== | | ===== | ===== |

QUANEX CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)
(Unaudited)

Three months ended

Twelve months ended

| October 31, | | | October 31, | |
|-------------|-----------|---|-------------|-------------|
| 2007 | 2006 | | 2007 | 2006 |
| \$557,858 | \$527,720 | Net sales | \$2,049,021 | \$2,032,572 |
| 451,863 | 425,985 | Cost of sales (exclusive of items shown separately below) | 1,671,052 | 1,617,399 |
| 22,795 | 23,929 | Selling, general and administrative expense | 97,989 | 92,705 |
| 20,345 | 18,508 | Depreciation and amortization | 77,040 | 71,074 |
| 62,855 | 59,298 | Operating income | 202,940 | 251,394 |
| (983) | (1,129) | Interest expense | (4,054) | (4,818) |
| 2,792 | 1,477 | Other, net | 8,178 | 4,240 |
| 64,664 | 59,646 | Income from continuing operations before taxes | 207,064 | 250,816 |
| (23,106) | (20,517) | Income tax expense | (72,442) | (90,503) |
| 41,558 | 39,129 | Income from continuing operations | 134,622 | 160,313 |
| -- | 46 | Income (loss) from discontinued operations, net of taxes | -- | (130) |
| \$ 41,558 | \$ 39,175 | Net income | \$ 134,622 | \$ 160,183 |
| | | Basic earnings per common share: | | |
| \$ 1.12 | \$ 1.06 | Earnings from continuing operations | \$ 3.64 | \$ 4.28 |
| \$ -- | \$ -- | Income (loss) from discontinued operations | \$ -- | \$ (0.01) |
| \$ 1.12 | \$ 1.06 | Basic earnings per share | \$ 3.64 | \$ 4.27 |
| | | Diluted earnings per common share: | | |
| \$ 1.05 | \$ 1.03 | Earnings from continuing operations | \$ 3.41 | \$ 4.09 |
| \$ -- | \$ -- | Income (loss) from discontinued operations | \$ -- | \$ (0.01) |
| \$ 1.05 | \$ 1.03 | Diluted earnings per share | \$ 3.41 | \$ 4.08 |
| | | Weighted average common shares outstanding: | | |
| 37,075 | 36,847 | Basic | 36,982 | 37,479 |
| 39,703 | 38,494 | Diluted | 39,509 | 39,708 |
| \$ 0.1400 | \$ 0.1400 | Cash dividends declared per share | \$ 0.5600 | \$ 0.4833 |

QUANEX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

| October 31, 2007 | | October 31, 2006 |
|---------------------|---|---------------------|
| | Assets | |
| \$ 172,838 | Cash and equivalents | \$ 105,708 |
| 44,750 | Short-term investments | -- |
| 189,754 | Accounts and notes receivable, net | 184,311 |
| 152,185 | Inventories | 142,788 |
| 11,904 | Deferred income taxes | 12,218 |
| 5,066 | Other current assets | 5,584 |
| 576,497 | Total current assets | 450,609 |
| 1,085,569 | Property, plant and equipment | 1,040,217 |
| (659,537) | Less accumulated depreciation | (608,159) |
| 426,032 | Property, plant and equipment, net | 432,058 |
| 203,065 | Goodwill | 196,350 |
| 29,934 | Cash surrender value insurance policies | 29,108 |
| 85,514 | Intangible assets, net | 75,285 |

| | | |
|--------------------|---|--------------------|
| 13,780 | Other assets | 18,742 |
| <u>\$1,334,822</u> | <u>Total assets</u> | <u>\$1,202,152</u> |
| | Liabilities and stockholders' equity | |
| \$ 149,512 | Accounts payable | \$ 137,564 |
| 58,896 | Accrued liabilities | 54,943 |
| 14,431 | Income taxes payable | 13,185 |
| 126,464 | Current maturities of long-term debt | 2,721 |
| 349,303 | Total current liabilities | 208,413 |
| 2,551 | Long-term debt | 130,680 |
| 4,093 | Deferred pension credits | 1,115 |
| 6,745 | Deferred postretirement welfare benefits | 7,300 |
| 60,233 | Deferred income taxes | 66,189 |
| 12,738 | Non-current environmental reserves | 14,186 |
| 16,010 | Other liabilities | 15,754 |
| 451,673 | Total liabilities | 443,637 |
| 883,149 | Total stockholders' equity | 758,515 |
| <u>\$1,334,822</u> | <u>Total liabilities and stockholders' equity</u> | <u>\$1,202,152</u> |

QUANEX CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOW
(In thousands)
(Unaudited)

| | Twelve months ended October 31, | |
|---|------------------------------------|------------|
| | 2007 | 2006 |
| Operating activities: | | |
| Net income | \$ 134,622 | \$ 160,183 |
| Loss from discontinued operations | -- | 130 |
| Net income from continuing operations | 134,622 | 160,313 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization | 77,308 | 71,657 |
| Deferred income taxes | (5,922) | 7,084 |
| Stock-based compensation | 6,036 | 5,298 |
| | 212,044 | 244,352 |
| Changes in assets and liabilities, net of effects from acquisitions and dispositions: | | |
| Decrease (Increase) in accounts and notes receivable | (1,747) | (32,229) |
| Decrease (Increase) in inventory | (7,828) | (9,753) |
| Increase (Decrease) in accounts payable | 13,685 | 8,326 |
| Increase (Decrease) in accrued liabilities | (533) | (8,059) |
| Increase (Decrease) in income taxes payable | 455 | (736) |
| Increase (Decrease) in deferred pension and postretirement benefits | 8,035 | (10,524) |
| Other, net | (37) | (390) |
| Cash provided by (used for) operating activities from continuing operations | 224,074 | 190,987 |
| Cash provided by (used for) operating activities from discontinued operations | -- | (716) |
| Cash provided by (used for) operating activities | 224,074 | 190,271 |
| Investment activities: | | |
| Purchases of short-term investments | (106,114) | -- |
| Proceeds from sales of short-term investments | 61,150 | -- |
| Acquisitions, net of cash acquired | (58,493) | -- |
| Capital expenditures, net of retirements | (34,396) | (72,262) |
| Proceeds from sale of discontinued operations | -- | 5,683 |
| Retired executive life insurance proceeds | 249 | 461 |
| Other, net | 630 | 593 |
| Cash provided by (used for) investing activities from continuing operations | (136,974) | (65,525) |
| Cash used for investment activities from discontinued operations | -- | (14) |
| Cash provided by (used for) investment activities | (136,974) | (65,539) |

| | | |
|---|------------|------------|
| Financing activities: | | |
| Repayments of long-term debt | (4,386) | (2,519) |
| Common dividends paid | (20,776) | (18,362) |
| Issuance of common stock from option exercises, including related tax benefits | 5,045 | 11,094 |
| Purchases of treasury stock | -- | (58,326) |
| Other, net | (11) | (547) |
| | ----- | ----- |
| Cash provided by (used for) financing activities from continuing operations | (20,128) | (68,660) |
| Cash used for financing activities from discontinued operations | -- | (56) |
| | ----- | ----- |
| Cash provided by (used for) financing activities | (20,128) | (68,716) |
| | ----- | ----- |
| Effect of exchange rate changes on cash and equivalents | 158 | 11 |
| Increase (Decrease) in cash and equivalents | 67,130 | 56,027 |
| Beginning of period cash and equivalents | 105,708 | 49,681 |
| | ----- | ----- |
| End of period cash and equivalents | \$ 172,838 | \$ 105,708 |
| | ===== | ===== |

CONTACT: Quanex Corporation
Financial Contact:
Jeff Galow
713/877-5327
Media Contact:
Valerie Calvert
713/877-5305