

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

Commission file number 1-5725

A. Full title of the Plan and the address of the Plan, if different from  
that of the issuer named below:

Piper Impact 401(k) Savings Plan

B. Name of issuer of the securities held pursuant to the Plan and the  
address of the principal executive office:

Quanex Corporation  
1900 West Loop South, Suite 1500  
Houston, Texas 77027  
(713) 961-4600

The Benefits Committee  
Quanex Corporation  
Houston, Texas

Re: Piper Impact 401(k) Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Piper Impact 401(k) Savings Plan (the "Plan") as of December 31, 1998 and 1997 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1998 and 1997 and the changes in net assets available for benefits for the years then ended in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of (1) investments as of December 31, 1998 and (2) 5% reportable transactions for the year ended December 31, 1998 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information by fund in the statements on net assets available for benefits is presented for the purpose of additional analysis rather than to present the net assets available for benefits of the individual funds. The supplemental schedules and the supplemental information by fund is the responsibility of the Plan's management. Such supplemental schedules and supplemental information by fund have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP

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DELOITTE & TOUCHE LLP

June 1, 1999

QUANEX CORPORATION  
PIPER IMPACT 401(k) SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

|  | DECEMBER 31 |             |
|--|-------------|-------------|
|  | 1998        | 1997        |
| Assets:                                |             |             |
| Investment at fair value:              |             |             |
| Mutual fund assets:                    |             |             |
| Fidelity Puritan Fund                  | \$ 500,091  | \$ 393,816  |
| Fidelity Magellan Fund                 | 29,180      | --          |
| Fidelity Contrafund                    | 949,606     | 522,991     |
| Fidelity Growth & Income Fund          | 32,894      | --          |
| Fidelity Intermediate Bond Fund        | --          | 171,180     |
| Fidelity Retirement Growth Fund        | 446,819     | 254,730     |
| Fidelity Overseas Fund                 | 2,178       | --          |
| Fidelity Balanced Fund                 | 5,826       | --          |
| Fidelity Blue Chip Fund                | 2,241,863   | 1,399,981   |
| Fidelity Asset Manager Fund            | 307,494     | 216,111     |
| Fidelity Low-Priced Stock Fund         | 136         | --          |
| Fidelity Retirement Money Market Fund  | --          | 273,551     |
| Fidelity Government Money Market Fund  | 398,700     | --          |
| Templeton Foreign Fund                 | 2,327       | --          |
| Neuberger & Berman Partners Trust Fund | 2,540       | --          |
| Quanex Corporation common stock        | 69,928      | 42,176      |
| Common/commingled trust                | 406,465     | 150,845     |
|  | -----       | -----       |
|  | 5,396,047   | 3,425,381   |
|  | -----       | -----       |
| Participant loans                      | 198,115     | 146,425     |
|  | -----       | -----       |
|  | 5,594,162   | 3,571,806   |
|  | -----       | -----       |
| Employee contributions receivable      | 161,998     | 176,609     |
| Employer contributions receivable      | 29,398      | 27,343      |
|  | -----       | -----       |
|  | 191,396     | 203,952     |
|  | -----       | -----       |
| Net Assets Available for Benefits      | \$5,785,558 | \$3,775,758 |
|  | =====       | =====       |

See notes to financial statements.

QUANEX CORPORATION  
PIPER IMPACT 401(k) SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE  
FOR BENEFITS

|  | December 31, |             |
|--|--------------|-------------|
|  | 1998         | 1997        |
| Investment income:                               |              |             |
| Interest and dividends                           | \$ 348,633   | \$ 231,919  |
| Net appreciation in fair value of investments    | 674,906      | 252,778     |
|  | -----        | -----       |
|  | 1,023,539    | 484,697     |
|  | -----        | -----       |
| Contributions:                                   |              |             |
| Employer   | 239,388      | 240,468     |
| Less forfeitures                                 | 29,413       | 9,434       |
|  | -----        | -----       |
|  | 209,975      | 231,034     |
|  | -----        | -----       |
| Employee   | 1,235,569    | 1,247,453   |
|  | -----        | -----       |
|  | 1,445,544    | 1,478,487   |
|  | -----        | -----       |
| Interest on participant loans                    | 14,340       | 6,290       |
|  | -----        | -----       |
| Total additions                                  | 2,483,423    | 1,969,474   |
|  | -----        | -----       |
| Benefit payments                                 | 468,421      | 163,966     |
| Loan processing fees                             | 5,202        | 4,914       |
|  | -----        | -----       |
| Total deductions                                 | 473,623      | 168,880     |
|  | -----        | -----       |
| Increase in net assets available<br>for benefits | 2,009,800    | 1,800,594   |
| Net assets available for benefits:               |              |             |
| Beginning of year                                | 3,775,758    | 1,975,164   |
|  | -----        | -----       |
| End of year                                      | \$5,785,558  | \$3,775,758 |
|  | =====        | =====       |

See notes to financial statements.

QUANEX CORPORATION  
PIPER IMPACT 401(k) SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 1998 AND 1997

A. DESCRIPTION OF THE PLAN

The following description of the Piper Impact 401(k) Plan (the "Plan") is provided for general informational purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

- (1) General. The Plan is a defined contribution plan which covers substantially all full-time employees of Piper Impact, Inc. (the "Company"), a subsidiary of Quanex Corporation. The Plan permits eligible employees to elect a deferral of compensation under Section 401(k) of the Internal Revenue Code ("Code"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The assets of the Plan are held in trust by Fidelity Management Trust Company ("Fidelity"). The Benefits Committee (the "Committee"), appointed by Quanex Corporation's Board of Directors, serves as the Plan administrator.
- (2) Contributions. Participants may contribute to the Plan by electing salary deferrals between 1% and 15% of compensation as defined by the Plan document. The Company contributes 25% of the first 6% of base compensation that a participant contributes to the Plan. Contributions are subject to certain limitations. Additional amounts may be contributed at the option of the Company's Board of Directors.
- (3) Participant Accounts. Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participants' non-vested accounts are used to reduce current or future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
- (4) Investment Options. Participants may direct allocation of their contributions to the following funds:

Fidelity Puritan Fund - invests in domestic and foreign common stocks, preferred stocks and bonds.

Fidelity Magellan Fund - invests in equity and debt securities of foreign and domestic companies.

Fidelity Contrafund - invests in equities of foreign and domestic companies.

Fidelity Growth and Income Fund - invests in equity and debt securities of foreign and domestic companies.

Fidelity Retirement Growth Fund - invests in common stocks and other securities.

Fidelity Overseas Fund - invests in foreign equity and debt securities.

Fidelity Balanced Fund - invests in common and preferred stocks and bonds.

Fidelity Blue Chip Fund - invests in domestic and foreign common stocks.

Fidelity Asset Manager Fund - invests in domestic and foreign stocks, bonds and short-term obligations.

Fidelity Low-Priced Stock Fund - invests in domestic and foreign stocks.

Fidelity Government Money Market Fund - composed of short-term U.S. government obligations.

Templeton Foreign Fund - invests in foreign securities.

Neuberger & Berman Partner Trust Fund - invests in common stocks.

Quanex Corporation Common Stock - invests exclusively in the common stock of Quanex Corporation.

Common/Commingled Trust - invests in investment contracts issued by insurance companies, banks and other financial institutions.

- (5) Vesting. Participants are immediately vested in their contributions and earnings thereon. Vesting in the Company's matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 20% vested for each year of credited service beginning with his or her second year and is 100% vested after six years of credited service.
- (6) Payment of Benefits. The Plan is intended for long-term savings but provides for early withdrawals and loan arrangements under certain conditions. In accordance with the Code, upon termination of service, a participant may elect to receive a lump-sum distribution equal to the total amount of vested benefits in his or her account. As of December 31, 1998 and 1997, net assets available for benefits included benefits of \$23,075 and \$9,913, respectively, due to participants who had withdrawn from participation in the Plan.
- (7) Loans. Loans may be granted to a participant of the Plan at the Committee's discretion. Loan terms range up to five years or ten years if used for the purchase of a primary residence. The loans bear a reasonable rate of interest established by the Committee. Interest on the loan is allocated to the borrower's participant account. The participant pays loan set up fees and carrying fees to Fidelity.

#### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Accounting Basis. The financial statements of the Plan are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.
- (2) Investment Valuation. The Plan recognizes net appreciation or depreciation in the fair value of its investments. Investments are reflected at fair value in the financial statements. Fair value of mutual fund assets is determined using a quoted net asset value. Fair value for Quanex Corporation common stock, which is listed on the New York Stock Exchange, is determined by using the last recorded sales price. The fair value of the common/commingled trust is at face value.
- (3) Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of changes in the net assets available for benefits during the reporting period. The Plan's financial statements include amounts that are based on

management's best estimates and judgments. Actual results could differ from these estimates.

(4) Administrative Expense. The Company pays all administrative expenses.

(5) Payments of Benefits. Benefit payments are recorded when paid.

#### C. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

#### D. FEDERAL INCOME TAX STATUS

The Plan is subject to specific rules and regulations related to employee benefit plans under the Department of Labor and the Internal Revenue Service ("IRS"). The Plan is a qualified trust under Sections 401(a) and 401(k) of the Code and, as a result, is exempt from taxation under Section 501(a) of the Code. The Plan received a favorable determination letter from the IRS dated September 30, 1998. The Company believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, it believes the Plan was qualified and the related trust was tax-exempt as of the financial statement dates.

#### E. RELATED PARTY TRANSACTIONS

During the years ended December 31, 1998 and 1997, the Plan purchased and sold shares of Fidelity mutual fund assets, as shown below:

|           | 1998<br>----    |               |                      | 1997<br>----    |               |                      |
|-----------|-----------------|---------------|----------------------|-----------------|---------------|----------------------|
|           | Shares<br>----- | Cost<br>----- | Sales Price<br>----- | Shares<br>----- | Cost<br>----- | Sales Price<br>----- |
| Purchases | 583,981         | \$2,306,480   |                      | 250,854         | \$1,705,534   |                      |
| Sales     | 442,597         | 1,215,903     | \$1,312,890          | 86,413          | 373,734       | \$408,988            |

During the years ended December 31, 1998 and 1997, the Plan purchased and sold shares of Fidelity Common/Commingled Trust, as shown below:

|           | 1998<br>----    |               |                      | 1997<br>----    |               |                      |
|-----------|-----------------|---------------|----------------------|-----------------|---------------|----------------------|
|           | Shares<br>----- | Cost<br>----- | Sales Price<br>----- | Shares<br>----- | Cost<br>----- | Sales Price<br>----- |
| Purchases | 351,332         | \$ 351,332    |                      | 105,387         | \$ 105,387    |                      |
| Sales     | 95,712          | 95,712        | \$ 95,712            | 37,741          | 37,741        | \$ 37,741            |

During the years ended December 31, 1998 and 1997, the Plan purchased and sold shares of Quanex Corporation common stock as shown below:

|           | 1998<br>----    |               |                      | 1997<br>----    |               |                      |
|-----------|-----------------|---------------|----------------------|-----------------|---------------|----------------------|
|           | Shares<br>----- | Cost<br>----- | Sales Price<br>----- | Shares<br>----- | Cost<br>----- | Sales Price<br>----- |
| Purchases | 2,189           | \$ 57,468     |                      | 1,555           | \$ 48,030     |                      |
| Sales     | 589             | 17,873        | \$ 16,263            | 55              | 1,682         | \$ 1,588             |

## F. SUPPLEMENTAL FUND INFORMATION

Contributions, benefit payments and investment income by fund were as follows for the years ended December 31:

|  | 1998       | 1997       |
|--|------------|------------|
|  | -----      | -----      |
| Employer contributions:                |            |            |
| Fidelity Puritan Fund                  | \$ 24,329  | \$ 26,783  |
| Fidelity Magellan Fund                 | 1,405      | --         |
| Fidelity Contrafund                    | 39,573     | 37,704     |
| Fidelity Growth & Income Fund          | 876        | --         |
| Fidelity Intermediate Bond Fund        | --         | 13,701     |
| Fidelity Retirement Growth Fund        | 19,362     | 18,608     |
| Fidelity Overseas Fund                 | 109        | --         |
| Fidelity Balanced Fund                 | 251        | --         |
| Fidelity Blue Chip Fund                | 85,239     | 87,097     |
| Asset Manager Fund                     | 13,831     | 14,557     |
| Fidelity Low-Priced Stock Fund         | 92         | --         |
| Fidelity Retirement Money Market Fund  | (2,866)    | 14,576     |
| Fidelity Government Money Market Fund  | (3,762)    | --         |
| Templeton Foreign Fund                 | 140        | --         |
| Neuberger & Berman Partners Trust Fund | 197        | --         |
| Quanex Corporation common stock        | 8,309      | 5,045      |
| Common/commingled trust                | 22,890     | 12,963     |
|  | -----      | -----      |
|  | \$ 209,975 | \$ 231,034 |
|  | =====      | =====      |

|  | 1998         | 1997         |
|--|--------------|--------------|
|  | -----        | -----        |
| Employee contributions:                |              |              |
| Fidelity Puritan Fund                  | \$ 129,257   | \$ 139,215   |
| Fidelity Magellan Fund                 | 9,575        | --           |
| Fidelity Contrafund                    | 214,892      | 204,631      |
| Fidelity Growth & Income Fund          | 5,319        | --           |
| Fidelity Intermediate Bond Fund        | --           | 67,476       |
| Fidelity Retirement Growth Fund        | 99,432       | 95,104       |
| Fidelity Overseas Fund                 | 511          | --           |
| Fidelity Balanced Fund                 | 2,205        | --           |
| Fidelity Blue Chip Fund                | 420,740      | 444,602      |
| Asset Manager Fund                     | 73,368       | 76,557       |
| Fidelity Low-Priced Stock Fund         | 857          | --           |
| Fidelity Retirement Money Market Fund  | --           | 121,081      |
| Fidelity Government Money Market Fund  | 118,789      | --           |
| Templeton Foreign Fund                 | 603          | --           |
| Neuberger & Berman Partners Trust Fund | 940          | --           |
| Quanex Corporation common stock        | 44,715       | 35,632       |
| Common/commingled trust                | 114,366      | 63,155       |
|  | -----        | -----        |
|  | \$ 1,235,569 | \$ 1,247,453 |
|  | =====        | =====        |



|  | 1998       | 1997       |
|--|------------|------------|
|  | -----      | -----      |
| Benefit payments:                      |            |            |
| Fidelity Puritan Fund                  | \$ 72,628  | \$ 17,800  |
| Fidelity Magellan Fund                 | 4,417      | --         |
| Fidelity Contrafund                    | 61,411     | 15,905     |
| Fidelity Growth & Income Fund          | 1,374      | --         |
| Fidelity Intermediate Bond Fund        | --         | 8,822      |
| Fidelity Retirement Growth Fund        | 38,880     | 9,986      |
| Fidelity Overseas Fund                 | --         | --         |
| Fidelity Balanced Fund                 | --         | --         |
| Fidelity Blue Chip Fund                | 182,786    | 55,029     |
| Asset Manager Fund                     | 37,117     | 8,957      |
| Fidelity Low-Priced Stock Fund         | --         | --         |
| Fidelity Retirement Money Market Fund  | --         | 32,630     |
| Fidelity Government Money Market Fund  | 26,303     | --         |
| Templeton Foreign Fund                 | --         | --         |
| Neuberger & Berman Partners Trust Fund | 83         | --         |
| Quanex Corporation common stock        | 5,784      | 1,419      |
| Common/commingled trust                | 37,638     | 13,418     |
|  | -----      | -----      |
|  | \$ 468,421 | \$ 163,966 |
|  | =====      | =====      |

|  | 1998         | 1997       |
|--|--------------|------------|
|  | -----        | -----      |
| Investment income:                     |              |            |
| Fidelity Puritan Fund                  | \$ 71,598    | \$ 62,162  |
| Fidelity Magellan Fund                 | 4,357        | --         |
| Fidelity Contrafund                    | 209,626      | 80,320     |
| Fidelity Growth & Income Fund          | 3,853        | --         |
| Fidelity Intermediate Bond Fund        | 2,277        | 10,824     |
| Fidelity Retirement Growth Fund        | 109,577      | 32,386     |
| Fidelity Overseas Fund                 | 7            | --         |
| Fidelity Balanced Fund                 | 507          | --         |
| Fidelity Blue Chip Fund                | 555,258      | 250,281    |
| Asset Manager Fund                     | 40,480       | 34,017     |
| Fidelity Low-Priced Stock Fund         | (123)        | --         |
| Fidelity Retirement Money Market Fund  | 566          | 11,626     |
| Fidelity Government Money Market Fund  | 16,718       | --         |
| Templeton Foreign Fund                 | (229)        | --         |
| Neuberger & Berman Partners Trust Fund | 16           | --         |
| Quanex Corporation common stock        | (11,867)     | (3,830)    |
| Common/commingled trust                | 20,918       | 6,911      |
|  | -----        | -----      |
|  | \$ 1,023,539 | \$ 484,697 |
|  | =====        | =====      |

ITEM 27-a SCHEDULE OF ASSETS HELD FOR INVESTMENTS PURPOSES  
 EIN: 76-0396886; PN 001

PIPER IMPACT, INC.  
 PIPER IMPACT 401(k) SAVINGS PLAN

SUPPLEMENTAL SCHEDULE OF INVESTMENTS  
 DECEMBER 31, 1998

|   | Shares/<br>Par Value | Cost        | Current<br>Value |
|---|----------------------|-------------|------------------|
|   | -----                | -----       | -----            |
| Fidelity Mutual Fund Assets:                                    |                      |             |                  |
| Puritan Fund*   | 24,917               | 460,975     | 500,091          |
| Magellan Fund*  | 242                  | 25,926      | 29,180           |
| Contrafund*   | 16,721               | 777,692     | 949,606          |
| Growth & Income Fund*   | 718                  | 30,502      | 32,894           |
| Retirement Growth Fund*   | 21,785               | 409,372     | 446,819          |
| Overseas Fund*  | 61                   | 2,212       | 2,178            |
| Balance Fund*   | 356                  | 5,397       | 5,826            |
| Blue Chip Fund*   | 44,490               | 1,643,103   | 2,241,863        |
| Asset Manager Fund*   | 17,682               | 308,997     | 307,494          |
| Low-Priced Stock Fund*  | 6                    | 131         | 136              |
| Government Money Market Fund*                                   | 398,700              | 398,700     | 398,700          |
| Templeton Foreign Fund  | 277                  | 2,760       | 2,327            |
| Neuberger & Berman Partners Trust Fund                          | 141                  | 2,596       | 2,540            |
|   |                      | -----       | -----            |
| Total Mutual Fund Assets  |                      | \$4,068,363 | \$4,919,654      |
| Quanex Corporation common stock*                                | 3,099                | 85,943      | 69,928           |
| Common/commingled trust*  | 406,465              | 406,465     | 406,465          |
| Participant loans (bearing interest rates<br>from 7.85% to 11%) |                      | 198,115     | 198,115          |
|   |                      | -----       | -----            |
| Total Investments   |                      | \$4,758,886 | \$5,594,162      |
|   |                      | =====       | =====            |

\* Party-in-Interest

PIPER IMPACT 401(k) SAVINGS PLAN

SUPPLEMENTAL SCHEDULE OF 5% REPORTABLE TRANSACTIONS  
DECEMBER 31, 1998

| Description           | Series of Transactions                         |                |  |               |               |            | Current Value on Transaction Date | Net Gain (Loss) |
|-----------------------|--|----------------|--|---------------|---------------|------------|-----------------------------------|-----------------|
|                       | Total Number of Purchases During the Plan Year | Purchase Price | Total Number of Sales During the Plan Year | Selling Price | Cost of Asset |            |                                   |                 |
| Puritan*              | 65   | \$ 224,354     | 44   | \$ 140,328    | \$ 126,604    | \$ 140,328 | \$ 13,724                         |                 |
| Contrafund*           | 65   | 367,587        | 38   | 80,756        | 70,718        | 80,756     | 10,038                            |                 |
| Intermediate Bond*    | 4  | 10,244         | 3  | 183,265       | 180,349       | 183,265    | 2,916                             |                 |
| Retirement Growth*    | 53   | 191,777        | 31   | 64,971        | 60,906        | 64,971     | 4,065                             |                 |
| Blue Chip*            | 99   | 743,314        | 67   | 368,386       | 306,655       | 368,386    | 61,731                            |                 |
| Asset Manager*        | 58   | 170,085        | 37   | 65,334        | 60,869        | 65,334     | 4,465                             |                 |
| Retirement Money Mkt* | 6  | 18,350         | 4  | 291,901       | 291,901       | 291,901    | --                                |                 |
| Government Money Mkt* | 70   | 507,885        | 47   | 109,185       | 109,185       | 109,185    | --                                |                 |
| Common Trust*         | 64   | 351,332        | 53   | 95,712        | 95,712        | 95,712     | --                                |                 |

\* Party-in-Interest

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Piper Impact 401(k) Savings Plan

Date: June 28, 1999

/s/ Viren M. Parikh

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Viren M. Parikh, Benefits Committee

## INDEX TO EXHIBITS

| NUMBER | DESCRIPTION                   |
|--------|-------------------------------|
| -----  | -----                         |
| 23.1   | Independent Auditor's Consent |

## INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in Registration Statement No. 333-22977 of Quanex Corporation on Form S-8 of our report dated June 1, 1999, appearing in the Annual Report of Form 11-K of the Piper Impact 401(k) Savings Plan for the year ended December 31, 1998.

/s/ DELOITTE & TOUCHE LLP

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DELOITTE & TOUCHE LLP

Houston, Texas  
June 28, 1999