

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| OMB APPROVAL                                 |           |
|--|-----------|
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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*<br><b>DAVIS SUSAN F</b> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><b>QUANEX CORP [ NX ]</b> |  |  | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br>Officer (give title below) Other (specify below) |  |  |
| (Last)   | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>03/30/2004</b>    |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person    |  |  |
| 1900 WEST LOOP SOUTH<br>SUITE 1500                               |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                 |  |  |  |  |  |
| (Street)<br><b>HOUSTON TX 77027</b>                              |         |          |  |  |  |  |  |  |
| (City) (State) (Zip)   |         |          |  |  |  |  |  |  |

**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 |   |  |   |

**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           |   |  |  |   |  |
| Stock Options (Right to buy)               | \$19.8125  |                                      |  |                                |   |  |     | 10/31/2000   | 10/31/2010                | Common Stock  | 1,000                                      | 1,000  | D   |  |
| Stock Options (Right to buy)               | \$21.6875  |                                      |  |                                |   |  |     | 05/01/2000   | 10/31/2009                | Common Stock  | 2,000                                      | 2,000  | D   |  |
| Stock Options (Right to buy)               | \$25.95  |                                      |  |                                |   |  |     | 10/31/2001   | 10/31/2011                | Common Stock  | 2,000                                      | 2,000  | D   |  |
| Stock Options (Right to buy)               | \$35.54  |                                      |  |                                |   |  |     | 10/31/2002   | 10/31/2012                | Common Stock  | 2,000                                      | 2,000  | D   |  |
| Stock Options (Right to buy)               | \$40.05  |                                      |  |                                |   |  |     | 10/31/2003   | 10/31/2013                | Common Stock  | 2,000                                      | 2,000  | D   |  |
| Phantom Stock Units <sup>(1)</sup>         | \$0 <sup>(2)</sup>                                     | 03/30/2004                           |  | A                              |   | 29   |     | 03/30/2004 <sup>(3)</sup>                                | 08/08/1988 <sup>(3)</sup> | Common Stock  | 29   | \$42.23  | 5,591   | D  |
| Phantom Stock Units <sup>(4)</sup>         | \$0 <sup>(2)</sup>                                     | 03/30/2004                           |  | A                              |   | 6  |     | 03/30/2004 <sup>(3)</sup>                                | 08/08/1988 <sup>(3)</sup> | Common Stock  | 6  | \$42.23  | 5,597   | D  |

**Explanation of Responses:**

- Units that are credited to the participants account under the Quanex Corporation Deferred Compensation Plan as a result of the participant's deferral of income or fees, as the case may be.
- Conversion price is 1-for-1.
- All units credited under the Deferred Compensation Plan are 100% vested at all times; provided, however, that if a participant receives a benefit from the Deferred Compensation Plan for any reason other than death, disability or retirement within three years after a deferral is credited to a participant's account, any matching awards made by the Company with respect to such deferral will be forfeited. Distributions under the Deferred Compensation Plan are made beginning on a specified date selected by the participant or upon a participant's death, disability, or termination of employment.
- Represents units credited to a participant's account under the Deferred Compensation Plan as a result of the Company's 20% matching award of the participant's deferral of income or fees, as the case may be.

Terry M. Murphy, Power of Attorney 04/01/2004

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

