
**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): May 31, 2016

Quanex Building Products Corporation
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-33913
(Commission File Number)

26-1561397
(I.R.S. Employer Identification Number)

1800 West Loop South, Suite 1500, Houston, Texas 77027
(Address of Principal Executive Offices) (Zip Code)

713-961-4600
(Registrant's telephone number, including area code)

(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))
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Item 2.02. Results of Operations and Financial Condition.

On May 31, 2016, the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1. Press release dated May 31, 2016

SIGNATURE

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

Quanex Building Products Corporation

Date: May 31, 2016

By: /s/ Brent L. Korb

Name: Brent L. Korb

Title: Senior Vice President - Finance and Chief Financial Officer

Quanex Building Products Announces Second Quarter 2016 Results and Increases Full Year 2016 Guidance

Operational Efficiencies Continue to Drive Margin Expansion Leverage Profile Improves Further

HOUSTON, May 31, 2016 (GLOBE NEWSWIRE) -- Quanex Building Products Corporation (NYSE:NX) (“Quanex” or the “Company”) today announced its results for the quarter ended April 30, 2016.

Second Quarter 2016 Highlights

- Net sales increased 62% to \$229.5 million compared to \$142.0 million in Q2 2015
- Net income increased 72% to \$3.9 million compared to \$2.3 million in Q2 2015
- Adjusted EBITDA more than doubled to \$24.3 million (11% margin) versus \$11.6 million (8% margin) in Q2 2015
- Year-to-date cash provided by operating activities increased 643% to \$24.6 million compared to the same period last year
- All borrowings under Asset-Based Lending facility were repaid as of April 30, 2016

Bill Griffiths, Chairman, President and Chief Executive Officer, stated, “In line with our expectations and guidance, our legacy window component business in the U.S. grew 6% during the first half of our fiscal year, excluding the impact of certain eliminated products, price changes and raw material pass through adjustments. In addition, our ongoing focus on margin expansion through operational efficiency gains continues to be effective, as EBITDA margins improved by approximately 250 basis points this quarter. As a result, we are increasing guidance for 2016 to more accurately reflect our current expectations. We also made further progress towards the goal of improving our leverage ratio to under 2.5x by the end of this fiscal year, and we remain confident in our ability to do so.”

Second Quarter 2016 Results Summary

| | Three Months Ended April 30, 2016 | | | Three Months Ended April 30, 2015 | | |
|--|-----------------------------------|-------------|------------------|-----------------------------------|-------------|------------------|
| | Results | | Adjusted Results | Results | | Adjusted Results |
| | Before Adjustments | Adjustments | | Before Adjustments | Adjustments | |
| (In thousands, except per share data) | | | | | | |
| Net sales | \$ 229,460 | \$ - | \$ 229,460 | \$ 141,970 | \$ - | \$ 141,970 |
| Cost of sales ⁽¹⁾ | 176,497 | (90) | 176,407 | 110,812 | - | 110,812 |
| Selling, general and administrative ⁽²⁾ | 28,591 | 212 | 28,803 | 19,638 | (106) | 19,532 |
| EBITDA | 24,372 | (122) | 24,250 | 11,520 | 106 | 11,626 |
| Depreciation and amortization | 13,816 | - | 13,816 | 7,831 | - | 7,831 |
| Operating income (loss) | 10,556 | (122) | 10,434 | 3,689 | 106 | 3,795 |
| Interest expense | (5,633) | - | (5,633) | (145) | - | (145) |
| Other, net ⁽³⁾ | 848 | (835) | 13 | (115) | 126 | 11 |
| Income (loss) before income taxes | 5,771 | (957) | 4,814 | 3,429 | 232 | 3,661 |
| Income tax (expense) benefit | (1,836) | 304 | (1,532) | (1,135) | (77) | (1,212) |
| Income (loss) from continuing operations | \$ 3,935 | \$ (653) | \$ 3,282 | \$ 2,294 | \$ 155 | \$ 2,449 |
| Diluted Earnings Per Share | \$ 0.11 | | \$ 0.10 | \$ 0.07 | | \$ 0.07 |

(1) Cost of sales adjustments relate solely to purchase price accounting inventory step-up impact from HL Plastics acquisition.

(2) Selling, general and administrative adjustments are for acquisition related transaction costs.

(3) Other, net adjustments relate to foreign currency transaction gains (losses).

Net sales increased by \$87.5 million to \$229.5 million during the three months ended April 30, 2016, compared to the three months ended April 30, 2015. The increase was driven by revenue generated from the acquisitions of HL Plastics and Woodcraft Industries in 2015 coupled with continued volume growth in all other reporting segments, partially offset by foreign exchange translation impact. (See Sales Analysis table for additional information)

The Company generated Adjusted EBITDA of \$24.3 million for the quarter, compared to \$11.6 million during the same quarter of 2015. Margin expansion continues due to the successful implementation of several ongoing operational initiatives that are designed to reduce costs while improving productivity. For its “legacy” U.S. windows components business, the Company realized EBITDA margin improvements of approximately 200 basis points during the three months ended April 30, 2016, and approximately 400

basis points for the six months ended April 30, 2016. (See Non-GAAP Financial Measure Disclosure table and Selected Segment Data table for additional information)

Quanex's leverage ratio of Net Debt to LTM Pro Forma Adjusted EBITDA improved to 2.6x. This leverage ratio uses LTM Pro Forma Adjusted EBITDA, which is a non-GAAP measure that, in accordance with the Company's credit facility, assumes the acquisitions of HL Plastics and Woodcraft Industries occurred at a date prior to the actual date of acquisition, and thus includes pro forma adjustments to calculate the trailing twelve months of EBITDA including the HL Plastics and Woodcraft Industries acquisitions. (See Non-GAAP Financial Measure Disclosure table for additional information)

Fiscal 2016 Guidance Update

The guidance update incorporates Quanex's year-to-date results and reflects management's current expectations for the full year. The Company updated net sales guidance to \$965 – \$975 million, which is unchanged at 5% to 6% pro forma growth year-over-year, but now incorporates the Company's latest estimates for the expected impact of foreign exchange translation based on current exchange rates. Quanex increased Adjusted EBITDA guidance to \$117 - \$121 million, as compared to previous guidance provided in December 2015 of \$112 - \$120 million.

GAAP to Non-GAAP Reconciliation

| | Fiscal 2016E | | |
|--|------------------------------------|---------------------|----------------------|
| | Estimates Before Adjustments | 1H16 Adjustments | Adjusted Guidance |
| (In millions, except per share data) | | | |
| Net sales | \$965 - \$975 | - | \$965 - \$975 |
| EBITDA ⁽¹⁾ | \$110 - \$114 | \$ 7 | \$117 - \$121 |
| Depreciation and amortization | \$ 53 | - | \$ 53 |
| Operating income (loss) | \$57 - \$61 | \$ 7 | \$64 - \$68 |
| Interest expense | (\$ 23) | - | (\$ 23) |
| Other, net ⁽²⁾ | (\$ 2) | \$ 2 | - |
| Income (loss) before income taxes | \$32 - \$36 | \$ 9 | \$41 - \$45 |
| Income tax (expense) benefit | (\$11) - (\$12) | (\$ 3) | (\$14) - (\$15) |
| Income (loss) from continuing operations | \$21 - \$24 | \$ 6 | \$27 - \$30 |
| Diluted Earnings Per Share | \$0.61 - \$0.70 | | \$0.78 - \$0.87 |

(1) EBITDA adjustments for transaction costs and purchase price accounting inventory step-up impact from acquisitions.

(2) Other, net adjustments relate to foreign currency transaction gains (losses).

Recent Events

The Company's Board of Directors declared a quarterly cash dividend of \$0.04 per share on Quanex's common stock, payable June 30, 2016, to shareholders of record on June 15, 2016.

Conference Call and Webcast Information

The Company has scheduled a conference call for Wednesday, June 1, 2016, at 11:00 a.m. ET (10:00 a.m. CT). To participate in the conference call dial (877) 388-2139 for domestic callers and (541) 797-2983 for international callers, in both cases using the conference passcode 93625878, and ask for the Quanex call a few minutes prior to the start time. A link to the live audio webcast will also be available on the Company's website at <http://www.quanex.com> in the Investors section under Presentations & Events. A telephonic replay of the call will be available approximately two hours after the live broadcast ends and will be accessible through June 8, 2016. To access the replay dial (855) 859-2056 for domestic callers and (404) 537-3406 for international callers, in both cases referencing conference passcode 93625878.

About Quanex

Quanex Building Products Corporation is an industry-leading manufacturer of components sold to Original Equipment Manufacturers (OEMs) in the building products industry. Quanex designs and produces energy-efficient fenestration products in addition to kitchen and bath cabinet components.

Non-GAAP Terminology Definitions and Disclaimers

Each of the Non-GAAP measures discussed in this Press Release are defined below. More information and reconciliations related to each of these measures can be found in the tables that accompany this Press Release.

EBITDA for each reported period is defined as net income or loss before interest, taxes, depreciation and amortization and other, net.

Adjusted EBITDA for each reported period is defined as EBITDA excluding transaction costs and purchase price accounting adjustments related to inventory step-ups.

LTM Pro Forma Adjusted EBITDA is defined as Adjusted EBITDA for the past twelve months, assuming that the acquisitions of HL Plastics and Woodcraft Industries occurred at a date prior to the actual date of acquisition and thus includes pro forma adjustments to calculate the trailing twelve months of EBITDA including the HL Plastics and Woodcraft Industries acquisitions. These adjustment items are not historical in nature and therefore cannot be reconciled to a comparable GAAP measure.

Forward Looking Statements

Statements that use the words “estimated,” “expect,” “could,” “should,” “believe,” “will,” “might,” or similar words reflecting future expectations or beliefs are forward-looking statements. The forward-looking statements include, but are not limited to, future operating results of Quanex, the future financial condition of Quanex, future uses of cash and other expenditures, expenses and tax rates, expectations relating to the Company’s industry, and Quanex’s future growth, including any guidance discussed in this press release. Guidance is a forward-looking estimate of performance and may not be indicative of actual results. The statements and guidance set forth in this release 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, the availability and cost of raw materials, and customer demand. For a more complete discussion of factors that may affect the Company’s future performance, please refer to the Company’s Annual Report on Form 10-K for the fiscal year ended October 31, 2015, under the sections entitled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors,” and in Quanex’s other documents filed with the Securities and Exchange Commission from time to time. Any forward-looking statements in this press release are made as of the date hereof, and Quanex Building Products Corporation undertakes no obligation to update or revise any forward-looking statements to reflect new information or events.

QUANEX BUILDING PRODUCTS CORPORATION CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(In thousands, except per share data)

(Unaudited)

| | Three Months Ended April 30, | | Six Months Ended April 30, | |
|---|------------------------------|------------|----------------------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| Net sales | \$ 229,460 | \$ 141,970 | \$ 430,928 | \$ 269,863 |
| Cost of sales | 176,497 | 110,812 | 335,845 | 216,616 |
| Selling, general and administrative | 28,591 | 19,638 | 59,879 | 39,134 |
| Depreciation and amortization | 13,816 | 7,831 | 26,786 | 16,039 |
| Operating income (loss) | 10,556 | 3,689 | 8,418 | (1,926) |
| Interest expense | (5,633) | (145) | (12,124) | (286) |
| Other, net | 848 | (115) | (1,513) | (266) |
| Income (loss) before income taxes | 5,771 | 3,429 | (5,219) | (2,478) |
| Income tax (expense) benefit | (1,836) | (1,135) | 1,905 | 1,678 |
| Income (loss) from continuing operations | 3,935 | 2,294 | (3,314) | (800) |
| Income from discontinued operations, net of taxes | - | - | - | 23 |
| Net income (loss) | \$ 3,935 | \$ 2,294 | \$ (3,314) | \$ (777) |
| Income (loss) per common share: | | | | |
| From continuing operations | \$ 0.12 | \$ 0.07 | \$ (0.10) | \$ (0.02) |
| From discontinued operations | \$ - | \$ - | \$ - | \$ - |
| Diluted income (loss) per common share: | | | | |
| From continuing operations | \$ 0.11 | \$ 0.07 | \$ (0.10) | \$ (0.02) |
| From discontinued operations | \$ - | \$ - | \$ - | \$ - |
| Weighted average common shares outstanding: | | | | |
| Basic | 33,873 | 33,621 | 33,818 | 34,362 |
| Diluted | 34,449 | 34,166 | 33,818 | 34,362 |
| Cash dividends per share | \$ 0.04 | \$ 0.04 | \$ 0.08 | \$ 0.08 |

QUANEX BUILDING PRODUCTS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)
(Unaudited)

| | April 30, 2016 | October 31, 2015 |
|------------------------------------|-----------------------|-------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 29,001 | \$ 23,125 |
| Accounts receivable, net | 83,734 | 64,080 |
| Inventories, net | 97,338 | 63,029 |
| Prepaid and other current assets | 11,829 | 7,992 |
| Total current assets | 221,902 | 158,226 |
| Property, plant and equipment, net | 201,657 | 140,672 |
| Deferred income taxes | - | 8,783 |
| Goodwill | 240,592 | 129,770 |
| Intangible assets, net | 171,866 | 120,810 |
| Other assets | 15,400 | 8,529 |
| Total assets | \$ 851,417 | \$ 566,790 |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|--|------------|------------|
| Current liabilities: | | |
| Accounts payable | \$ 51,822 | \$ 47,778 |
| Accrued liabilities | 44,245 | 37,364 |
| Income taxes payable | 1,196 | 747 |
| Current maturities of long-term debt | 5,260 | 2,359 |
| Total current liabilities | 102,523 | 88,248 |
| Long-term debt | 304,090 | 55,041 |
| Deferred pension and postretirement benefits | 7,360 | 5,701 |
| Deferred income tax liabilities | 24,369 | - |
| Other liabilities | 23,062 | 22,505 |
| Total liabilities | 461,404 | 171,495 |
| Stockholders' equity: | | |
| Common stock | 376 | 376 |
| Additional paid-in-capital | 252,712 | 250,937 |
| Retained earnings | 215,635 | 222,138 |
| Accumulated other comprehensive loss | (15,771) | (10,049) |
| Treasury stock at cost | (62,939) | (68,107) |
| Total stockholders' equity | 390,013 | 395,295 |
| Total liabilities and stockholders' equity | \$ 851,417 | \$ 566,790 |

QUANEX BUILDING PRODUCTS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(In thousands)
(Unaudited)

| | Six Months Ended April 30, | |
|---|-----------------------------------|-------------|
| | 2016 | 2015 |
| Operating activities: | | |
| Net loss | \$ (3,314) | \$ (777) |
| Adjustments to reconcile net loss to cash provided by operating activities: | | |
| Depreciation and amortization | 26,786 | 16,039 |
| Stock-based compensation | 3,830 | 2,329 |
| Deferred income tax | (4,253) | (2,963) |
| Excess tax benefit from share-based compensation | (1) | (60) |
| Other, net | 1,503 | (447) |
| Changes in assets and liabilities, net of effects from acquisitions and dispositions: | | |
| Decrease in accounts receivable | 3,059 | 4,553 |

| | | |
|--|------------------|------------------|
| Increase in inventory | (5,181) | (6,047) |
| (Increase) decrease in other current assets | (1,527) | 601 |
| Decrease in accounts payable | (157) | (5,799) |
| Decrease in accrued liabilities | (1,769) | (5,253) |
| Increase in income taxes payable | 3,394 | 260 |
| Increase in deferred pension and postretirement benefits | 1,659 | 1,201 |
| Increase (decrease) in other long-term liabilities | 695 | (128) |
| Other, net | (136) | (201) |
| Cash provided by operating activities | 24,588 | 3,308 |
| Investing activities: | | |
| Net proceeds from sale of discontinued operations | - | - |
| Acquisitions, net of cash acquired | (245,904) | - |
| Capital expenditures | (17,419) | (13,381) |
| Proceeds from property insurance claim | - | 513 |
| Proceeds from disposition of capital assets | 935 | 202 |
| Cash used for investing activities | (262,388) | (12,666) |
| Financing activities: | | |
| Borrowings under credit facility | 332,800 | - |
| Repayments of credit facility borrowings | (79,775) | - |
| Debt issuance costs | (8,713) | - |
| Repayments of other long-term debt | (1,165) | (148) |
| Common stock dividends paid | (2,731) | (2,803) |
| Issuance of common stock | 3,042 | 4,181 |
| Excess tax benefit from share-based compensation | 1 | 60 |
| Purchase of treasury stock | - | (52,719) |
| Cash provided by (used in) financing activities | 243,459 | (51,429) |
| Effect of exchange rate changes on cash and cash equivalents | 217 | 433 |
| Increase (decrease) in cash and cash equivalents | 5,876 | (60,354) |
| Cash and cash equivalents at beginning of period | 23,125 | 120,384 |
| Cash and cash equivalents at end of period | <u>\$ 29,001</u> | <u>\$ 60,030</u> |

QUANEX BUILDING PRODUCTS CORPORATION
NON-GAAP FINANCIAL MEASURE DISCLOSURE
(In thousands, except per share data)
(Unaudited)

EBITDA (defined as net income or loss before interest, taxes, depreciation and amortization and other, net) and Adjusted EBITDA (defined as net income or loss before interest, taxes, depreciation and amortization and other, net, excluding transaction costs and purchase price accounting inventory step-ups) are non-GAAP financial measures that Quanex's management uses to measure its operational performance and assist with financial decision-making. The Company believes these non-GAAP measures provide a consistent basis for comparison between periods, and will assist investors in understanding our financial performance when comparing our results to other investment opportunities. The leverage ratio of Net Debt to LTM Pro Forma Adjusted EBITDA is a financial measure that Quanex's management believes is useful to investors and financial analysts in evaluating the Company's leverage. In addition, with certain limited adjustments, this leverage ratio is the basis for a key covenant in Quanex's credit agreements. Net Debt is calculated using the sum of current maturities of long-term debt and long-term debt, minus cash and cash equivalents. LTM Pro Forma Adjusted EBITDA is a non-GAAP financial measure that is calculated assuming that the acquisitions of HL Plastics and Woodcraft Industries occurred at a date prior to the actual date of acquisition. Since pro forma adjustment items to LTM Pro Forma Adjusted EBITDA are not historical in nature, a reconciliation to a comparable GAAP measure for purposes of such ratio is not available without unreasonable effort. Adjusted Income (Loss) from Continuing Operations and Adjusted Diluted Earnings (Loss) from Continuing Operations are non-GAAP financial measures that exclude certain charges and credits because the Company believes that such items are not indicative of its core operating results, are not indicative of trends, and do not provide meaningful comparisons with other reporting periods. Quanex believes the presented non-GAAP measures provide a consistent basis for comparison between periods, and will assist investors in understanding our financial performance when comparing our results to other investment opportunities. The presented non-GAAP measures may not be the same as those used by other companies. The Company does not intend for this information to be considered in isolation or as a substitute for other measures prepared in accordance with US GAAP.

Three Months Ended April 30, 2016

Three Months Ended April 30, 2015

| | Results Before | | | Results Before | | |
|--|----------------|-------------|------------------|----------------|-------------|------------------|
| | Adjustments | Adjustments | Adjusted Results | Adjustments | Adjustments | Adjusted Results |
| Net sales | \$ 229,460 | \$ - | \$ 229,460 | \$ 141,970 | \$ - | \$ 141,970 |
| Cost of sales ⁽¹⁾ | 176,497 | (90) | 176,407 | 110,812 | - | 110,812 |
| Selling, general and administrative ⁽²⁾ | 28,591 | 212 | 28,803 | 19,638 | (106) | 19,532 |
| EBITDA | 24,372 | (122) | 24,250 | 11,520 | 106 | 11,626 |
| Depreciation and amortization | 13,816 | - | 13,816 | 7,831 | - | 7,831 |
| Operating income (loss) | 10,556 | (122) | 10,434 | 3,689 | 106 | 3,795 |
| Interest expense | (5,633) | - | (5,633) | (145) | - | (145) |
| Other, net ⁽³⁾ | 848 | (835) | 13 | (115) | 126 | 11 |
| Income (loss) before income taxes | 5,771 | (957) | 4,814 | 3,429 | 232 | 3,661 |
| Income tax (expense) benefit | (1,836) | 304 | (1,532) | (1,135) | (77) | (1,212) |
| Income (loss) from continuing operations | \$ 3,935 | \$ (653) | \$ 3,282 | \$ 2,294 | \$ 155 | \$ 2,449 |
| Diluted Earnings Per Share | \$ 0.11 | | \$ 0.10 | \$ 0.07 | | \$ 0.07 |

| | Six Months Ended April 30, 2016 | | | Six Months Ended April 30, 2015 | | |
|--|---------------------------------|-------------|------------------|---------------------------------|-------------|------------------|
| | Results Before Adjustments | Adjustments | Adjusted Results | Results Before Adjustments | Adjustments | Adjusted Results |
| Net sales | \$ 430,928 | \$ - | \$ 430,928 | \$ 269,863 | \$ - | \$ 269,863 |
| Cost of sales ⁽¹⁾ | 335,845 | (2,571) | 333,274 | 216,616 | - | 216,616 |
| Selling, general and administrative ⁽²⁾ | 59,879 | (4,878) | 55,001 | 39,134 | (106) | 39,028 |
| EBITDA | 35,204 | 7,449 | 42,653 | 14,113 | 106 | 14,219 |
| Depreciation and amortization | 26,786 | - | 26,786 | 16,039 | - | 16,039 |
| Operating income (loss) | 8,418 | 7,449 | 15,867 | (1,926) | 106 | (1,820) |
| Interest expense | (12,124) | - | (12,124) | (286) | - | (286) |
| Other, net ⁽³⁾ | (1,513) | 1,640 | 127 | (266) | 308 | 42 |
| Income (loss) before income taxes | (5,219) | 9,089 | 3,870 | (2,478) | 414 | (2,064) |
| Income tax (expense) benefit | 1,905 | (3,318) | (1,413) | 1,678 | (280) | 1,398 |
| Income (loss) from continuing operations | \$ (3,314) | \$ 5,771 | \$ 2,457 | \$ (800) | \$ 134 | \$ (666) |
| Diluted Earnings Per Share | \$ (0.10) | | \$ 0.07 | \$ (0.02) | | \$ (0.02) |

(1) Cost of sales adjustments relate solely to purchase price accounting inventory step-up impact from HL Plastics and Woodcraft Industries acquisitions.

(2) Selling, general and administrative adjustments are for acquisition related transaction costs.

(3) Other, net adjustments relate to foreign currency transaction gains (losses).

QUANEX BUILDING PRODUCTS CORPORATION SELECTED SEGMENT DATA

(In thousands)

(Unaudited)

This table provides operating income (loss), EBITDA, and Adjusted EBITDA by reportable segment. Non-operating expense and income tax expense are not allocated to the reportable segments. For a reconciliation of net income to operating income (loss), see Non-GAAP Financial Measure Disclosure table.

| | NA Engineered Components | EU Engineered Components | NA Cabinet Components | Unallocated Corp & Other | Total |
|--|--------------------------|--------------------------|-----------------------|--------------------------|------------|
| Three months ended April 30, 2016 | | | | | |
| Net sales | \$ 134,519 | \$ 36,965 | \$ 59,555 | \$ (1,579) | \$ 229,460 |
| Cost of sales | 101,193 | 25,518 | 50,801 | (1,015) | 176,497 |
| Operating income (loss) | 9,723 | 3,167 | 396 | (2,730) | 10,556 |

| | | | | | |
|---------------------------------|------------|------------|-----------|------------|------------|
| Depreciation and amortization | 7,153 | 2,393 | 4,129 | 141 | 13,816 |
| EBITDA | 16,876 | 5,560 | 4,525 | (2,589) | 24,372 |
| Transaction related costs | - | - | - | (212) | (212) |
| PPA-Inventory Step-up | - | 90 | - | - | 90 |
| Adjusted EBITDA | \$ 16,876 | \$ 5,650 | \$ 4,525 | \$ (2,801) | \$ 24,250 |
| <i>Adjusted EBITDA Margin %</i> | <i>13%</i> | <i>15%</i> | <i>8%</i> | | <i>11%</i> |

Three months ended April 30, 2015

| | | | | | |
|---------------------------------|------------|-----------|-----------|------------|------------|
| Net sales | \$ 130,910 | \$ 12,125 | \$ - | \$ (1,065) | \$ 141,970 |
| Cost of sales | 102,332 | 9,102 | - | (622) | 110,812 |
| Operating income (loss) | 6,491 | 545 | - | (3,347) | 3,689 |
| Depreciation and amortization | 7,247 | 391 | - | 193 | 7,831 |
| EBITDA | 13,738 | 936 | - | (3,154) | 11,520 |
| Transaction related costs | - | - | - | 106 | 106 |
| Adjusted EBITDA | \$ 13,738 | \$ 936 | \$ - | \$ (3,048) | \$ 11,626 |
| <i>Adjusted EBITDA Margin %</i> | <i>10%</i> | <i>8%</i> | <i>0%</i> | | <i>8%</i> |

Six months ended April 30, 2016

| | | | | | |
|---------------------------------|------------|------------|------------|------------|------------|
| Net sales | \$ 255,567 | \$ 70,033 | \$ 108,080 | \$ (2,752) | \$ 430,928 |
| Cost of sales | 194,921 | 49,165 | 93,340 | (1,581) | 335,845 |
| Operating income (loss) | 15,240 | 4,519 | (895) | (10,446) | 8,418 |
| Depreciation and amortization | 14,361 | 4,851 | 7,274 | 300 | 26,786 |
| EBITDA | 29,601 | 9,370 | 6,379 | (10,146) | 35,204 |
| Transaction related costs | - | - | - | 4,878 | 4,878 |
| PPA-Inventory Step-up | - | 284 | 2,287 | - | 2,571 |
| Adjusted EBITDA | \$ 29,601 | \$ 9,654 | \$ 8,666 | \$ (5,268) | \$ 42,653 |
| <i>Adjusted EBITDA Margin %</i> | <i>12%</i> | <i>14%</i> | <i>8%</i> | | <i>10%</i> |

Six months ended April 30, 2015

| | | | | | |
|---------------------------------|------------|-----------|-----------|------------|------------|
| Net sales | \$ 248,741 | \$ 23,307 | \$ - | \$ (2,185) | \$ 269,863 |
| Cost of sales | 200,243 | 17,551 | - | (1,178) | 216,616 |
| Operating income (loss) | 4,310 | 712 | - | (6,948) | (1,926) |
| Depreciation and amortization | 14,549 | 812 | - | 678 | 16,039 |
| EBITDA | 18,859 | 1,524 | - | (6,270) | 14,113 |
| Transaction related costs | - | - | - | 106 | 106 |
| Adjusted EBITDA | \$ 18,859 | \$ 1,524 | \$ - | \$ (6,164) | \$ 14,219 |
| <i>Adjusted EBITDA Margin %</i> | <i>8%</i> | <i>7%</i> | <i>0%</i> | | <i>5%</i> |

QUANEX BUILDING PRODUCTS CORPORATION SALES ANALYSIS

(In thousands)

(Unaudited)

Sales Bridge for Three Months Ended April 30, 2016

| | NA Engineered Components | EU Engineered Components | NA Cabinet Components | Unallocated Corporate & Other | Consolidated |
|--|-----------------------------|-----------------------------|--------------------------|----------------------------------|--------------|
| Net sales, three months ended April 30, 2015 | \$ 130,910 | \$ 12,125 | \$ - | \$ (1,065) | \$ 141,970 |
| Market volume | 7,477 | 688 | - | (514) | 7,651 |
| Eliminated products | (953) | - | - | - | (953) |
| Price changes | (563) | (556) | - | - | (1,119) |
| Foreign currency impacts | - | (134) | - | - | (134) |
| Mergers & acquisitions | - | 24,842 | 59,555 | - | 84,397 |
| Raw material pass through adjustments | (2,352) | - | - | - | (2,352) |
| Net Sales, three months ended April 30, 2016 | \$ 134,519 | \$ 36,965 | \$ 59,555 | \$ (1,579) | \$ 229,460 |

Sales Bridge for Six Months Ended April 30, 2016

| | NA Engineered Components | EU Engineered Components | NA Cabinet Components | Unallocated Corporate & Other | Consolidated |
|--|-----------------------------|-----------------------------|--------------------------|----------------------------------|-------------------|
| Net sales, six months ended April 30, 2015 | \$ 248,741 | \$ 23,307 | \$ - | \$ (2,185) | \$ 269,863 |
| Market volume | 15,021 | 2,167 | - | (567) | 16,621 |
| Eliminated products | (3,417) | - | - | - | (3,417) |
| Price changes | (753) | (986) | - | - | (1,739) |
| Foreign currency impacts | - | (1,184) | - | - | (1,184) |
| Mergers & acquisitions | - | 46,729 | 108,080 | - | 154,809 |
| Raw material pass through adjustments | (4,025) | - | - | - | (4,025) |
| Net Sales, six months ended April 30, 2016 | <u>\$ 255,567</u> | <u>\$ 70,033</u> | <u>\$ 108,080</u> | <u>\$ (2,752)</u> | <u>\$ 430,928</u> |

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