## **Nichols Aluminum Receives Environmental Award**

February 6, 2008 11:43 AM ET

HOUSTON, Feb. 6, 2008 (PRIME NEWSWIRE) -- Quanex Corporation (NYSE:NX), an industry-leading manufacturer of value-added engineered materials and components serving the Vehicular Products and Building Products markets, announced today that its Nichols Aluminum Davenport (NAD) plant was given a "Return on Environment Award" by General Electric Water & Process Technologies. The award is given to customers of the GE division that successfully demonstrate striking a balance between environmental challenges and industrial demands of a global economy.

"The NAD team, through collaborative efforts with GE, was able to save millions of gallons of water and \$60,000 in wastewater treatment costs during the year," said Tom Brackmann, president of Nichols Aluminum. "Only about one percent of GE customers qualify for the award, which speaks volumes for the environmental advances our business has made."

Nichols Aluminum consists of two plants in Davenport, Iowa, one in Lincolnshire, Illinois, and one in Decatur, Alabama. Nichols Aluminum Casting (NAC), NAD's sister plant, handles the first part of the process of making aluminum sheet. NAC melts aluminum scrap and casts it into coiled aluminum sheet. These coils are then transported to NAD where they are rolled to thinner gauge, coated and cut into smaller coils used to manufacture products primarily for the building and construction markets.

For more information on Quanex Corporation or Nichols Aluminum visit www.quanex.com and www.nicholsal.com.

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

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 14, 2007) 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.

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