

REGISTRATION NO. 333-\_\_\_\_\_

=====

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

-----

QUANEX CORPORATION  
(Exact name of registrant as specified in its charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)

38-1872178  
(I.R.S. Employer  
Identification No.)

1900 WEST LOOP SOUTH, SUITE 1500  
HOUSTON, TEXAS  
(Address of Principal Executive Offices)

77027  
(Zip Code)

QUANEX CORPORATION EMPLOYEE STOCK PURCHASE PLAN  
(Full title of the plan)

-----

TERRY M. MURPHY  
QUANEX CORPORATION  
1900 WEST LOOP SOUTH, SUITE 1500  
HOUSTON, TEXAS 77027  
(Name and address of agent for service)

(713) 961-4600  
(Telephone number, including area code, of agent for service)

-----

With Copy to:

HARVA R. DOCKERY  
FULBRIGHT & JAWORSKI L.L.P.  
2200 ROSS AVENUE, SUITE 2800  
DALLAS, TEXAS 75201-9975  
(214) 855-8000

-----

CALCULATION OF REGISTRATION FEE

TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(2)	AMOUNT OF REGISTRATION FEE
Common Stock \$.50 par value	250,000(1)	\$21.4375	\$5,359,375	\$1,490
Rights to purchase Series A Junior Participating Preferred Stock	250,000(1)			

=====

(1) Represents additional shares and accompanying Rights registered for purchase under the Quanex Corporation Employee Stock Purchase Plan (the "Plan"). The number of shares and accompanying Rights registered hereunder does not include the 200,000 shares registered under that certain Registration Statement on Form S-8, Reg. No. 33-57235, filed with the Commission on January 11, 1995.

(2) Pursuant to rule 457(h), the proposed maximum offering price is estimated, solely for the purpose of determining the registration fee, on the basis of the average high and low prices of the Common Stock on the NYSE on October 22, 1999.

=====

## PART II

## INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

This Registration Statement registers additional securities of the same class as other securities for which a registration statement on this Form (Registration No. 33-57235, the "Earlier Registration Statement") relating to the Quanex Corporation Employee Stock Purchase Plan (the "Plan") is effective. Pursuant to Instruction E to Form S-8, the contents of the Earlier Registration Statement are incorporated herein by reference.

## ITEM 8. EXHIBITS

- 4.1 Quanex Corporation Employee Stock Purchase Plan, as amended as of October 15, 1999
- 23.1 - Consent of Deloitte & Touche LLP.
- 24.1 - Powers of Attorney from certain members of the Board of Directors of the Company (contained on page II-3).

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on October 28, 1999.

## QUANEX CORPORATION

By: /s/ Vernon E. Oechsle  
-----  
Vernon E. Oechsle  
Chairman of the Board and Chief Executive Officer  
(Principal Executive Officer)

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each individual whose signature appears below constitutes and appoints Vernon E. Oechsle, James H. Davis, Terry M. Murphy, Viren M. Parikh and Thomas R. Royce, or any of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same and all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting said attorney-in-fact and agent, and any of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature -----	Title -----	Date ----
/s/ Vernon E. Oechsle ----- Vernon E. Oechsle	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	October 28, 1999
/s/ James H. Davis ----- James H. Davis	President and Chief Operating Officer (Principal Operating Officer)	October 28, 1999
/s/ Donald G. Barger, Jr. ----- Donald G. Barger, Jr.	Director	October 28, 1999
/s/ Susan F. Davis ----- Susan F. Davis	Director	October 28, 1999
/s/ Russell M. Flaum ----- Russell M. Flaum	Director	October 28, 1999

----- /s/ John D. O'Connell ----- John D. O'Connell	Director	October 28, 1999
----- /s/ Carl E. Pfeiffer ----- Carl E. Pfeiffer	Director	October 28, 1999
----- /s/ Vincent R. Scorsone ----- Vincent R. Scorsone	Director	October 28, 1999
----- /s/ Michael J. Sebastian ----- Michael J. Sebastian	Director	October 28, 1999
----- /s/ Terry M. Murphy ----- Terry M. Murphy	Vice President - Finance and Chief Financial Officer (Principal Financial Officer)	October 28, 1999
----- /s/ Viren M. Parikh ----- Viren M. Parikh	Controller (Principal Accounting Officer)	October 28, 1999

## INDEX TO EXHIBITS

EXHIBIT NUMBER -----	DESCRIPTION OF EXHIBITS -----
4.1	Quanex Corporation Employee Stock Purchase Plan, as amended as of October 15, 1999
23.1	Consent of Deloitte & Touche LLP.
24.1	Powers of Attorney from certain members of the Board of Directors of the Company (contained on page II-3).

As amended as of  
October 15, 1999

QUANEX CORPORATION

EMPLOYEE STOCK PURCHASE PLAN

1. The Quanex Corporation Employee Stock Purchase Plan ("Plan") which is to be administered by any transfer agent Quanex Corporation ("Quanex") may appoint ("Bank") is set out in this document.

To participate in the Plan, an individual:

- A. Must be a regular full time employee of Quanex or any of its subsidiaries;
- B. Must submit a Payroll Withholding Authorization ("Withholding Authorization") to the local Human Resources Department on or before the first day of the month in which the individual wishes to participate, authorizing Quanex to make the payroll deductions specified by the employee, subject to any minimum deduction set by Quanex; and
- C. Must submit to the Bank (through the local Human Resources Department) an Investment Authorization Card ("Investment Authorization"), authorizing the Bank to act as agent for the employee for purposes set out in Section 3.

3. The Bank will establish an account under the Plan ("Account") as agent for each individual who fulfills the conditions in Section 2 ("Participant") and will credit the following sources of cash to the Account for the purchase of full and fractional shares of Quanex Common Stock ("Plan Shares") for each Participant's Account:

- A. Employee payroll deductions received from Quanex;
- B. An amount from Quanex equal to 15 percent of each Participant's payroll deductions made on or after January 1, 1995 ("Quanex Contribution");
- C. Cash dividends received from Quanex on all Plan Shares in a Participant's Account at the time a dividend is paid; and
- D. Cash resulting from the sale of any Rights accruing to Plan Shares in the Participant's Account under Section 11.

The minimum contribution that an employee may make to his account is \$10.00 per pay period.

4. The Bank will apply the cash credited to the Participant's Account under Section 3 to the purchase of full and fractional Plan Shares and will credit them to the Participant's Account. In making these purchases the Bank may commingle the cash credited to all Participant's Accounts. The price at which the Bank is deemed to have acquired Plan Shares for a Participant's Account will be the average price, excluding brokerage and other costs of purchase, of all Plan Shares purchased by the Bank for all Participant's in the Plan during the calendar month.
5. Participants may elect to add to their Account any shares of Quanex Common Stock credited to their account under any plan that is similar to this Plan, whether offered to Quanex employees before or after the creation of this Plan. All shares will be held in the name of the Bank or its nominee as Plan Shares subject to the terms and conditions of this Plan.
6. The Bank will make reasonable efforts to apply the cash described in Section 3 that it receives as agent for the Participant to the purchase of Plan Shares on or promptly after the first day of the following month after receipt by the Bank, except as described in Section 7. Dividends received on Plan Shares and other amounts of cash credited to the Account will be aggregated with the employee payroll deductions and amounts contributed by Quanex received during the calendar month and applied to the purchase of Plan Shares.
7. The Bank will purchase Plan Shares in negotiated transactions or on any securities exchange where Quanex Common Stock is traded from time to time. The purchases will be on terms as to price, delivery and other matters, and will be executed through those brokers or dealers, as the Bank may determine. Under certain circumstances, observance of the rules and regulations of the Securities and Exchange Commission may require temporary suspension of purchases by the Bank or may require that a purchase be spread over a longer period than indicated in Section 6. In that event purchases will be made or resumed when permitted by the rules and regulations. In that event the Bank will not be accountable for its inability to make all purchases within the applicable period. If any Securities and Exchange Commission suspension of trading in Quanex Common Stock remains effective for 90 consecutive days, the Bank will remit to each Participant, promptly after the end of the period, all cash in the Participant's Account attributable to the Participant's payroll deductions, cash dividends paid to all Quanex stockholders and any sale of Rights pursuant to Section 11.
8. As soon as practicable after the cash credited to the Participant's Account has been applied to the purchase of Plan Shares (but in no event later than 20 calendar days after the purchase) the Bank will mail a statement ("Statement") to the Participant summarizing the transactions in the Participant's Account since the last Statement. The Bank will hold the Plan Shares of all Participants in its name or in the name of its nominee evidenced by as many or as few certificates as the Bank determines. No certificate representing Plan Shares purchased for a Participant's Account will be issued to the Participant unless he or she makes a request in

writing or until his or her Account is terminated and he or she makes the election described in Section 16. Certificates will not be issued for less than 10 shares unless the Account is terminated.

9. Quanex will pay all service charges, brokerage, costs of mailing and other charges incurred because of the purchase of Plan Shares.
10. Each Participant is responsible for all taxes (whether local, state or federal) due because of the Quanex Contribution, because of the payment of a dividend or because of the sale of Plan Shares credited to him or her. The Bank will timely prepare and forward to the Internal Revenue Service, the appropriate state and local authorities and the Participants the information returns required by the Internal Revenue Code and Regulations and all state statutes, presently Forms 1099-Div and 1099-B. All Quanex Contributions will constitute taxable income to the Participant to whose Account it is credited.
11. Any stock dividends and any shares received as a result of a stock split on any Plan Shares accumulated in a Participant's Account will, when received by the Bank, be credited to the Participant's Account. If Quanex makes available to the holders of Plan Shares (a) rights to purchase additional shares of stock, convertible debentures or other securities of Quanex or (b) securities of any other issuer ((a) and (b) collectively "Rights"), the Bank will sell those Rights received on Plan Shares credited to Participant's Accounts as soon as practicable and apply the proceeds to the purchase of additional Plan Shares for the Participant's Accounts unless a Participant directs the Bank prior to the payment date for the Rights to transfer all whole Rights accruing to the Plan Shares to the Participant; provided that the Bank will not sell any such Rights until they have become separated from Plan Shares, if applicable, and their sale is permitted under the terms of the rights and under applicable law. The price at which the Bank will be deemed to have sold any given set of Rights for a Participant's Account will be the average price, excluding commissions and other costs of the sale, of all of that given set of Rights sold by it for all Participants.
12. If a tender offer or exchange offer is commenced for Quanex Common Stock, the Bank, upon receipt of information with respect thereto as the holder of record of the Plan Shares, will either (i) forward, or arrange for the forwarding of, information provided by the offeror to holders of record of Quanex Common Stock to each Participant or (ii) provide to the offeror the name and mailing address of each Participant as reflected on the records of the Bank with instructions to mail such material to each Participant. The Bank will tender all or part of a Participant's Plan Shares in response to written instructions from the Participant in such form as the Bank may reasonably require and only if such instructions are received by the Bank at least five days (or such shorter period as may be required by law) prior to the termination of the offer. Unless the Bank has received instructions in accordance with the previous sentence, it will not tender a Participant's Plan Shares. Except to the extent disclosure is required to tender Plan Shares pursuant to proper written instructions, the Bank will maintain the confidentiality of a Participant's election to tender or not tender Plan Shares.



13. Participants may not add any shares of Quanex Common Stock held in their name to their Account except as permitted by Section 5.
14. The Bank will vote the Participant's Plan Shares as instructed by the Participant on a form to be furnished by and returned to the Bank at least five days (or such shorter period as the law may require) before the meeting at which they are to be voted. The Bank will not vote Plan Shares for which no instructions are received.
15. A Participant may request that the Bank sell (a) all or any part of his or her Plan Shares acquired before January 1, 1995, at any time, (b) all or any part of his or her Plan Shares acquired on or after January 1, 1995, at any time, if the Participant is employed by Quanex in a division or by a subsidiary of Quanex if a transaction occurs pursuant to which that division or subsidiary is no longer owned by Quanex, and (c) in any other event all or any part of his or her Plan Shares acquired on or after January 1, 1995, at any time after they have been held in his or her Account for at least 180 days. A Participant who wishes to sell any part of his or her Plan Shares may do so by giving notice to the local Human Resources Department, who will then forward the notice to Quanex's corporate office. Quanex will inform the Bank of the Participant's election to sell Plan Shares within five business days of the receipt by Quanex's corporate office of a notice from the employee. Upon receipt of the notice, the Bank, as the Participant's agent, will sell the number of Plan Shares specified in the Participant's notice within three business days of receipt by the Bank of instructions to sell the Plan Shares, and will deliver to the Participant the proceeds of the sale, less a handling charge, brokerage commissions, and other costs of sale. Whole and fractional shares may be aggregated and sold with those of other Participants, in which case the proceeds for each Participant will be based on the average sales price of all shares aggregated and sold. Any sale may, but need not, be made by purchase for other Accounts in which case the price will be the mean of the high and low selling price of Quanex Common Stock as reported on the principal stock exchange on which the stock is traded on the date of receipt by the Bank of the notice of the Participant's desire to sell Plan Shares or, if the stock is not traded on the date of receipt, the mean on the next prior date that it was so traded. Any fractional shares that are not sold will be paid for in cash at a price equal to the mean of the high and low selling prices of Quanex Common Stock as reported on the principal stock exchange on which Quanex Common Stock is traded on the date of receipt by the Bank of the notice of the Participant's desire to sell Plan Shares or, if the stock is not traded on the date of receipt, the mean on the next prior date that it was traded. If a Participant elects to sell all of his or her Plan Shares, that Participant will be deemed to have terminated participation in the Plan, and the provisions of Section 16 will apply.
16. Participation in the Plan may be terminated by Participants at any time by giving notice to the local Human Resources Department, who will then forward the notice to Quanex's corporate office. Quanex will inform the Bank of any Participant's election to terminate participation within five business days of the receipt by Quanex's corporate office of the notice from the employee. Upon receipt of the notice, unless a Participant makes a contrary election in written response to the Bank's notice of his Account, the Bank will send to him at no charge a certificate or certificates representing the full Plan Shares accumulated in his

Account and a check for the net proceeds of any fractional share in his Account. If a Participant elects to terminate, he may not rejoin the Plan for a period of six months from the date of the termination. In any case of termination, the Bank will, if the Participant elects, sell, as the Participant's agent, all or part of his shares within three business days of receipt by the Bank of instructions to sell his Plan Shares, and will deliver to him the proceeds of the sale, less a handling charge, brokerage commissions, and other costs of sale; provided that the Bank may not sell any Plan Shares acquired on or after January 1, 1995, if they have not yet been held in the Participant's Account for at least 180 days unless the Participant is employed by Quanex in a division or by a subsidiary of Quanex, if a transaction occurs pursuant to which that division or subsidiary is no longer owned by Quanex, in which event there is no 180 day restriction. Whole and fractional shares may be aggregated and sold with those of other Participants, in which case the proceeds for each Participant will be based on the average sales price of all shares aggregated and sold. Any sale may, but need not, be made by purchase for other Accounts in which case the price will be the mean of the high and low selling price of Quanex Common Stock as reported on the principal stock exchange on which the stock is traded on the date of receipt by the Bank of the notice of termination or, if the stock is not traded on the date of receipt, the mean on the next prior date that it was so traded. On termination, fractional shares accumulated in a Participant's Account which are not aggregated and sold will be paid for in cash at a price equal to the mean of the high and low selling prices of Quanex Common Stock as reported on the principal stock exchange on which Quanex Common Stock is traded on the date of receipt by the Bank of the notice of termination or, if the stock is not traded on the date of receipt, the mean on the next prior date that it was traded.

17. Quanex may amend this Plan at any time and the Bank may, with the consent of Quanex, amend this Plan. Quanex may terminate this Plan by giving the Bank 30 days written notice of termination. The Bank may terminate this Plan by giving Quanex 90 days written notice of termination. In addition the Bank may, with the consent of Quanex, or shall, if requested to do so by Quanex, appoint a successor to serve as agent for the Participants under the Plan. In any case the Bank and Quanex will cause a notice of the action to be mailed to each Participant. No action will have a retroactive effect that would prejudice the interests of the Participants. The terms and conditions of this Plan as in effect on the effective date of the appointment of the successor will be binding upon the successor.
18. Any notice, instruction, request, election or direction which, by any provision of the Plan, is required or permitted to be given or made by a Participant to the Bank must be in writing and should be given to the Participant's local Human Resources Department, who will then forward the notice to Quanex's corporate office; Quanex will then provide the Bank with the notice, instruction, request, election or direction within five business days of its receipt by Quanex's corporate office. Any notice, instruction, request, election or direction intended for the Bank will be deemed to be given or made when received by the Bank. If a Participant wishes to contact the Bank directly, he may do so by prepaid postage mail addressed to Quanex Corporation Employee Stock Purchase Plan, Institutional Trust and Agency Division, c/o Chemical Bank, 450 West 33rd Street, New York, New York 10001. Any notice or certificate which, by any provision of the Plan, is required or permitted to be given

by the Bank to a Participant, must be in writing and will be deemed to have been given or made when received by the Participant, or five business days after it has been mailed to the Participant's address as it last appears on the Bank's records.

19. The Bank will not be liable for any action which is in compliance with the terms and conditions of this Plan taken or omitted in good faith, including without limitation, any claim of liability:
  - A. Arising out of failure to terminate a Participant's Account upon the Participant's death or otherwise prior to the receipt of written notice of the event causing termination, accompanied by documentation deemed satisfactory by the Bank;
  - B. With respect to the prices at which Plan Shares are purchased or Plan Shares or Rights are sold for a Participant's Account and the timing and terms on which the purchase or sale is made; or
  - C. For the market value, or any fluctuation in the market value, after purchase of the Plan Shares or sale of Plan Shares or Rights for a Participant's Account.
20. Except as is expressly provided in this Plan, no Participant can sell, pledge, hypothecate or otherwise assign or transfer his Account, any interest in his Account or any cash or stock credited to his Account. Any attempt to sell, pledge, hypothecate, assign or transfer his Account, any interest in his Account or any cash or stock credited to his Account will be void.
21. A Participant who receives a financial hardship distribution from a qualified cash or deferred arrangement described in Section 401(k) of the Internal Revenue Code of 1986, as amended, that is maintained by Quanex or any of its affiliates may not contribute to the Plan for a period of 12 months after receipt of the financial hardship distribution. The Participant must submit a new Withholding Authorization to the Human Resources Department in order to recommence contributions to the Plan after he has received the financial hardship distribution.
22. The Withholding Authorization, the Investment Authorization, and this Plan and its operation will be governed by and construed in accordance with the laws of the State of New York.

## CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

We consent to the incorporation by reference in this Registration Statement of Quanex Corporation on Form S-8 of our report dated November 23, 1998 appearing in the Annual Report on Form 10-K of Quanex Corporation for the fiscal year ended October 31, 1998.

DELOITTE & TOUCHE LLP

Houston, Texas  
October 28, 1999