

QUANEX CORP  
Form 4

September 26, 2006

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

**OMB APPROVAL**

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
DAVIS SUSAN F

(Last) (First) (Middle)

(Street)

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
QUANEX CORP [nx]

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/24/2006

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner  
☐ Officer (give title below) ☐ Other (specify below)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
☒ Form filed by One Reporting Person  
☐ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | Code                                 | V                                                                          | Amount                                                                                                             | (D)                                                                  | Price                                                             |

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

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
displays a currently valid OMB control  
number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities<br>Acquired (A) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Pr<br>Deri<br>Secu<br>(Instr. |
|-----------------------------------------------------|------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------|
|-----------------------------------------------------|------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------|

## Edgar Filing: QUANEX CORP - Form 4

|                                    | Derivative Security |            | or Disposed of (D) (Instr. 3, 4, and 5) |           | Date Exercisable | Expiration Date | Title        | Amount or Number of Shares |    |
|------------------------------------|---------------------|------------|-----------------------------------------|-----------|------------------|-----------------|--------------|----------------------------|----|
|                                    |                     |            | Code                                    | V (A) (D) |                  |                 |              |                            |    |
| Phantom Stock Units <sup>(1)</sup> | \$ 0 <sup>(2)</sup> | 09/24/2006 | A                                       | 41.528    | <sup>(3)</sup>   | <sup>(3)</sup>  | Common Stock | 41.528                     | \$ |
| Phantom Stock Units <sup>(4)</sup> | \$ 0 <sup>(2)</sup> | 09/24/2006 | A                                       | 8.306     | <sup>(3)</sup>   | <sup>(3)</sup>  | Common Stock | 8.306                      | \$ |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |
| DAVIS SUSAN F                  | X             |           |         |       |

## Signatures

Susan F. Davis by John J. Mannion,  
POA 09/26/2006

**\*\*Signature of Reporting Person**

Date \_\_\_\_\_

## Explanation of Responses:

- \* 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).

- (1) Units that are credited to the participant's 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.

- (2) 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 received a benefit from the Deferred Compensation Plan for any reason other than death, disability or retirement within three years after a deferral is

- (3) 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 specific date selected by the participant or upon a participant's death, disability or termination of employment.

- (4) 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.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.