

## **Quanex Announces Expansion at MACSTEEL -- Heat Treat Facility**

January 10, 2006

HOUSTON, Jan. 10, 2006 (PRIMEZONE) -- Quanex Corporation (NYSE:NX), an industry leading manufacturer of value-added engineered materials and components for the Vehicular Products and Building Products markets, announced today that its Board of Directors approved a \$6.2 million expansion at the MACSTEEL -- Heat Treat operation in Huntington, Indiana.

Specifically, the approved expansion will add a fourth quench & temper line with induction heating similar to the facility's existing three lines. It will also involve a building expansion and a new high speed, state-of-the-art, precision cutting line for specific product applications.

Mark A. Marcucci, president of MACSTEEL, noted, "MACSTEEL's Heat Treat business has grown significantly in recent years because of its commitment to meeting customer needs. This expansion project, scheduled for completion in early 2007, will add 16,000 tons of additional bar and tube capacity, increase the size range of our products, and expand our value-added services."

MACSTEEL, part of the Vehicular Products segment of Quanex Corporation, is headquartered in Jackson, Michigan and operates manufacturing facilities in Jackson and Monroe, Michigan and Fort Smith, Arkansas, and processing facilities in Huntington, Indiana and Pleasant Prairie, Wisconsin.

Quanex, founded in 1927 and based in Houston, Texas, is listed on the New York Stock Exchange under the symbol NX. For further information, visit the Company's website at www.quanex.com.

Statements that use the words "expect," "should," "may," "could," "will," "might," or similar words reflecting future expectations or beliefs are forwardlooking statements. The statements above are based on Quanex's current expectations. Actual results or events may differ materially from this press 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 of December 21, 2005, under the Securities Exchange Act of 1934, in particular, the sections titled "Private Securities Litigation Reform Act" contained therein.

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

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