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**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): February 13, 2008**

**QUANEX CORPORATION**

(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other Jurisdiction of Incorporation)	<b>1-5725</b> (Commission File Number)	<b>38-1872178</b> (IRS Employer Identification No.)
<b>1900 West Loop South, Suite 1500, Houston, Texas</b> (Address of Principal Executive Offices)		<b>77027</b> (Zip Code)

Registrant's telephone number, including area code: **713-961-4600**

(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 7.01. Regulation FD Disclosure.**

On Thursday, February 14, 2008, Quanex Corporation will host an analyst day in New York City, New York. Raymond Jean, Quanex's chairman and chief executive officer, will lead the presentation to analysts and interested investors. The slides that will accompany Mr. Jean's presentation are attached hereto as Exhibit 99.1 and incorporated herein by reference.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

The slides attached hereto as Exhibit 99.1 contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included or incorporated herein may constitute forward-looking statements. Actual results could vary significantly from those expressed or implied in such statements and are subject to a number of risks and uncertainties. Statements that use the words "expect," "should," "believe," "will," "might," or similar words reflecting future expectations or beliefs are forward-looking statements. 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.

**Item 9.01. Financial Statements and Exhibits.**

Exhibit 99.1. Presentation to be presented on February 14, 2008

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**SIGNATURE**

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

**February 13, 2008**

(Date)

**QUANEX CORPORATION**

(Registrant)

**/s/ THOMAS M. WALKER**

Thomas M. Walker

*Senior Vice President — Finance and Chief Financial  
Officer, (Principal Financial Officer)*

**Exhibit Index**

Exhibit 99.1. Presentation to be presented on February 14, 2008



This presentation includes forward-looking statements about the prospects of Quanex Building Products Corporation.

Please refer to the Company's Form 10-12(b) filed on January 11, 2008.

February 14, 2008

**Quanex**  
*Building Products*

- I. **WELCOME – Separation Process & Introduction to Quanex Building Products**
- II. **NICHOLS ALUMINUM**
- III. **ENGINEERED PRODUCTS**
- IV. **FINANCIAL OVERVIEW**
- V. **RECAP**

- **On November 19, 2007, Quanex Corporation announced its plan to separate its Building Products and Vehicular Products businesses**
  - **Building Products to be spun-off to shareholders in a taxable transaction**
  - **Immediately following the spin-off, Quanex Corporation (consisting principally of Vehicular Products) to merge with Gerdau S.A.**
- **Allows Quanex Building Products to benefit from greater strategic focus and clarity in capital markets**
- **Offers Quanex Corporation stockholders the opportunity to continue to participate in growth prospects of Building Products**



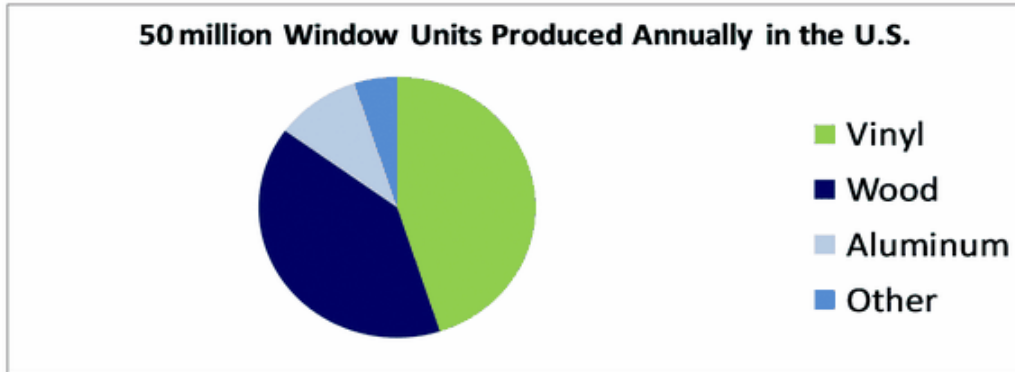
- **Anticipated Listing:** NYSE: NX
- **Distribution Ratio:** 1:1
- **Estimated Shares Outstanding:** 37.3 million <sup>(1)</sup>
- **Transaction Close:** Expected by end of 1<sup>st</sup> calendar quarter

(1) Based on the number of shares of Quanex Corp. common stock outstanding as of 12/31/07.

*Become North America's leading  
manufacturer of engineered  
building components sold to OEMs  
and distributors of building  
products*

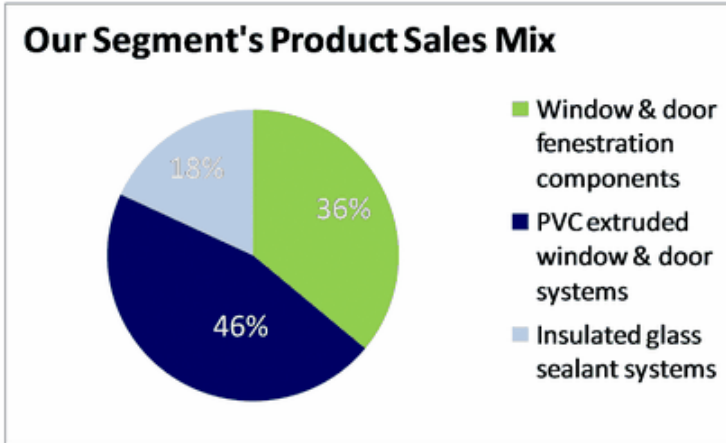
## Quanex Building Products - Engineered Building Products

Engineered Building Products segment produces window and door components and products for OEMs that primarily serve the residential building and remodeling markets

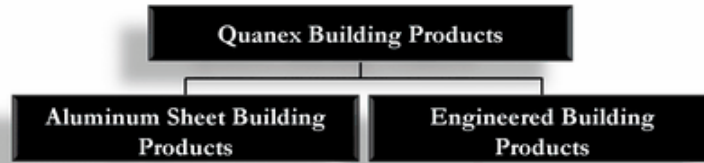


*And we supply the brand leaders!*

## Quanex Building Products - Engineered Building Products



*It's all about windows and doors!*



<b>PRODUCTS</b>	<ul style="list-style-type: none"> <li>Flat-rolled aluminum sheet               <ul style="list-style-type: none"> <li>Mill finished</li> <li>Painted</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>PVC extruded window &amp; door systems</li> <li>Window &amp; door fenestration components</li> <li>Insulated glass sealant systems</li> </ul>
<b>MARKETS<sup>(1)</sup></b>	<p>B&amp;C 60% T&amp;D 30% Other 10%</p>	<p>RR 60% RNC 40%</p>
<b>SALES (FY07)<sup>(2)</sup></b> <b>EBITDA / % MARGIN (FY07)<sup>(3)(4)</sup></b> <b>OP. INCOME / % MARGIN (FY07)<sup>(3)</sup></b>	<p>\$524 mm \$76 mm / 14% \$66 mm / 13%</p>	<p>\$458 mm \$72 mm / 16% \$44 mm / 10%</p>

(1) Management estimates for FY2007. B&C = Building & Construction, T&D = Transportation & Distribution, RR = Residential Remodeling, RNC = Residential New Construction.  
 (2) Source: Form 10-12(b) filed January 11, 2008. Prior to inter-segment eliminations.  
 (3) Prior to corporate overhead and LIFO charges.  
 (4) See reconciliation in Appendix A.



*Winnebago, IL*

- 143,300 sq ft
- 25 extruders
- 5,000 SKU's (694 dies), 13 colors
- Since 1967 / 98

*Kent, WA*

- PVC
- 331k sq ft
- 73 extruders
- 4,208 SKU's (1289 dies)
- 3 colors+ 5 cap colors
- Since 1973

*Kent, WA*

- Composites
- 16 extruders
- 533 SKU's (80 dies)
- 22 colors
- Since 1999



*Richmond, KY*

- 329,400 sq ft
- 49 extruders
- 887SKU's , (346 dies), 3 colors
- Since 1994





Barbourville,  
-Manufacturing  
Center  
-207K sq ft  
-Since 1997



Solon, OH  
-Headquarters & Technical  
Center  
-81K sq ft  
-Since 2007

The Dalles, OR

-70k sq ft  
-Since 2005

Debuque, IA

-70k sq ft  
-Since 2005



Mounds View, MN

-125k sq ft  
- Since 2002

Luck, WI

-70k sq ft  
Since 1982

Chatsworth, IL(2)

-120k sq ft  
-Since 1945

Rice Lake, WI

-320k sq ft  
-Since 1972

Richmond, IN

- 92k sq ft  
- Since 1985

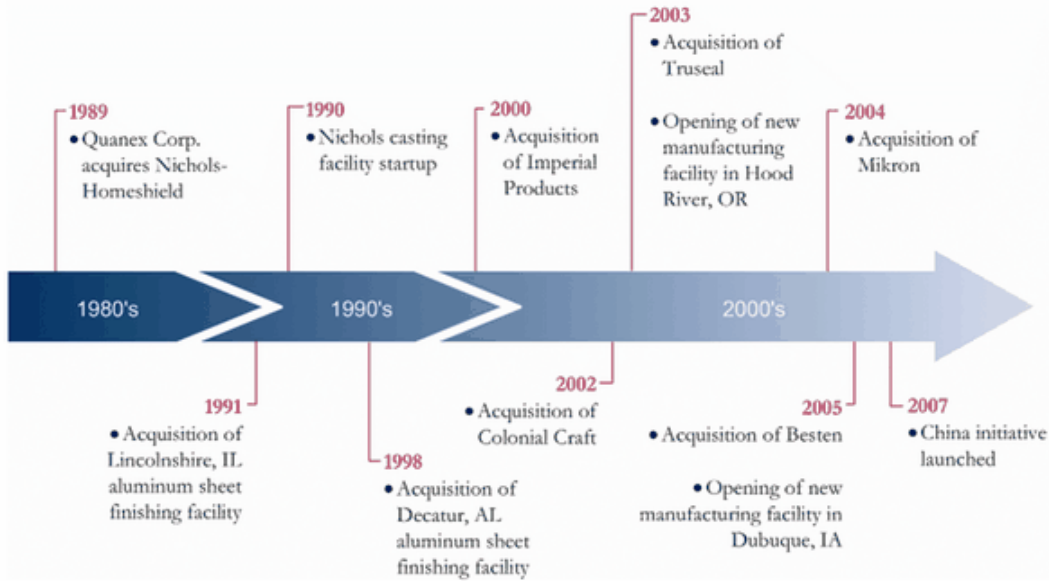


## Seasoned Management Team

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<b>NAME</b>	<b>RESPONSIBILITY</b>	<b>YEAR JOINED COMPANY</b>	<b>RELEVANT EXPERIENCE</b>
<b>Raymond Jean</b>	Chief Executive Officer	2001	40 years
<b>Tom Walker</b>	Chief Financial Officer	2006	35 years
<b>Kevin Delaney</b>	General Counsel	2003	17 years
<b>Paul Hammonds</b>	Corporate Development	2005	25 years
<b>Jeff Galow</b>	Investor Relations	1993	25 years
<b>Thomas Brackmann</b>	Aluminum Sheet Building Products	1998	23 years
<b>Mark Hermann</b>	Engineered Building Products	1973	34 years
<b>August J. Coppola</b>	Engineered Building Products	1974	37 years
<b>David Wemmer</b>	Engineered Building Products	2006	31 years

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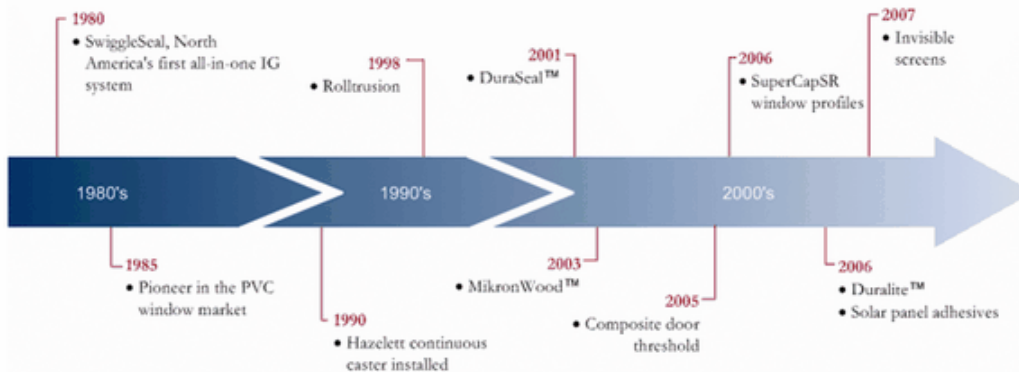




**Focus on Innovation:**

*Close Technical Collaboration with Customers    Design Engineers    Rapid Prototype Development*  
*Tooling Specialists    Manufacturing Flexibility    Chemists    Life-Cycle Testing*

**Product /Process Introductions**



- Culture of continuous process improvement
- Broad application of Lean manufacturing principles
  - Value mapping
  - Standardized work techniques
  - Six Sigma methodologies
  - Kaizen events



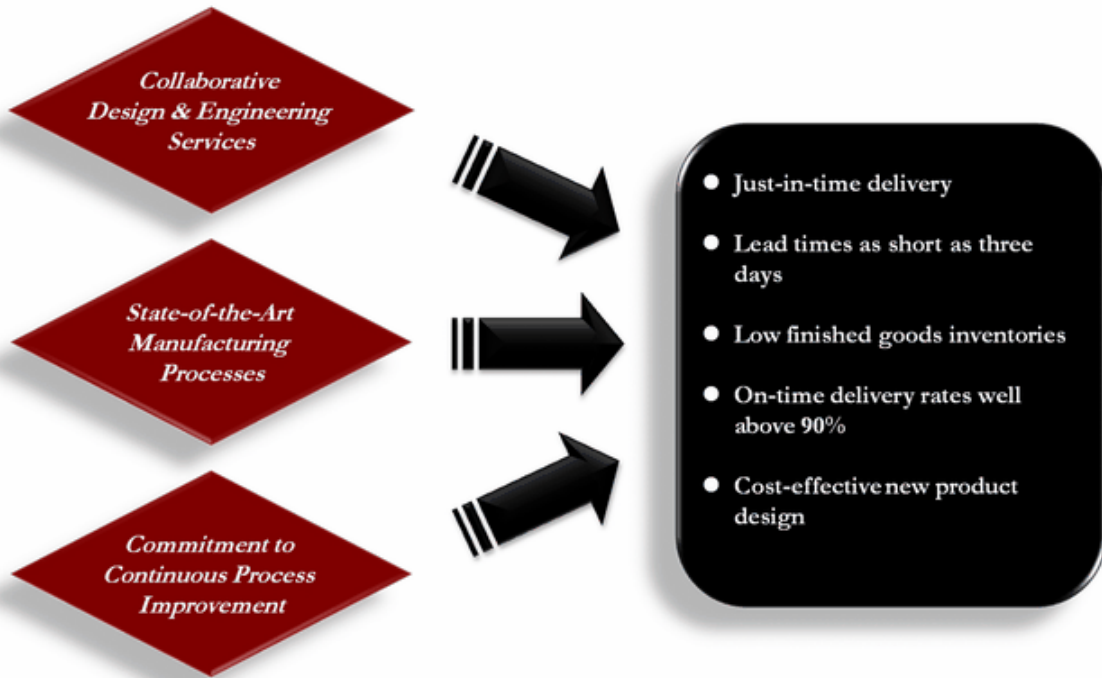
*Specialized Products*

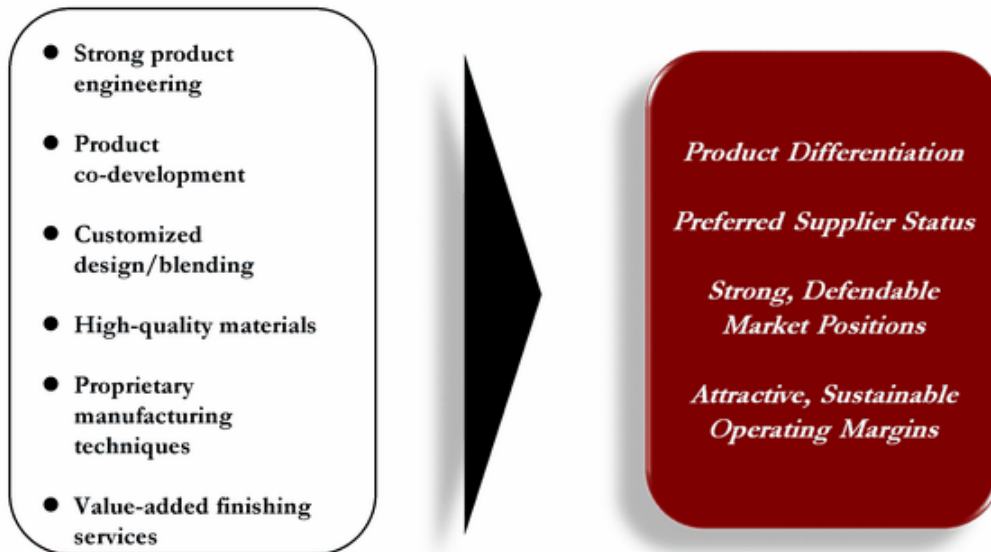
*Competitive Prices*

*Low Cost Positions*

*Short Lead Times*

*Best-in-Class Service & Logistics*





# Tom Brackmann

Aluminum Sheet Building Products

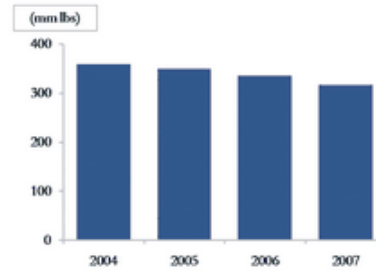


## Overview

**Nichols Aluminum is a leading scrap-based manufacturer of coated and mill finish aluminum sheet products**

- Offers a full range of gauge, width, alloy, temper and finish specifications
  - 360 mm lbs/yr capacity
- Provides value-added services such as leveling, slitting and coil coating
- Supplies non-heat treatable flat-rolled aluminum sheet to the world's leading aluminum sheet processors
- World class scrap processing capabilities
- As a scrap-based operator, Nichols consumes much less energy than producers of primary aluminum and therefore generates a much lower level of greenhouse gas emissions
- Committed to the Continuous Improvement process

NICHOLS VOLUMES SOLD



## Leading Market Share

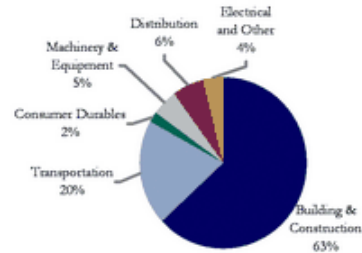
Nichols currently holds a 17% overall market share of the key building and construction sheet segment

- Manufacturing facilities tailored to support the building and construction market needs (alloy, scrap and caster capabilities coupled with finishing equipment)
- Building and construction segment is growing at a higher rate than the overall non-heat treated sheet segment

MARKET POSITION (2006)

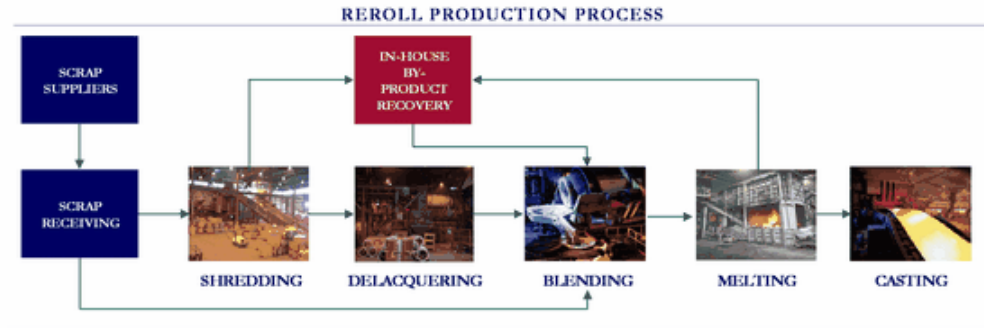
SECTOR	USES	MARKET SIZE (MM LBS)	NICHOLS MARKET SHARE
BUILDING AND CONSTRUCTION	■ Doors and windows	1,250	17%
	■ Screen frames		
TRANSPORTATION	■ Awnings and canopies	750	9%
	■ Siding/soffit/trim		
	■ Semi trailers		
	■ Small trailers		
MACHINERY AND EQUIPMENT	■ Passenger cars/trucks	145	18%
	■ RV/mobile homes		
	■ Irrigation pipe		
ELECTRICAL	■ Pipe jacketing	175	6%
	■ Ladders		
	■ Lighting fixtures		
	■ Electronic equipment		
OTHER	■ Flexible conduit	1,470	2%
	■ Consumer electronic parts		
	■ Appliances		
	■ Furniture tube stock		

SALES MIX BY PRODUCT (2007)



## State-of-the-Art Manufacturing Capabilities

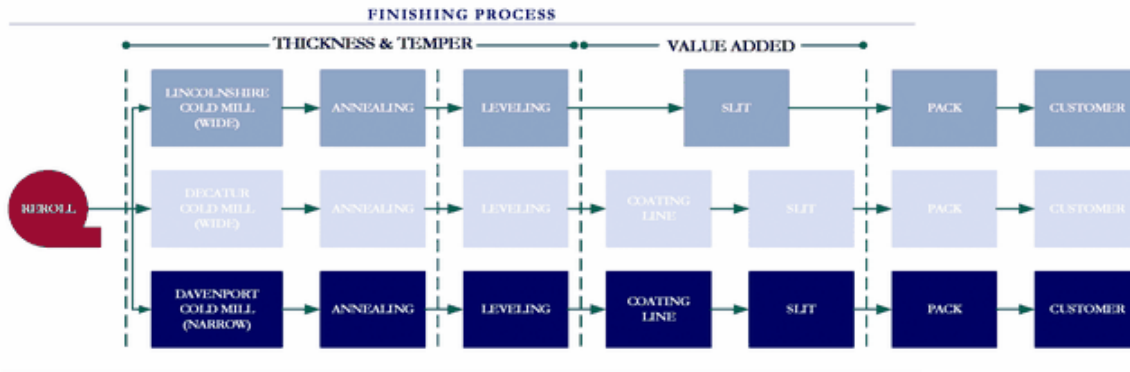
Nichols is able to efficiently convert low-grade aluminum scrap into usable aluminum through various manufacturing processes



- 450 mm lbs/year aluminum casting capacity
- Two heavy duty scrap shredders
- Three primary melt furnaces
- Two Rotary Barrel furnaces (by-product recovery)
- Custom scrap blending system
- State-of-the-art Hazelett continuous thin slab caster

## State-of-the-Art Manufacturing Capabilities (cont'd)

Nichols' finishing capabilities, particularly custom coating, is a source of competitive advantage



- 360 mm lbs/year finishing capacity
- Value-added finishing services performed at rolling mills in Davenport, IA; Lincolnshire, IL and Decatur, AL
  - Cold rolling to gauge, leveling, custom coating and slitting to width and coil size
- Paint blending systems at Davenport allow for shorter lead times and smaller quantities
- Enables customization of products to meet customers' stringent requirements and specific needs

## Facilities Overview

Nichols operates four world-class facilities centrally located in the U.S.



### Davenport, IA (HQ)

<i>Finishing</i>	<i>Casting</i>
<i>236K sq ft</i>	<i>300K sq ft</i>
<i>Since 1900s</i>	<i>Since 1991</i>

### Decatur, AL

*410K sq ft*  
*Since 1957*

### Lincolnshire, IL

*142K sq ft*  
*Since 1966*



## Key Products – Mill Finish & Painted Sheet

**Nichols offers a broad range of scrap-friendly, flat-rolled aluminum sheet products to meet its customers' specific gauge, width, alloy, temper and finish requirements**

- Coated and mill finish products represent about 40% and 60% of total volume produced, respectively
  - Within coated products, narrow and wide represent about half of the volume
- In recent years, Nichols has increased its focus on producing and selling coated aluminum sheet products
  - Highly valued by Nichols' customer base and generates margins 40% higher on average than comparable mill finish products
  - Offers custom polyester paint blending with short lead times and small quantities

## Diverse Customer Base

Nichols has developed a large, well-established customer base

- Nichols sells its products to many well-known OEM manufacturers in its target markets
- In 2007, Nichols' top five customers accounted for 42% of total sales, with two customers accounting for about 15% of sales each.
- The majority of Nichols' key customer relationships have been in place for over 10 years
  - Some relationships date back nearly 40 years

TOP 10 CUSTOMERS (2007)

		2007
CUSTOMER	APPLICATION	% TOTAL SALES
A	BP	
B	BP & Trans	13.3%
C	Penetration	3.9%
D	Penetration	3.7%
E	Rainware	3.7%
F	Rainware	3.6%
G	Trans	2.9%
H	BP	2.5%
I	Trans	2.5%
J	BP & Trans	1.9%
<b>Total</b>		<b>33.6%</b>

## Key Competitors

Management believes Nichols is one of the most profitable aluminum sheet producers in North America

- Nichols' relative strengths include:
  - World-class scrap processing capabilities and higher scrap utilization than competitors
  - Relative to others, Nichols is tightly focused on the "sweet spot" of the sheet market
  - Internal scrap processing
  - Higher % of value-added products (coated vs. mill finish)
  - Hazelett caster
- Income/lb nearly twice that of our closest competitor

KEY COMPETITORS		
COMPANY	ANNUAL SALES <sup>(a)</sup> (\$ MM)	COMMENTS
Alcoa	\$8,297	■ Largest player in North America
Aleris	1,358	■ Privately held by TPG
JW Aluminum	400	■ Focused on the foil and fin stock. Owned by Wellspring Capital
Jupiter	300	■ Hazelett-based producer, based in Indiana. Privately held by Dietrich Gross

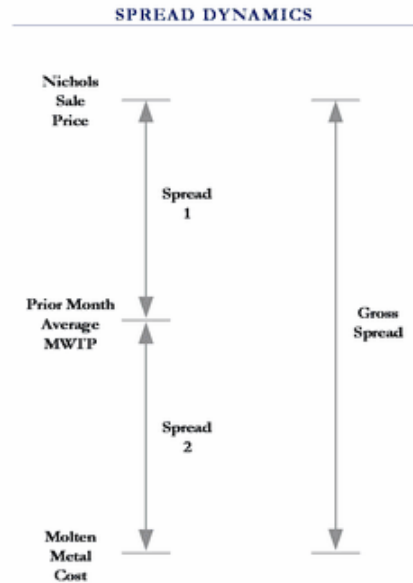
(a) Based on public information for the year ended 12/31/06 and management estimates.



## Aluminum Pricing & Net Spread

Nichols pricing is influenced by multiple market factors

- Nichols defines gross spread as the difference between gross sales and the metal cost of the materials sold
  - For each pound of aluminum sold, gross spread is classified into two components – Spread 1 and Spread 2
- **Spread 1 (Value-add Spread):** the difference between Nichols' sale price and MWTP. Spread 1 can be interpreted as the value Nichols adds to aluminum beyond that of the material in its commodity form
  - Set by the sheet market dynamics
- **Spread 2 (Scrap Spread):** the difference between MWTP and Molten Metal Cost ("MMC"). Spread 2 can be interpreted as the value Nichols gains by purchasing scrap aluminum rather than aluminum ingot
  - Function of commodity price (MWTP) and scrap market dynamics



## Global Aluminum Outlook

**Management projects the benchmark LME aluminum price to remain well above the historical average for several reasons**

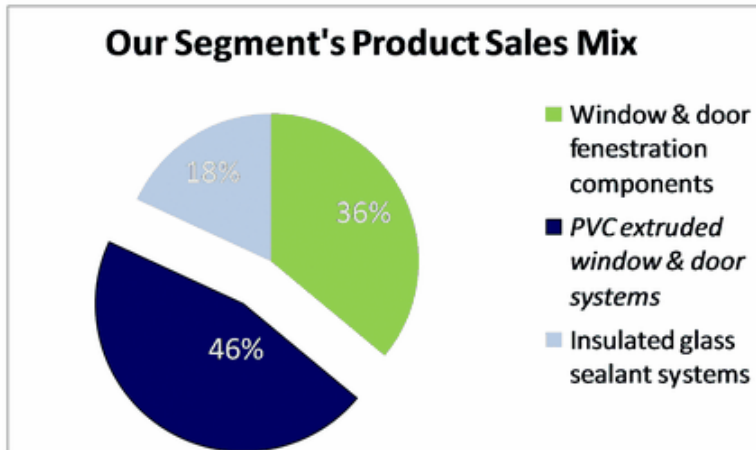
- Cost of electricity and natural gas, which is consumed intensely throughout the extended primary aluminum production cycle, expected to remain high over the foreseeable future
- Growing global demand for aluminum also supports historically strong LME
  - Industry analysts forecast a doubling of demand from 2005 to 2020
  - Requires building three large smelters every year
- As aluminum is denominated in U.S. dollars, the continued weakness of the currency will add additional pressure on the commodity price of aluminum
- Non-fundamental price factors (commodity investment)

### Quanex Building Products - Investment Highlights Nichols Aluminum

- Major Supplier to building product OEMs
- World class scrap processing
- Highest scrap utilization among competitors
- Significant percentage of value added coated products
- Strong cash flows

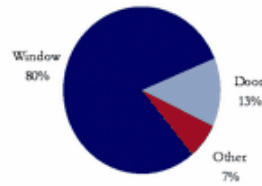
# David Wemmer

Engineered Products – Extruded Components



**North America's largest designer and manufacturer of PVC windows and door systems**

- North American OEM residential new construction and remodeling/replacement markets
  - Direct shipments to fabricators
- 150 custom designed window and patio door systems supporting 235 customer locations
  - Patented products
  - Proprietary systems
- Developing market opportunities:
  - Wood-alternative materials with MikronWood™
- Core competency: integrated systems design and technical development
- Dedicated to lean manufacturing and continuous improvement process

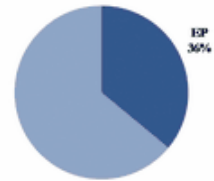


## Leading Market Share

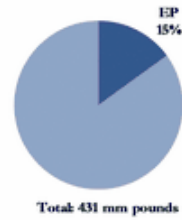
Estimated 23% of overall market share of the U.S. vinyl window market

- U.S. vinyl window and patio door demand projected to be 38MM units in 2007 - 59% of total market
  - More energy-efficient than aluminum
  - More rot resistant than wood
- Extruded product sales
  - 65% new construction
  - 35% remodeling & replacement

NEW CONSTRUCTION  
MARKET SHARE



REMODELING/REPLACEMENT  
MARKET SHARE



## Strong Customer Relationships




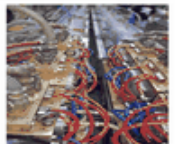
**Focused on maintaining long-term relationships with the leading window fabricators in North America**

- Top ten accounts average 10+ years - 85% of sales
- More than 125 active customers in 235 locations throughout North America
- Majority are exclusive in nature and governed under long-term supply arrangements
- Majority of customers:
  - Utilize proprietary window system designs that we own
  - Utilize materials produced with tooling that we own

Top 10 customers (2007)			
CUSTOMER	TYPE	YEARS	% OF SALES
A	National	18	28
B	National	16	26
C	National	25	9
D	Regional	16	6
E	Regional	25	4
F	National	7	4
G	Regional	12	2
H	Regional	12	2
I	Regional	21	1
J	Regional	15	1

**State-of-the-Art Extrusion Manufacturing Capabilities**




Our commitment to best-in-class manufacturing allows us to deliver high quality products to its customers at competitive prices

<p><b>HIGHLY AUTOMATED EXTRUSION MANUFACTURING</b></p>	<ul style="list-style-type: none"> <li>■ Computer-controlled material feed system</li> <li>■ Single and dual-extrusion technology to optimize production efficiency and output</li> <li>■ Proven cooling technology holds precision tolerances</li> </ul>	
<p><b>PROCESSES MEET RIGOROUS QUALITY STANDARDS</b></p>	<ul style="list-style-type: none"> <li>■ Surface and dimensional quality checks on plant floor utilize the latest digital imaging software and measurement techniques</li> <li>■ Statistical Process Control ("SPC") techniques used at all manufacturing facilities</li> </ul>	
<p><b>MANUFACTURING FACILITIES PROVIDE SEAMLESS DISTRIBUTION</b></p>	<ul style="list-style-type: none"> <li>■ 24/7 operations</li> <li>■ 163 high speed, multiple strand extruders</li> <li>■ Strategically located manufacturing facilities allow for short delivery lead times to all regions in North America</li> </ul>	
<p><b>ON-GOING EMPHASIS ON COST REDUCTION</b></p>	<ul style="list-style-type: none"> <li>■ Emphasis on rapid die changeover (currently averaging approximately 60 minutes)</li> <li>■ Highly successful internal and external scrap recovery process</li> <li>■ On-going implementation of Lean initiatives (reduce manhours/lb)</li> </ul>	



**World Class Tooling & Design Capabilities**

Advanced tooling and design capabilities are a distinct competitive advantage in the marketplace

<p><b>BEST-IN-CLASS DESIGN</b></p>	<ul style="list-style-type: none"> <li>■ 12-person team dedicated to window and door design and extrusion technology</li> <li>■ Computer-aided design and engineering systems utilized to meet specific customer requirements</li> <li>■ Large library of profile window designs in the industry</li> <li>■ Rapid prototype modeling capabilities</li> </ul>	
<p><b>ADVANCED MACHINING TECHNIQUES</b></p>	<ul style="list-style-type: none"> <li>■ Computer controlled machining via 20 wire EDMs and five CNC milling centers, electronically linked to profile design systems</li> <li>■ 24/7 operations, with 300 tool capacity</li> <li>■ Base of 3,000 active production tools</li> <li>■ SPC techniques employed at all levels of production</li> </ul>	
<p><b>BEST QUALITY MATERIALS</b></p>	<ul style="list-style-type: none"> <li>■ Best tooling materials deliver tight extrusion dimensions and longer-lasting production repeatability</li> <li>■ High grade 420 stainless steel, imported from Swiss manufacturers</li> <li>■ Aircraft-grade aluminum delivered on an JIT basis in cut sizes</li> </ul>	

## MikronBlend™: Not All Vinyl is Created Equal

Engineered Products' focus on quality and continuous improvement ensures that MikronBlend™ consistently outperforms competing vinyl products

- MikronBlend™ vinyl extrusions exceed American Architectural Manufacturers Association ("AAMA") certification standards for weathering, color retention and durability as well as other industry standards
- Weathering performance in high heat climates is best in class, with a twenty-year track record
- Utilizes several proprietary technologies to achieve mechanical and aesthetic performance
- Builds customer confidence, allowing customers to develop and enhance their own brands



Actual, unaltered photo of samples after 1 year equivalent UV accelerated weathering Xenon-Arc.

## New Products – Solar Reflective Coatings™ & SuperCapSR™

Recently developed two new products to protect against the effects of the sun

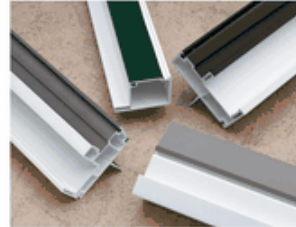
### ■ Solar Reflective Coatings™

- Solar heat-reflective pigment system which reflects rather than absorbs infrared light
- Special formulation of acrylic and polyurethane resins creates a tough and durable finish
- Additional adhesion and durability from multi-stage pre-cleaning and two-part catalyzed coating that is oven-cured
- 50%+ premium pricing over white (profile coverage dependant)
- Four colors for application on both PVC and composite

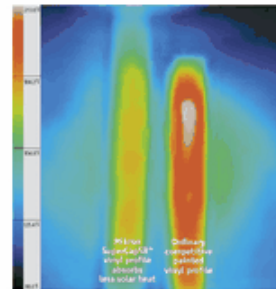
### ■ SuperCapSR™

- Competitively unique, patent-pending, low solar heat absorbing technology
- Molecularly-fused color layer provides superior scratch resistance
- 60%+ premium pricing over white (profile coverage dependant)
- Four colors for co-extrusion on PVC with composite capability in development

### SOLAR REFLECTIVE COATINGS™



### SUPERCAPSR™



**New Products – MikronWood™**

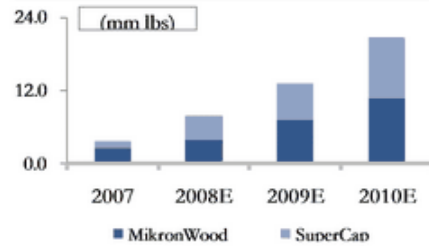
**MikronWood™ is a proprietary, composite, “better than wood” window alternative**

- Offers fabricators a higher price point, value-added alternative to wood
- Produced from a patent-pending tri-polymer, thermoplastic PVC alloy capped with our exclusive SuperCap technology
- Offers significant benefits over traditional PVC and wood
  - Better insulation and lower heat transfer than wood, PVC or fiberglass
  - Protects from moisture absorption, eliminating rot and increasing durability
  - Stable product composition in higher heat environments
  - Smooth, weather-able finish that does not require painting
- Aimed at penetrating new construction and remodeling/replacement markets, focusing on regional fabricators
  - Customer base expansion offers volume growth opportunity for both profiles and window blinds
- Window system offers value-added real wood interior veneers and SRC exterior colors

**MIKRONWOOD™**



**MIKRONWOOD™ / SUPERCAP SR VOLUMES**



**Growth Opportunities – Remodeling/Replacement**

**Opportunity to increase penetration in the remodeling/replacement window market**

- Serve existing customers' remodeling/replacement requirements
  - Leverage product design and marketing experience
  - Utilize market planning partnering and product line improvements
  - Promote "turn-key" standardized profile systems
- Add new customers by developing market-specific product line designs
  - Enhance product systems
  - Create incentives
- Leverage proprietary new color technologies – SuperCapSR™, SRC™ coatings

**GROWTH OPPORTUNITIES**

**SuperCapSR**

**Vinyl Color Technology**




**Growth Opportunities – Market and Share Growth**

**Opportunity for geographic market expansion**

- Vinyl segment of the window market expected to grow relative to other materials
- Expand vinyl penetration in Sunbelt markets
  - Capitalize on stricter energy codes
  - Target markets with substantial aluminum presence
- Expand internationally
  - Capitalize on currently favorable currency rates

**GROWTH OPPORTUNITIES <sup>(a)</sup>**

Vinyl windows are 40%+ more energy efficient—Vinyl windows deliver a typical U-factor of 0.35 vs. 0.60 for aluminum\*

 <b>World's Best Window Co.</b> Minimum 200+ Star Home Double-Pane, 48"x24", Low-E Product Type: Vinyl Sided	
<b>ENERGY PERFORMANCE RATINGS</b>	
U-Factor (U.S.I-F) <b>0.35</b>	Solar Heat Gain Coefficient <b>0.32</b>
<b>ADDITIONAL PERFORMANCE RATINGS</b>	
Moisture Resistance <b>0.51</b>	Air Leakage (U.S.I-F) <b>0.2</b>
Condensation Resistance <b>51</b>	—

*(a) Source: The Efficient Window Collaborative*

**Growth Opportunities – Category Expansion**

Opportunity to grow by adding new products and value-added services

- Leverage existing customer relationships to expand SuperCapSR™ and SRC™ color technologies
- Use proprietary new color technologies to attract new PVC customers
- Continue to grow MikronWood™ composite business – in window coverings, and window systems
- Drive key customer cost savings by partnering to integrate our fabrication processes



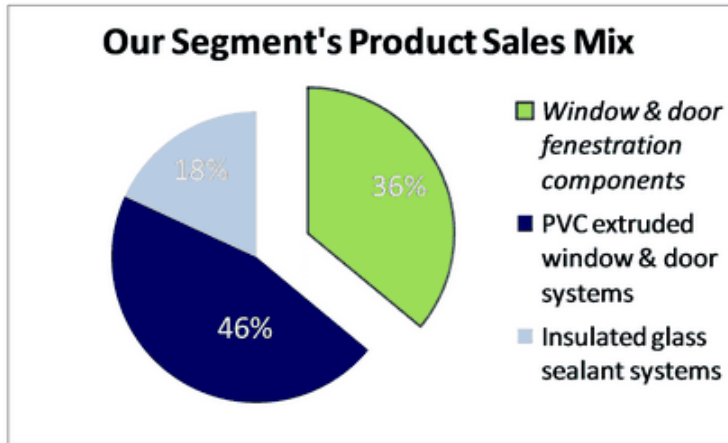
## **Quanex Building Products – Investment Highlights Extruded Products**

- **Market Leader**
- **Strong Customer Relationships**
- **Proprietary Product Offerings**
- **Outstanding Product Development Capabilities**
- **Material Science that Makes a Difference**



# Mark Hermann

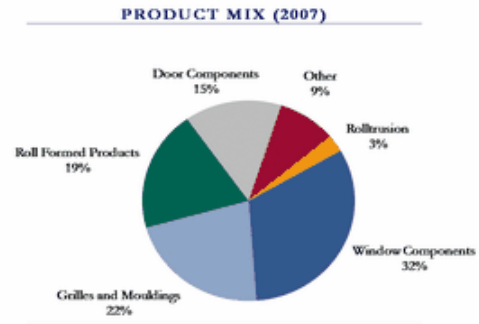
Engineered Products – Fenestration Components



## Overview

**Engineered Products is a leading fenestration component supplier with more than 60 years of industry experience**

- Manufactures a broad range of window and door components sold to industry-leading window, patio and entry door OEMs
  - Largest manufacturer of wood window insect screens in the U.S.
  - Sole supplier of screens and grilles to the nation's largest wood window company
- Focused on maintaining strategic relationships with a targeted base of industry-leading customers
- Partners with strategic customers to develop and design products
- Committed to lean manufacturing and continuous improvement

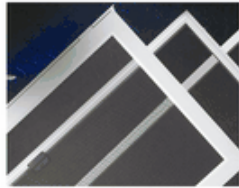


## Key Products & Markets

Engineered Products is an integrated manufacturer of window screens and screen door systems that are primarily sold to large window and door OEMs

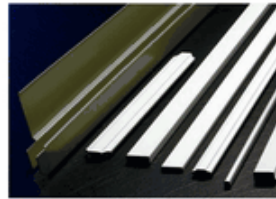
### WINDOW AND DOOR SCREENS

- 37% market share of wood window screens and 45% market share of wood patio door screens in 2006
- Operates as a total solutions supplier for its window and door customers, which enables premium pricing
- Strong customer collaboration for design, manufacturing and introduction of new products



### WINDOW COMPONENTS

- Products include:
  - Frames
  - Cladding
  - Steel reinforcement bars
  - Divided light systems
  - Aluminum/stainless steel glass spacers
- Provides customers with in-house tooling, engineering design assistance and logistical support
- 20% market share of roll formed spacer in 2006



## Key Products & Markets (cont'd)

Fenestration Components also manufactures a broad range of wood grilles, architectural mouldings and door components

### WOOD GRILLES & ARCHITECTURAL MOULDINGS

- 22% of 2007 sales
- 16% market share
- Exclusive supplier to the world's largest wood window manufacturer
- Operates as a total solutions supplier for its window and door customers, which enables premium pricing
- FSC certified provider of wood mouldings



### DOOR COMPONENTS

- 15% of 2007 sales
- Products include patio door systems, astragals and thresholds
- 10% share of entry door threshold market in 2007
  - Expected to grow to 20% by 2010
- Recent strategic focus on high-performance engineered entry door systems
- Signed a three-year supply agreement with a customer to support 100% of their new threshold product line requirements

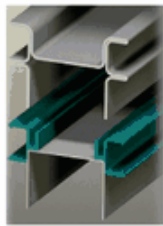


## Key Products & Markets (cont'd)

Engineered Products has also developed a proprietary manufacturing process, **Rolltrusion™**, to combine the benefits of roll formed metal with thermoplastics

### ROLLTRUSION™ PRODUCTS

- Process combines roll formed metal with extrusion grade thermoplastic
- Provides customers with the strength and dimensional stability of metal and the design flexibility and color options offered by plastics
- Rolltrusion™ sales have more than tripled in the past four years



### OTHER

- Engineered Products leverages its existing customer relationships to offer a broad range of other unique products and solutions including:
  - Sill base
  - Fireplace screens
  - Terrarium screens
- These products are developed on an opportunistic basis, often in response to direct customer inquiries

## Industry Leading Customers



Cardinal Glass Industries



## Strong Customer Relationships

Fenestration Components maintains attractive margins and growth by providing a full orchestration of customer service, product development and just-in-time delivery

- Engineered Products senior management closely interacts with its customer base
- Create long-term, value-added relationships with key customers
  - Six of the top ten customers in 2006 have each been customers for over a decade
- 60% of the business is under a long-term supplier agreement
- Several new facilities are located within close geographic proximity to key customer manufacturing locations
  - Reduces lead times and enables JIT delivery directly to customers' production lines
  - Ensures world-class quality, service and delivery levels
  - Enables dedicated engineering resources on a specific account basis

TOP 10 CUSTOMERS (2007)

CUSTOMER	TYPE	%	
		TOTAL	YEARS
A	OEM	45.3%	58
B	OEM	9.7%	9
C	OEM	7.3%	21
D	OEM	4.4%	3
E	OEM	4.3%	1
F	OEM	2.5%	2
G	OEM	2.1%	9
H	OEM	2.1%	14
I	Distributor	1.5%	18
J	OEM	1.0%	24
<b>Total</b>		<b>80.1%</b>	

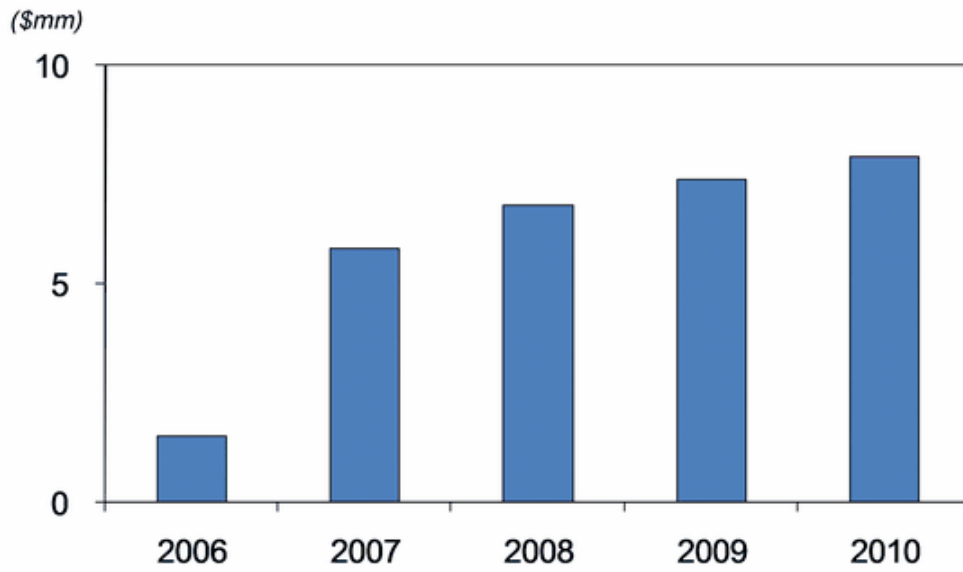
## **Product Growth – Enhanced Visibility Screens**

**Our partnership with a key customer to create enhanced visibility screens exemplifies the strength of their “customer-intimate” approach**

- This screen is a revolutionary product that is almost invisible compared to traditional screen products
- Customer is implementing market promotions including print media, television advertising and in-store displays at “Big Box” outlets



## ENHANCED VISIBILITY SCREEN SALES



*Real growth in a down market*

### Product Growth – DP40 Door Thresholds

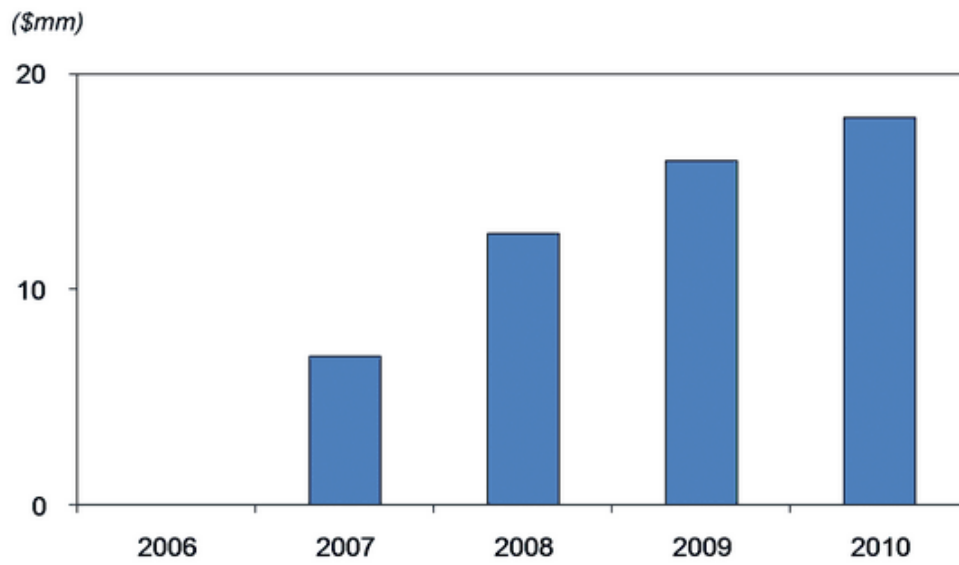
**Product innovation and engineering efforts have yielded an industry-changing product**

- Jointly developed with a major customer, our threshold enables the production of an exterior door line that provides unparalleled air and water infiltration performance
  - Partnership achieved a third-party certification on over 60 different door configurations with a DP40 rating
- This total design solution has allowed our customer to brand a system that provides superior performance at a competitive price
- Our customer's sales and market share have increased in this down market since the product's introduction
- This new product has heightened awareness within the industry of Engineered Products' superior engineering and design capabilities
  - Exclusive three-year supply agreement to support 100% of our customer's program requirements

DP40 Threshold

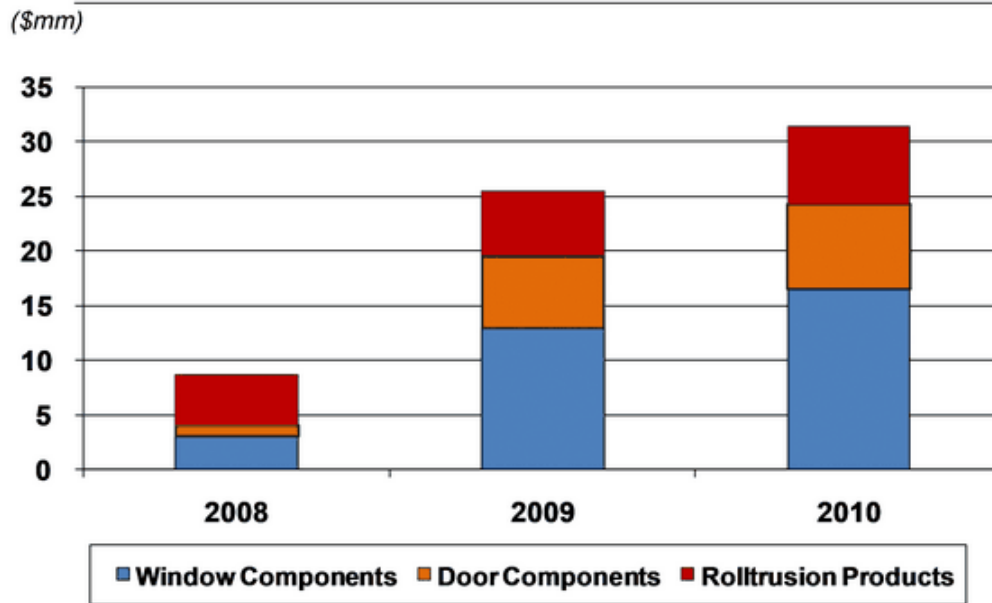


## DP40 DOOR THRESHOLD SALES



*Will leverage our growth with other customers*

## NEW PRODUCT GROWTH



## Future Pipeline Products/Programs

### Window Components

Hinged Screens

Composite Outer Trim Components

Aluminum Trim Components

Muntin

Cladding

Sill Bases

Proprietary "Less Visible Screens"

### Door Components

Patio sills

Stiffened door stiles

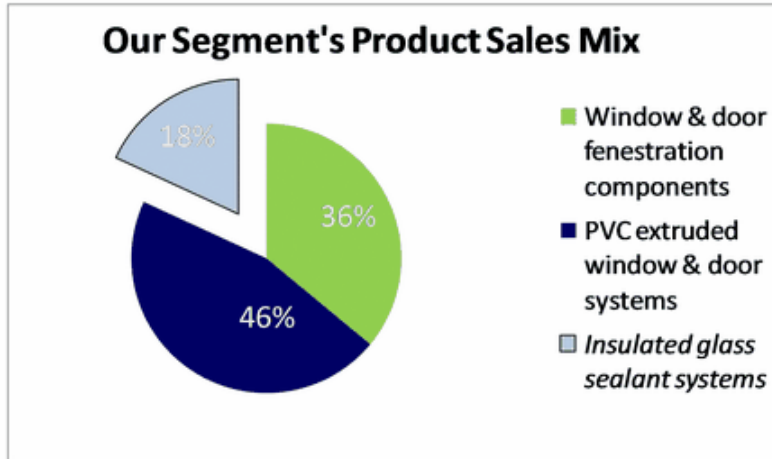
"Retail sill" business

### **Quanex Building Products - Investment Highlights Fenestration Components**

- Customer intimate
- Sole supplier to brand leaders
- Product development capabilities/innovation
- Strong manufacturing & logistical capabilities
- Historically strong operating margins
- Consistently outperforms the served market

# Gus Coppola

Engineered Products – Insulating Glass Sealant Technologies



### IG Sealant Technologies “Firsts”

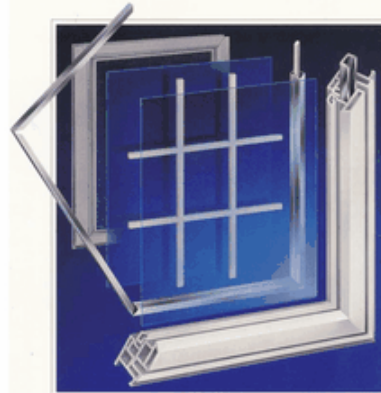
- **First “All in One” insulating glass spacer system introduced in 1979**
  - **First patented and widely accepted spacer system**
- **First to use term: “Warm Edge” spacer**
- **First to sell value-added spacer**
- **First to bundle IG application equipment**
- **First to own IG equipment company**



## **Insulating Glass 101**

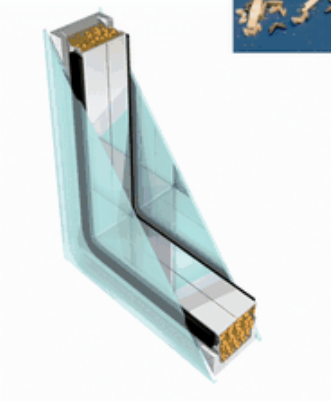
### Functions of an Insulating Glass System

- **Control heat and cold transfer through window glass**
- **Improve a Window's insulating value**
- **Reduce condensation on glass**
- **Reduce sound transmission**
- **Increase security and wind load resistance**



## IG Fabrication Steps using Components

- Clean glass
- Cut or bend metal or foam spacer to size
- Insert Desiccant into metal spacer bar
- Insert Corner Keys in metal or cut foam
- Apply one or two sealants to seal glass to spacer
  - Let stand to cure sealant



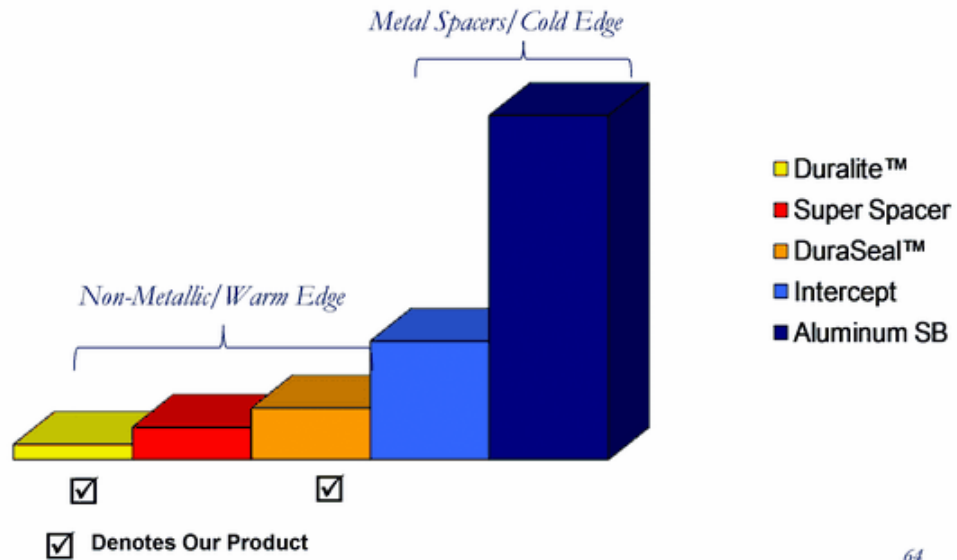
### IG Fabrication Steps using All-in-One Spacer

- **Clean glass**
- **IG Spacer**
  - Comes on a reel in a box and is ready to use
  - Applies to the edge of glass and is a complete insulating glass spacer system which requires no additional sealant
  - Installs immediately into the window



## Warm edge v. Cold edge

### Thermal Conductivity of Spacer “k-lin” value

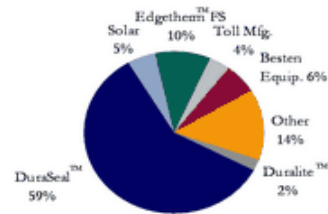


## Overview

**Engineered Products is a leading manufacturer, marketer and distributor of patented/proprietary all-in-one insulating glass (“IG”) seal systems and complementary products**

- IG systems are used in numerous end markets including residential housing, refrigeration appliances and transportation vehicles
- A leading supplier in the IG market for over 40 years
  - Introduced North America’s first “warm edge” IG sealant system, SwiggleSeal®, in 1979
- Serves over 1,000 global customers, of which approximately 800 are in North America
- Significant and growing international operations
  - 10 Years of Business Development in China/Asia-Pacific
  - Increased activities in Europe began in 2006
- High growth potential in the thin-film photovoltaic solar panel market

SALES MIX (2007)



N.A. SPACER SALES MIX (2007)



## Top 10 Customer Summary - 2007

■ **Large Diverse Customer base**

- 800 North American customers
- Smaller customers business less elastic than large customers
- Large customer base represents an excellent outlet for new products
- Non-IG includes rapidly growing solar market segment

■ **Top 10 Customers represented one-third of total sales in 2007**

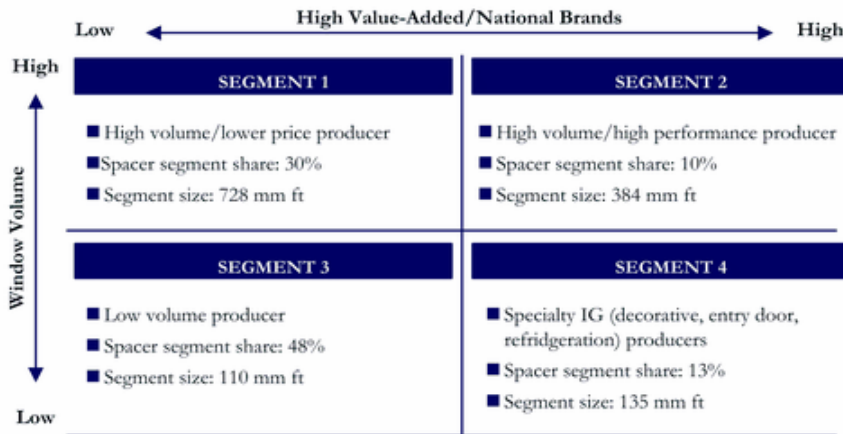
■ **Overall business doing much better than market**

Customer	% Total Sales '07
A	4.8%
B	4.7%
C	4.2%
D	4.1%
E	3.3%
F	2.9%
G	2.6%
H	2.4%
I	2.1%
J	2.0%

## Leading Market Share

Engineered Products second among North American manufacturers of IG spacer in terms of lineal feet sold

- Currently holds an approximately 26% overall market share of the total North American window and door market (footage)





## Key Competitors

Compete with a variety of special system, wholesale and spacer system suppliers

- Engineered Products is the only supplier offering prefabricated all-in-one edge seal systems

KEY COMPETITORS			
COMPANY	TYPE	EST. ANNUAL VOLUME (MM FT)	COMMENTS
Edgetech	Spacer System	100-120	<ul style="list-style-type: none"> <li>■ Formerly positioned as highest thermal and durability performance products - now challenged by introduction of Duralite™.</li> </ul>
Intercept (GED/PPG)	Special System	450-550	<ul style="list-style-type: none"> <li>■ Positioned as the lowest cost and highest per line throughput spacer system. PPG's patent is about to expire. Recent advertising suggest a more aggressive and somewhat defensive posture on durability</li> </ul>
Cardinal	Wholesaler	150-180	<ul style="list-style-type: none"> <li>■ Offers the option to buy insulating glass. A combination of longer warranties (compared to other IG wholesalers) and strategic plant locations suit large window and door OEMs</li> </ul>
Other			<ul style="list-style-type: none"> <li>■ A variety of small North American and international producers make plastic and thermally broken warm edge spacers but none have critical mass or show a growth trend that threatens Engineered Products' position</li> </ul>

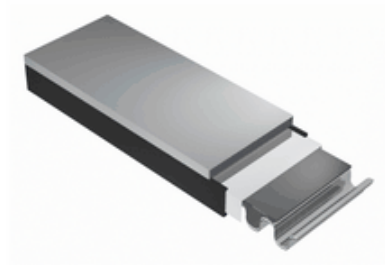
## Key Products

### Duralite™

- Duralite™ represents the best performing warm edge spacer system available on the market today
  - Our premium offering
  - Metal-free proprietary composite laminating technology, which combines six components
  - Provides superior performance capabilities over competitive spacer systems, evidenced by industry-leading “U” value and conductivity metrics
  - Introduced in 2006, Duralite™ is gaining market share from competitive systems in the current down market

### Duraseal™

- Our workhorse
- Duraseal™ is currently our core spacer product globally, with approximately 280 mm feet sold in 2007
  - Duraseal™ is patented in 13 countries, with patents pending in an additional 13 countries
  - Patents expire on October 20, 2020
  - Duralite also covered by same patents

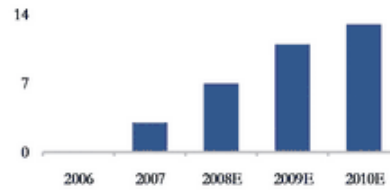


## Growth Opportunities: Remodeling Penetration

The launch of Duralite™ will allow us to aggressively grow our presence in the North American remodeling market

- Remodeling market emphasizes high performance products as consumers demand greater energy efficiency
  - Remodeling market share projected to grow from 10% to 18% in the 2007-2010 timeframe
  - As the best thermal performing spacer on the market today, Duralite™ is ideally positioned to capture a significant share of this market
    - 84% sales CAGR projected from 2007-2010 for Duralite™
- Introduced a dynamic “Enviro-sealed Windows™” marketing campaign to support Duralite’s™ growth
  - Targeted to dealers/contractors
  - Creates a selling advantage for customers
  - Licensed use of trademark with purchase of Duralite or Duraseal
  - Campaign provides sales tools and window performance information using a consumer-oriented “Intel Inside” approach

(\$ mm) DURALITE™ SALES GROWTH

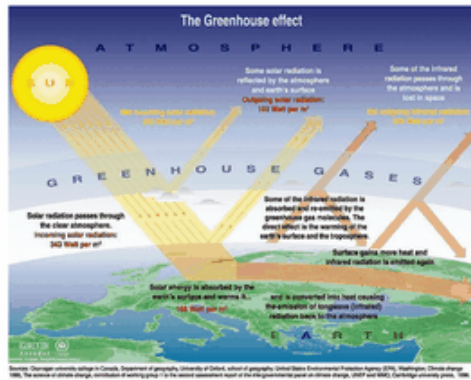


“ENVIRO-SEALED” WINDOW CAMPAIGN





- Thought provoking consumer and trade materials that make it clear the best view is through Envirosealed Windows
- Tied to a licensing program



## Growth Opportunities: International Expansion - Europe

### Export activities are poised for significant future growth

- Export sales projected to grow by 33% CAGR from 2007-2010
  - Specific growth plans identified for Russia, Belarus, Turkey, India and Western Europe
- Building codes throughout Europe and Russia are changing to reflect an increased need for energy conservation
- Flexible spacers offer the lowest cost platform and single component simplicity
  - Very attractive proposition for start-up producers of windows and insulating glass, who dominate the Eastern European market
- Future plans include increasing distribution, adding local technical support and focusing on direct sales to large OEMs
  - Similar to the three-phase approach taken in China



## Growth Opportunities: International Expansion - China

A manufacturing facility in China is the next logical step to support our rapid growth abroad

- A manufacturing facility in China will provide numerous benefits:
  - Greater domestic acceptance in the world's fastest growing economy
  - Shorter lead times
  - Elimination of import duties
  - Ability to sell in local currency
  - Opportunity to directly influence the market
- Management has developed a robust implementation plan
  - \$5.2 mm total estimated expenditures
    - \$2.4 mm in capital and \$2.8 mm in local debt
  - Profitable in the second full year of operations
- Board approval received in August
  - GM hired
  - Site has been selected in the Yangtze River delta region



## Growth Opportunities: Solar Panels

Management has identified an attractive opportunity to apply its core butyl sealant technology to the rapidly growing thin film photovoltaic (“TFPV”) solar panel market

- Focused on products for TFPV devices
  - The industry’s fastest growing segment - expected to grow 400% by 2010
- Introduced its first solar product, Solar Edge Tape (“SET”) in 2004
  - SET improves performance and extends the service life of TFPV panels
- Developing two new solar panel products
  - Designed to substantially reduce the cycle time to assemble TFPV panels
  - Have the potential to improve the moisture resistance of TFPV panels by a factor of 24x
  - Products are patent-pending and in the final development stages being readied for field trials
    - 2010 revenue should increase by 50%
- Largest customer holds a 20% market share and is expected to increase its share to 35% in the next five years
  - Uses SET in 100% of its products
- New customers are in the final stages of testing



PROJECTED GLOBAL TFPV MARKET GROWTH <sup>(b)</sup>

YEAR	TFPV (MW)	TFPV % MARKET SHARE	TOTAL MARKET (MW)
2003	30	3.8%	774
2004	50	4.0%	1,250
2005	100	7.1%	1,418
2006	150	8.6%	1,750
2007	200	9.6%	2,089
2008	500	16.2%	3,088
2009	700	18.3%	3,825
2010	1,000	20.0%	5,000

(a) Sales projections reflect sales to existing customers or those who have begun field trials.  
 (b) Sources: November 2005 report issued by the European Commission on Renewable Energy.

### **Quanex Building Products - Investment Highlights Insulating Glass Sealant Technologies**

- **Leading NA Market Share**
- **Accelerating International Opportunities**
- **New Patented Products Poised for Growth**
- **Continuous Product Innovation**
- **Customer Centricity to Leverage Large Diverse Customer Base**
- **Proprietary Manufacturing Capabilities- Driven by Lean Principles**
- **Value-added Sales with Innovative Marketing Culture**



# Tom Walker

Quanex Building Products – Financial Review

*(\$ in millions, except per share amounts)*

Assumes spin-off trading value of Quanex Building Products Corporation stock price per share on spin-off date

	\$12.30	\$13.80	\$15.30	\$16.80	\$18.30
<b>Cash "true-up" received from (paid to) Quanex Corporation</b>	<b>\$79</b>	<b>\$54</b>	<b>\$28</b>	<b>(\$9)</b>	<b>(\$48)</b>

The actual amounts may be different than the amounts presented above due to changes during the Separation Period to items such as outstanding stock options, common stock outstanding and final tax determinations.

Source: Form 10-12(b) filed January 11, 2008. True-ups include the conversion of Quanex Corporation's convertible debentures, settlement of distribution taxes to Quanex Corporation, and settlement of Quanex Corporation stock options.

(Unaudited, \$ in millions, except per share amounts)

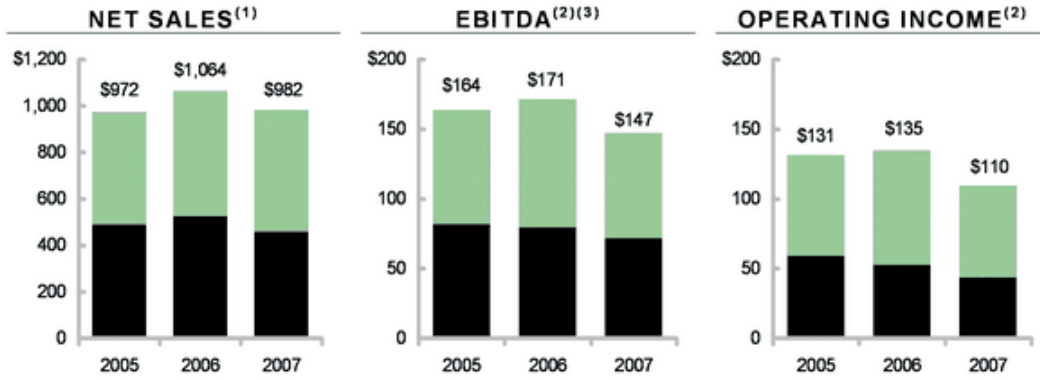
	<b>Pro Forma</b> <b>October 31, 2007</b>
Cash and Equivalents <sup>(1)</sup>	\$78
Total Assets	675
Working Capital	118
Total Debt	\$4
Stockholders' Equity	508
Total Capitalization	\$512
Book Value per Share <sup>(2)</sup>	\$13.66

Source: Form 10-12(b) filed January 11, 2008.

(1) Assumes trading spin-off stock price of Quanex Building Products on transaction date of \$13.80 per share.

(2) Book value per share defined as stockholders' equity divided by outstanding shares of 37.2 million as of October 31, 2007.

(\$ in millions)

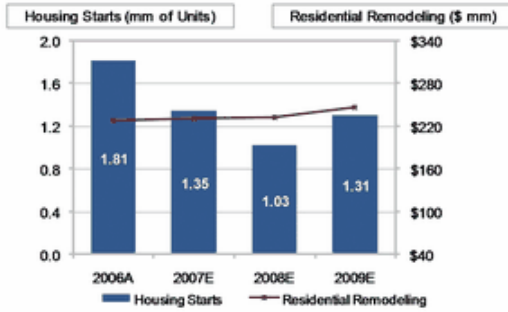


■ Engineered Products    ■ Aluminum Sheet Products

Source: Form 10-12(b) filed January 11, 2008.

- (1) Prior to inter-segment eliminations.
- (2) Prior to corporate overhead and LIFO charges.
- (3) See reconciliation in Appendix A.

**OUTLOOK FOR BUILDING PRODUCTS DRIVERS<sup>(1)</sup>**



- Housing sector expected to face another difficult year, with recovery expected in 2009

- Despite challenging market conditions, the Company is expected to outperform the market due to its new product introduction, share gain and segment focus

(1) Sources: Global Insights (Housing Starts) – January 2008, National Association of Home Builders (Remodeling) – October 2007.

- **History of strong cash flow and attractive financial performance**
- **Conservative capital structure**
  - No debt
  - \$21 mm of available cash<sup>(1)</sup>
- **Considerable financial resources to fund growth strategy**
  - Strong, stable cash flows
  - Significant incremental borrowing capacity
    - \$250 mm revolver proposed

(1) Subject to additional cash true-ups at transaction close and net cash flow during Separation Period.

# Ray Jean

Quanex Building Products - Recap

## Recent and Continuing New Program Impact

(\$ in millions)

	2007	2008	2009	2010
DP40 Door Thresholds	8	12	16	18
Enhanced Visibility Screens	6	6	7	8
RollTrusion™ Products	3	5	11	13
MikronWood /SuperCap Systems	5	8	13	20
R & R Window Systems	0	5	9	14
Solar Panel Thin-Film Adhesives	4	7	12	14
Duralite™ Warm Edge IG Spacers	3	7	11	13
China – IG Spacers	0	6	11	14
Other New Programs	2	5	10	15
<b>TOTAL ANNUAL SALES</b>	<b>31</b>	<b>\$61</b>	<b>\$100</b>	<b>\$129</b>



Growth through Acquisitions...

- Pursue fenestration targets (interior and exterior)
- Expand residential footprint
- Extend product and process adjacencies to commercial markets
- Strengthen position in energy-efficient products and applications

*Supported By*

...a Strong Balance Sheet

- Debt free
- Significant dry powder

- **QBP – A solid business with a record of outperforming its served markets**
- **Historically strong cash flows**
- **Pristine balance sheet**
- **Seasoned management team**
- **Demonstrated integration skills**
- **Exciting Growth Potential**

(Unaudited, \$ in millions, except per share amounts)

	FYE October 31, 2005			FYE October 31, 2006			FYE October 31, 2007		
	Engineered Products	Aluminum Sheet Products	Quanex Building Products	Engineered Products	Aluminum Sheet Products	Quanex Building Products	Engineered Products	Aluminum Sheet Products	Quanex Building Products
Operating Income <sup>(1)</sup>	\$59	\$72	\$131	\$53	\$82	\$135	\$44	\$66	\$110
Depreciation and amortization <sup>(1)</sup>	22	10	32	27	10	37	28	10	38
<b>EBITDA<sup>(1)</sup></b>	<b>\$82</b>	<b>\$82</b>	<b>\$164</b>	<b>\$79</b>	<b>\$92</b>	<b>\$171</b>	<b>\$72</b>	<b>\$76</b>	<b>\$147</b>

In addition to using Net Sales and Operating Income to evaluate financial performance, the Company also utilizes other financial metrics to evaluate performance, including the non-GAAP financial metric EBITDA. The Company defines EBITDA as earnings before interest expense, taxes, depreciation and amortization and other non-operating income. The Company uses EBITDA as a measure of its operational profitability before non-operating expenses and charges.

The Company believes EBITDA is useful to investors and other external users of its financial statements in evaluating its operating performance because it helps investors more meaningfully evaluate and compare the results of operations from period to period by removing the impact of capital structure (primarily interest charges from outstanding debt) and asset base (primarily depreciation and amortization of fixed and intangible assets) from its operating results.

The Company uses EBITDA as a measure of operating performance to assist in comparing the Company's performance on a consistent basis as it removes the impact of the Company's capital structure and asset base from its operating results; to assess compliance with financial ratios and covenants that are expected to be included in its revolving credit facility; in communications with lenders, rating agencies and others concerning the Company's financial performance; and to assist the Company in evaluating acquisitions by providing a comparable measure in which to value potential target companies.

(1) Segment operating income, depreciation and amortization and EBITDA are before corporate expenses, LIFO charges and stock option expenses.