

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL | |
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|--|--|--|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person* <u>DELANEY KEVIN P</u> _____ (Last) (First) (Middle) 1900 WEST LOOP SOUTH SUITE 1500 _____ (Street) HOUSTON TX 77027 _____ (City) (State) (Zip) | | | 2. Issuer Name and Ticker or Trading Symbol <u>QUANEX CORP [NX]</u> | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) <u>Senior VP-Corporate Secretary</u> | | |
| | | | 3. Date of Earliest Transaction (Month/Day/Year) <u>09/28/2007</u> | | | | | |
| | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | |
| | | | 6. Individual or Joint/Group Filing (Check Applicable Line) X 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 Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 09/28/2007 | 10/03/2007 | J ⁽¹⁾ | | 1.009 | A | \$47.39 | 19,053.4855 | D | |

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|-------|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | | Title |
| Phantom Stock Units ⁽²⁾ | \$0 ⁽³⁾ | 09/28/2007 | | A | | 39.51 | | (4) | (4) | Common Stock | 39.51 | \$46.98 | 13,297.896 | D | |
| Stock Options (Right to buy) | \$13.4222 | | | | | | | (5) | 07/23/2013 | Common Stock | 9,000 | | 9,000 | D | |
| Stock Options (Right to buy) | \$17.6 | | | | | | | 12/04/2004 | 12/03/2013 | Common Stock | 10,650 | | 10,650 | D | |
| Stock Options (Right to buy) | \$26.3111 | | | | | | | 12/01/2005 | 12/01/2014 | Common Stock | 18,675 | | 18,675 | D | |
| Stock Options (Right to buy) | \$37.47 | | | | | | | 12/05/2007 | 12/05/2016 | Common Stock | 15,100 | | 15,100 | D | |
| Stock Options (Right to buy) | \$40.9467 | | | | | | | 12/01/2006 | 12/01/2015 | Common Stock | 13,500 | | 13,500 | D | |

Explanation of Responses:

- Acquired through Quanex Dividend Reinvestment Plan.
- Units that are credited to the participant's account under the Quanex Corporation Deferred Compensation Plan as a result of Dividend Reinvestment.
- 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 receives a benefit from the Deferred Compensation Plan for any reason other than death, disability or retirement within three years after a deferral is 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 specified date selected by the participant or upon a participant's death, disability, or termination of employment.
- The option becomes exercisable in one third increments annually beginning one year from date of grant.

John J. Mannion, Power of Attorney 10/02/2007

** Signature of Reporting Person Date

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

* 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).

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

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 Number.