

QUANEX CORP  
Form 8-K  
December 11, 2006



**Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.**

On December 5, 2006, Mr. Michael R. Bayles informed Quanex Corporation (the Company), of his intention to retire, effective January 9, 2007, for personal health reasons. Mr. Bayles is Senior Vice President of the Company and President of the Company's Building Products division. In consideration of his contributions during his time of service and as permitted under the terms of our equity incentive plans, the Compensation and Management Development Committee of the Board accelerated the vesting of a restricted stock award granted to Mr. Bayles on December 1, 2004, such that it vests on January 8, 2007 rather than December 1, 2007. This acceleration was effected by means of an amendment to the Restricted Stock Award Agreement between Mr. Bayles and the Company, dated December 1, 2004.

The foregoing is qualified by reference to (i) the Press Release announcing Mr. Bayles' retirement, which is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference, and (ii) the Amendment to Restricted Stock Award Agreement, dated December 6, 2006, between the Company and Mr. Bayles, which is filed as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

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

- (a) Financial Statements of businesses acquired.

Not applicable

- (b) Pro forma financial information.

Not applicable

- (c) Exhibits.

Exhibit 99.1      Press release dated December 11, 2006.

Exhibit 99.2      Amendment to Restricted Stock Award Agreement dated December 6, 2006.

**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.

**QUANEX CORPORATION**  
(Registrant)

**December 11, 2006**

**/s/ KEVIN P. DELANEY**

(Date)

Kevin P. Delaney  
*Senior Vice President General Counsel and  
Secretary*

**Exhibit Index**

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