UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 2, 2000

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________to ______________

Commission File Number 0-6365

APOGEE ENTERPRISES, INC.
(Exact Name of Registrant as Specified in Charter)

Minnesota	41-0919654
(State of Incorporation)	(IRS Employer ID No.)

7900 Xerxes Avenue South, Suite 1800, Minneapolis, Minnesota 55431
(Address of Principal Executive Offices)

Registrant's Telephone Number (952) 835-1874

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO ___

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the close of the latest practicable date.

Class	Outstanding at September 30, 2000
Common Stock, $.33-1/3 Par Value	27,821,091

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FOR THE QUARTER ENDED SEPTEMBER 2, 2000

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 2, 2000 AND FEBRUARY 26, 2000
(Thousands of Dollars)

	September 2, 2000 (unaudited)	February 26, 2000
ASSETS		
Current assets		
Cash and cash equivalents	$ 6,260	$ 7,192
Receivables, net of allowance for doubtful accounts	140,416	125,064
Inventories	32,489	68,184
Deferred tax assets	9,204	8,435
Other current assets	1,926	5,547
Total current assets	190,295	214,422
Property, plant and equipment, net	175,734	186,039
Other assets		
Marketable securities - available for sale	25,755	24,951
Investments in affiliates	30,844	418
Intangible assets, at cost less accumulated amortization of $12,872 and $11,668, respectively	50,629	50,549
Other	4,507	4,775
Total assets	$477,764	$481,154
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 61,156	$ 57,989
Accrued expenses	61,938	56,624
Current liabilities of discontinued operations, net	3,316	2,907
Billings in excess of costs and earnings on uncompleted contracts	13,635	9,827
Accrued income taxes	5,114	7,868
Current installments of long-term debt	125	182
Total current liabilities	145,284	135,397
Long-term debt, less current installments	146,281	164,371
Other long-term liabilities	24,855	25,248
Liabilities of discontinued operations, net	19,290	18,366
Commitments and contingent liabilities (Note 6)		
Shareholders' equity		
Common stock, $.33/1/3 par value; authorized 50,000,000 shares; issued and outstanding 27,821,000 and 27,743,000 shares, respectively	9,274	9,248
Additional paid-in capital	45,930	45,106
Retained earnings	87,667	84,608
Unearned compensation	(908)	(888)
Net unrealized gain (loss) on marketable securities	91	(302)
Total shareholders' equity	142,054	137,772
Total liabilities and shareholders' equity	$477,764	$481,154

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED RESULTS OF OPERATIONS
FOR THE THREE MONTHS AND SIX MONTHS ENDED
SEPTEMBER 2, 2000 AND AUGUST 28, 1999
(Thousands of Dollars Except Share and Per Share Amounts)
(unaudited)

	Three Months Ended		Six Months Ended	
	September 2, 2000	August 28, 1999	September 2, 2000	August 28, 1999
Net sales	$236,364	$216,962	$473,617	$426,624
Cost of sales	189,308	171,469	378,647	334,070
Gross profit	47,056	45,493	94,970	92,554
Selling, general and administrative expenses	36,391	33,472	77,351	69,800
Operating income	10,665	12,021	17,619	22,754
Interest expense, net	3,180	2,622	5,962	5,188
Earnings from continuing operations before income taxes and other items below	7,485	9,399	11,657	17,566
Income taxes	2,620	3,209	4,080	6,149
Equity in net loss of affiliated companies	665	881	1,356	1,321
Earnings from continuing operations	4,200	5,309	6,221	10,096
Earnings from discontinued operations, net of income taxes	-	8,732	-	8,515
Net earnings	$ 4,200	$ 14,041	$ 6,221	$ 18,611
Earnings per share - basic				
Continuing operations	$ 0.15	$ 0.19	$ 0.22	$ 0.36
Discontinued operations	-	0.31	-	0.31
Net earnings	$ 0.15	$ 0.51	$ 0.22	$ 0.67
Earnings per share - diluted				
Continuing operations	$ 0.15	$ 0.19	$ 0.22	$ 0.36
Discontinued operations	-	0.31	-	0.31
Net earnings	$ 0.15	$ 0.50	$ 0.22	$ 0.67
Weighted average basic shares outstanding	27,852	27,799	27,827	27,717
Weighted average diluted shares outstanding	27,853	27,876	27,827	27,811

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED SEPTEMBER 2, 2000 AND AUGUST 28, 1999
(Thousands of Dollars)
(unaudited)

	September 2, 2000	August 28, 1999
OPERATING ACTIVITIES		
Net earnings	$ 6,221	$ 18,611
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Net earnings from discontinued operations	-	(8,515)
Depreciation and amortization	19,027	16,592
Provision for losses on accounts receivable	1,934	1,170
Deferred income tax (benefit) expense	(621)	2,648
Equity in net loss of affiliated companies	1,356	1,321
Net cash flow (to) from discontinued operations	(3,042)	5,537
Other, net	(101)	154
Cash flow before changes in operating assets and liabilities	24,774	37,518
Changes in operating assets and liabilities, net of effect of acquisitions		
Receivables	(16,765)	5,702
Inventories	7,530	(150)
Other current assets	3,488	635
Accounts payable and accrued expenses	8,639	(15,771)
Billings in excess of costs and earnings on uncompleted contracts	3,808	1,565
Accrued and refundable income taxes	(2,352)	8,921
Other long-term liabilities	(413)	510
Net cash provided by operating activities	28,709	38,930
INVESTING ACTIVITIES		
Capital expenditures	(9,714)	(34,302)
Acquisition of businesses, net of cash acquired	(1,383)	(1,981)
Purchases of marketable securities	(5,872)	(8,411)
Sales/maturities of marketable securities	5,673	9,255
Investments in and advances to affiliated companies	(1,339)	(1,205)
Net cash flow from discontinued operations	4,375	2,000
Other, net	1	(196)
Net cash used in investing activities	(8,259)	(34,840)
FINANCING ACTIVITIES		
Payments on long-term debt	(18,147)	(1,380)
Proceeds from issuance of long-term debt	-	5,400
Increase in deferred debt expenses	(521)	(255)
Proceeds from issuance of common stock	517	2,763
Repurchase and retirement of common stock	(319)	(1,774)
Dividends paid	(2,912)	(2,917)
Net cash (used for) provided by financing activities	(21,382)	1,837
(Decrease) increase in cash and cash equivalents	(932)	5,927
Cash and cash equivalents at beginning of period	7,192	1,318
Cash and cash equivalents at end of period	$ 6,260	$ 7,245
Supplemental schedule of non-cash investing activities:		
Net assets contributed to PPG Auto Glass, LLC (see Note 4)	$ 30,844	-

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Summary of Significant Accounting Policies

In the opinion of the Company, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position as of September 2, 2000 and August 28, 1999, the results of operations for the three months and six months ended September 2, 2000 and August 28, 1999 and cash flows for the six months ended September 2, 2000 and August 28, 1999.

The financial statements and notes are presented as permitted by Form 10-Q and do not contain certain information included in the Company's annual consolidated financial statements and notes. The information included in this Form 10-Q should be read in conjunction with Management's Discussion and Analysis and financial statements and notes thereto included in the Company's Form 10-K for the year ended February 26, 2000. The results of operations for the three months and six months ended September 2, 2000 and August 28, 1999 are not necessarily indicative of the results to be expected for the full year. As explained in note 5, the Company's curtainwall contracting and detention/security contracting businesses are reported as discontinued operations, along with the Company's interest in VIS'N Service Corporation. Accordingly, certain prior year amounts have been reclassified to conform to the current period presentation.

The Company's fiscal year ends on the Saturday closest to February 28. Each interim quarter ends on the Saturday closest to the end of the months of May, August and November. Fiscal 2001 six month figures contain twenty seven weeks whereas fiscal 2000 six month figures contain twenty six weeks.

2. Earnings Per Share

The following table presents a reconciliation of the denominators used in the computation of basic and diluted earnings per share.

(In Thousands)	Three Months Ended September 2, 2000	Three Months Ended August 28, 1999	Six Months Ended September 2, 2000	Six Months Ended August 28, 1999
Basic earnings per share-weighted common shares outstanding	27,852	27,799	27,827	27,717
Weighted common share assumed upon exercise of stock options	1	77	-	94
Diluted earnings per share-weighted common shares and common shares equivalent outstanding	27,853	27,876	27,827	27,811

3. Inventories

(Thousands of Dollars)	September 2, 2000	February 26, 2000
Raw materials	$16,604	$18,966
Work-in process	4,341	4,995
Finished (see note 4)	8,943	43,439
Cost and earnings in excess of billings on uncompleted contracts	2,601	784
Total inventories	$32,489	$68,184

4. Investments in Affiliates

The Company's joint ventures are accounted for by the equity method. The nature and extent of these investments change over time. On July 29, 2000, the Company and PPG Industries (PPG) combined their U.S. automotive replacement glass distribution businesses into a newly formed entity, PPG Auto Glass, LLC (PPG Auto Glass) of which the Company has a 34 percent interest. As of September 2, 2000, the investment in PPG Auto Glass is $30.8 million, the majority of which is an inventory contribution by the Company of $28.6 million. The Company's share of earnings will be recorded beginning in the third quarter. The Company's investment in TerraSun LLC relates to a research and development venture. No dividends from investments in affiliates were paid in the second quarter.

5. Discontinued Operations

In fiscal 2000, Apogee's Board of Directors authorized the exit from the Company's interest in VIS'N Service Corporation (VIS'N), a non-auto glass focused, third party administered claims processor. In fiscal 1999, Apogee's Board of Directors authorized the divestiture of the detention/security and domestic curtainwall operations. In December 1998, the Company executed the sale of its detention/security business. In May 1999, the Company completed the sale of 100% of the stock of its large-scale domestic curtainwall business, Harmon, Ltd. The sale of Harmon, Ltd. and the Company's detention/security business combined with the fiscal 1998 exit from international curtainwall operations effectively removed the Company from the large-scale construction business. Accordingly, these businesses are presented as discontinued operations in the accompanying financial statements and notes. Prior periods have been restated.

At September 2, 2000, accruals totaling $22.6 million represented the remaining estimated (net) future cash outflows associated with the exit from discontinued operations compared with $21.3 million at February 26, 2000. The majority of these cash expenditures are expected to be made within the next one to two years. The primary components of the accrual relate to the completion of certain construction projects, as well as costs to exit the VIS'N business, associated legal and advisory fees and related costs.

6. Commitments and Contingent Liabilities

At September 2, 2000, the Company had ongoing letters of credit related to its risk management programs, construction contracts and certain industrial development bonds. The total value of letters of credit under which the Company is obligated as of September 2, 2000 was approximately $5.2 million. The Company has also entered into a number of noncompete agreements for the benefit of the Company. As of September 2, 2000, we were committed to make future payments of $2.6 million under such agreements.

The Company has been party to various legal proceedings incidental to its normal operating activities. In particular, the construction businesses discontinued by the Company are involved in various disputes retained by the Company arising out of construction projects, sometimes involving significant monetary damages. Although it is impossible to predict the outcome of such proceedings, the Company believes, based on facts currently available to it, that none of such claims will result in losses that would have a material adverse effect on its financial condition.

7. Comprehensive Earnings

(Thousands of Dollars)	Three Months Ended September 2, 2000	Three Months Ended August 28, 1999	Six Months Ended September 2, 2000	Six Months Ended August 28, 1999
Net earnings	$4,200	$14,041	$6,221	$18,611
Change in unrealized gains (losses) on marketable securities, net of $226, ($109), $211 and ($173), tax expense (benefit),	420	(203)	393	(321)
respectively Comprehensive earnings	$4,620	$13,838	$6,614	$18,290

8. New Accounting Standards

In June 1998, Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities, was issued and, as amended by SFAS No. 137 and 138, is effective for fiscal years beginning after June 15, 2000, although earlier application is permitted. SFAS No. 133 requires all derivatives to be measured at fair value and recognized as assets or liabilities on the balance sheet. Changes in the fair value of derivatives should be recognized in either net earnings or other comprehensive earnings, depending on the designated purpose of the derivative. The Company expects to adopt SFAS 133 in Fiscal 2002. SFAS No. 133 is not expected to have a material impact on the Company's financial position or results of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following selected financial data should be read in conjunction with the Company's Form 10-K for the year ended February 26, 2000 and the consolidated financial statements, including the notes to consolidated financial statements, included therein.

Sales and Earnings

Net sales for the second quarter ended September 2, 2000 were $236.4 million, a 9% increase over the $217.0 million reported for the prior year second quarter. Second quarter earnings from continuing operations of $4.2 million, or 15 cents per share diluted, were 21% lower than last year's $5.3 million, or 19 cents per share diluted. Auto glass distribution results are included for two months in the current year second quarter compared to three months in the prior year second quarter due to the formation of the joint venture with PPG Industries (PPG). Also, prior year second quarter net sales have been restated to reflect the planned exit of the Company's interest in VIS'N Service Corporation (VIS'N). Accordingly, the results of this business, along with the Company's detention/security and domestic curtainwall operations, are reported as discontinued operations.

Fiscal 2001 year-to-date figures include one extra week compared to the year-to-date period a year ago. Fiscal 2001 year-to-date net sales increased 11%, to $473.6 million, compared to $426.6 million a year ago while earnings from continuing operations fell 39% to $6.2 million, or 22 cents per share diluted, from $10.1 million, or 36 cents per share diluted, in the prior year. Year-to-date net earnings decreased 67% to $6.2 million, or 22 cents per share diluted, from $18.6 million, or 67 cents per share diluted, in the prior year. EBITDA (Earnings before interest, taxes, depreciation and amortization for continuing operations) was $19.9 million for the second quarter, a 2% decrease from $20.3 million reported for the prior year second quarter.

Second Quarter Fiscal 2001 Compared to Second Quarter Fiscal 2000

The following table compares three and six month results with corresponding periods a year ago, as a percentage of sales, for each caption. Fiscal 2000 results have been restated to reflect the effect of discontinued operations.

	Percentage of Net Sales			
	Three Months Ended		Six Months Ended	
	Sept. 2, 2000	Aug. 28, 1999	Sept. 2, 2000	Aug. 28, 1999
Net sales	100.0	100.0	100.0	100.0
Cost of sales	80.1	79.0	79.9	78.3
Gross profit	19.9	21.0	20.1	21.7
Selling, general and administrative expenses	15.4	15.4	16.3	16.4
Operating income	4.5	5.5	3.7	5.3
Interest expense, net	1.3	1.2	1.3	1.2
Earnings from continuing operations before income and other items	3.2	4.3	2.5	4.1
Income taxes	1.1	1.5	0.9	1.4
Equity in net earnings of affiliated companies	0.3	0.4	0.3	0.3
Earnings from continuing operations	1.8	2.4	1.3	2.4
Earnings from discontinued operations	-	4.0	-	2.0
Net earnings	1.8	6.5	1.3	4.4
Effective tax rate	35.0%	36.0%	35.0%	36.0%

Second quarter consolidated gross profit, as a percentage of net sales was 19.9%, down from 21.0% in the prior year second quarter due to a decrease at Glass Services resulting primarily from transitional changes in mix resulting from the joint venture with PPG offset by an improvement at Glass Technologies. In addition, gross margin was affected by favorable underwriting activity in the prior year second quarter at the Company's insurance subsidiary and additional expenses in the current year quarter related to health insurance.

Second quarter selling, general and administrative (SG&A) expenses rose by $2.9 million, or 9% over the prior year quarter, while SG&A as a percent of sales remained unchanged. The increase in expenses is primarily due to timing of accruals related to bonuses, an increase in depreciation incurred due to information systems capitalized in the prior year, offset by a decrease in selling and marketing expenses.

Net interest expense increased slightly during the quarter as lower borrowing levels were offset by higher borrowing rates. The six-month effective income tax rate of 35.0% was down slightly from 36.0% a year ago.

The following table presents sales and operating income for the Company's two segments and on a consolidated basis for three and six months compared to the corresponding periods a year ago.

	Three Months Ended			Six Months Ended		
(Dollars in thousands)	September 2, 2000	August 28, 1999	% Chg	September 2, 2000	August 28, 1999	% Chg
Net Sales						
Glass Technologies	$104,901	$ 88,345	19%	$207,935	$176,876	18%
Glass Services	133,979	131,054	2	269,963	252,299	7
Intersegment elimination	(2,516)	(2,437)	3	(4,281)	(2,551)	68
Net sales	$236,364	$216,962	9%	$473,617	$426,624	11%
Operating Income						
Glass Technologies	$ 4,767	$ 4,536	5%	$ 7,495	$ 8,555	(12)%
Glass Services	6,031	6,747	(11)	11,368	14,688	(23)
Corporate and Other	(133)	738	N/M	(1,244)	(489)	N/M
Operating income	$ 10,665	$ 12,021	(11)%	$ 17,619	$ 22,754	(23)%

N/M=Not meaningful

Glass Technologies (GT)

Net sales at Glass Technologies increased 19% to $104.9 million in the second quarter, while operating income increased 5% to $4.8 million. The increase in operating income is due to favorable results at Viratec, the Apogee Wausau Group (AWG), and Tru Vue, offset by a decrease in operating results at Viracon.

Viracon, the segment's largest operating unit, reported a net sales increase of 13%, however, operating income decreased for the quarter compared to last year's second quarter. Customer demand for Viracon's high-performance architectural glass products remained strong and the Statesboro facility has increased its capacity utilization compared to the prior year quarter. Strong demand in certain products, however, changed Viracon's product mix which contributed to decreased efficiencies as well as extended delivery times resulting in the income decrease. In addition, the operating income decrease was also affected by increases in labor costs, a prior year second quarter insurance adjustment and an increase in depreciation expense due to prior year capital additions. Backlog at September 2, 2000 remained at near-record levels of $45 million. The product mix issues discussed above are expected to slow profitability growth in the second half of fiscal 2001.

Viratec reported an increase in sales and operating income for the quarter compared to last year's second quarter due to improved operational efficiencies.

Tru Vue recorded a sales increase of 20% and an operating income increase of 11% for the quarter as compared to last year's second quarter due to continued increased operational efficiencies and demand for Tru Vue's higher margin, value-added glass products. Also, in the second quarter, Tru Vue completed the acquisition of Balangier Fine Art & Designs (Balangier), the operating results of which were not significant to the quarter. Balangier produces high-end framed art for national retail customers, expanding Tru Vue's pre-framed art business.

The Apogee Wausau Group (AWG), which consists of Wausau Window & Wall Systems and Linetec, reported a sales increase of 14% and an operating income increase of 33% for the quarter as compared to the same quarter a year ago due to increased efficiencies and sales volume increases. However, due to product mix issues, Wausau Window & Wall Systems has been unable to fill its available short lead-time capacity in the second half of fiscal 2001.

Glass Services (GS)

Net sales of Glass Services increased 2% to $134.0 million in the second quarter. Operating income for the segment decreased 11% to $6.0 million from the prior year quarter.

The auto glass business reported a 3% decrease in sales compared to the prior year quarter, in addition to an operating income decrease due mainly to the activity of the distribution unit discussed below. Net sales of the auto glass retail unit decreased slightly compared with those of a year ago. Retail unit volume also decreased offset by unit price increases. Operating results for the auto glass retail unit increased due to an increase in gross margin and a decrease in expenses. Net sales of the manufacturing unit increased slightly, however, operating income was down. Net sales and operating income for the distribution unit decreased compared to the prior year quarter. This decrease is due mainly to distribution results of two months in the current year second quarter versus three months in the prior year second quarter with the formation of the joint venture with PPG. The joint venture combines the Company's and PPG's U.S. automotive replacement glass distribution businesses into a newly formed entity, PPG Auto Glass, LLC, with the Company having a 34% ownership interest in the joint venture. In the second half of fiscal 2001, the auto glass business is expecting a slight improvement in operating results due to continued cost reductions.

Harmon, Inc., the Company's full service building glass installation and repair business, reported a 25% increase in net sales and 43% increase in operating income for the quarter as compared to the prior year quarter, mainly due to increased volume and improved margins.

Discontinued Operations

In fiscal 2000, Apogee's Board of Directors authorized the exit from the Company's interest in VIS'N Service Corporation (VIS'N), a non-auto glass focused, third party administered claims processor. In fiscal 1999, Apogee's Board of Directors authorized the divestiture of the detention/security and domestic curtainwall operations. In December 1998, the segment executed the sale of its detention/security business. In May 1999, the Company completed the sale of 100% of the stock of its large-scale domestic curtainwall business, Harmon, Ltd. The sale of Harmon, Ltd. and the Company's detention/security business combined with the fiscal 1998 exit from international curtainwall operations effectively removed the Company from the large-scale construction business. Accordingly, these businesses are presented as discontinued operations in the accompanying financial statements and notes. Prior periods have been restated.

Backlog

On September 2, 2000, the Company's consolidated backlog was $196.7 million, up 13% from the $174.8 million reported a year ago. The backlogs of GT's operations represented 67% of the Company's consolidated backlog.

Liquidity and Capital Resources

Financial Condition

Net cash provided by operating activities
Cash provided by operating activities for the six months ended September 2, 2000 totaled $28.7 million compared to $38.9 million in the same prior year period. The decrease is due to the change in accruals for discontinued operations, a decrease in net earnings and increased depreciation expense. Also, changes in operating assets and liabilities provided cash of $3.9 million, compared to $1.4 million in the same period last year, the increase due mainly to an increase in accounts payable and accrued expenses offset by an increase in receivables. At quarter-end, working capital was $45.0 million, down from $79.0 million at February 26, 2000. This decrease is largely due to the $28.6 million inventory contribution to the joint venture with PPG.

Net cash used in investing activities
Net cash used in investing activities for the six months ended September 2, 2000 was $8.3 million compared to $34.8 million in the same prior year period. The decrease is due mainly to a decrease in capital expenditures. Prior year capital expenditures consisted mainly of GT expansions and expenditures for information systems projects throughout the Company. For fiscal 2001, the Company expects to incur capital expenditures as necessary to maintain existing facilities and information systems. Fiscal 2001 capital expenditures are expected to be significantly less than those incurred in fiscal 2000.

Net cash provided by financing activities
Bank borrowings were $146.4 million at September 2, 2000, down from the $164.6 million outstanding at February 26, 2000. Cash provided by operating activities was sufficient to finance the period's investing activities and cash dividend requirements. At September 2, 2000, long-term debt was 51% of total capitalization, as compared to 54% at fiscal year-end 2000.

Effective June 1, 2000, the Company amended its revolving credit agreement in conjunction with a pending joint venture with PPG that subsequently closed in July 2000. The amendment resulted in a decrease in borrowing capacity from $253 million to $200 million.

The Company anticipates outstanding borrowings to decline over the course of the year. The Company believes that cash from operating activities and the available credit facility will provide adequate liquidity for the remainder of the fiscal year.

Shareholders' Equity

At September 2, 2000, Apogee's shareholders' equity was $142.1 million. Book value per share was $5.11, up from $4.97 per share at February 26, 2000, with outstanding common shares increasing nominally during the period. Net earnings and proceeds from common stock issued in connection with the Company's stock-based compensation plans accounted for the increase, slightly reduced by dividends paid.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

The Company's principal market risk is sensitivity to interest rates, which is the risk that changes in interest rates will reduce net earnings of the Company. To manage the Company's direct risk from changes in market interest rates, management actively monitors the interest sensitive components of the Company's balance sheet, primarily debt obligations, as well as market interest rates in order to minimize the impact of changes in interest rates on net earnings and cash flow.

The primary measure of interest rate risk is the simulation of net income under different interest rate environments. The approach used to quantify interest rate risk is a sensitivity analysis. This approach calculates the impact on net earnings, relative to a base case scenario, of rates increasing or decreasing gradually over the next 12 months by 200 basis points. The aforementioned changes in interest rates affecting the Company's financial instruments would result in approximately a $1.4 million impact to net earnings. As interest rates increase, net earnings decrease; as interest rates decrease, net earnings increase.

The Company uses interest swaps to fix a portion of its variable rate borrowings from fluctuations in interest rates. As of September 2, 2000, the Company has interest swaps covering $35 million of variable rate debt.

The Company has a policy of using forward exchange contracts to hedge its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities, and future firm commitments of its operations. Forward exchange contracts are also used from time to time to manage near-term foreign currency cash requirements. The primary objective of these hedging activities is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, net of related tax effects, are minimized.

Given the Company's balanced foreign exchange position described above, a 10% adverse change in foreign exchange rates upon which these contracts are based would result in exchange losses from these contracts that would, in all material respects, be fully offset by exchange gains on the underlying net monetary exposures for which the contracts are designated as hedges. As of September 2, 2000, the Company did not have any forward contracts outstanding as the Company had no material foreign exchange exposure.

Cautionary Statements

This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may include forward-looking statements, which reflect the Company's current views with respect to future events and financial performance. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "should" and similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All forecasts and projections in this document are "forward-looking statements," and are based on management's current expectations of the Company's near-term results, based on current information available pertaining to the Company, including the risk factors noted below.

The Company wishes to caution investors that any forward-looking statements made by or on behalf of the Company are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These uncertainties and other risk factors include, but are not limited to: whether the ongoing reorganization and realignment and cost savings programs implemented at the replacement auto glass retail operations will lead to improved operating results and whether the unfavorable industry conditions in the replacement auto glass industry, including excess capacities and narrowing margins, will continue in the future. In addition, there is no assurance that PPG Auto Glass, Apogee's automotive replacement glass distribution joint venture with PPG, will achieve favorable short-term or long-term operating results or any anticipated efficiencies or be able to improve or maintain margins. In addition, there is no assurance that PPG Auto Glass, Apogee's automotive replacement glass distribution joint venture with PPG, willa achieve favorable short-term or long-term operating results or any anticipating efficiencies or be able to improve or maintain margins, In addition, there can be no assurances that operations of Apogee and its business units will not be negatively affected by recent departures of senior management personnel and its flat management structure, whether the production ramp-ups of new or expanded plant capacity in the GT segment will proceed as anticipated and will lead to successful operating results for those companies now or in the future, whether demand for GT products and services will continue at present rates and whether generally favorable economic conditions will continue.

A number of other factors should be considered in conjunction with this report's forward-looking statements, any discussion of operations or results by the Company or its representatives and any forward-looking discussion, as well as comments contained in press releases, presentations to securities analysts or investors, or other communications by the Company. These other factors are set forth in the cautionary statement filed as Exhibit 99 to the Company's Annual Report on Form 10-K, and include, without limitation, cautionary statements regarding changes in economic and market conditions, factors related to competitive pricing, commercial building market conditions, management of growth of business units, greater than expected costs or difficulties related to the operation of the businesses, the impact of foreign currency markets, the integration of acquisitions, the realization of expected economies gained through expansion and information systems technology updates. New factors emerge from time to time and it is not possible for management to predict all such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or a combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

PART II OTHER INFORMATION

ITEM 4. Submission of Matters to a Vote of Security Holders

Apogee Enterprises, Inc. Annual Meeting of Shareholders was held on June 20, 2000. The number of outstanding shares on the record date for the Annual Meeting was 27,853,722. Eighty-nine percent of the outstanding shares were represented in person or by proxy at the meeting.

The four candidates for election as Class II Directors listed in the proxy statement were elected to serve three-year terms, expiring at the 2003 Annual Meeting of Shareholders and the one candidate for election as a Class III Director listed in the proxy statement was elected to serve a one-year term expiring at the 2001 Annual Meeting of Shareholders. The proposal to ratify the appointment of Arthur Andersen LLP as independent auditors for the Company for the 2001 fiscal year was also approved. The results of these matters voted upon by the shareholders are listed below.

	Number of Shares		
	In Favor	Withheld/Against	Abstained/Unvoted
Election of Class II Directors			
Bernard P. Aldrich	24,453,858	478,251	
Harry A. Hammerly	24,457,677	474,432	
Russell Huffer	24,413,035	519,074	
Laurence J. Niederhofer	24,447,366	484,743	
Election of Class III Director			
Ray C. Richelsen	23,362,525	1,569,584	
Ratification of the appointment of Arthur Andersen LLP as independent auditors	24,778,773	73,634	79,702

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit (27). Financial Data Schedule (EDGAR filing only).
Exhibit (27.1). Restated Financial Data Schedule (EDGAR filing only).

(b) Reports on Form 8-K:

The Company's Current Report on Form 8-K dated July 29, 2000 related to the formation of the joint venture with PPG.

CONFORMED COPY

SIGNATURES

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

APOGEE ENTERPRISES, INC.

Date: October 13, 2000

/s/Russell Huffer

Russell Huffer
Chairman, President and
Chief Executive Officer

Date: October 13, 2000

/s/James S. Porter

James S. Porter
Controller

EXHIBIT INDEX

Exhibit	
Exhibit 27	Financial Data Schedule (EDGAR filing only)
Exhibit 27.1	Restated Financial Data Schedule (EDGAR filing only).

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1,000

3-MOS	6-MOS
MAR-03-2001	MAR-03-2001
JUN-04-2000	FEB-27-2000
SEP-02-2000	SEP-02-2000
6,260	6,260
25,755	25,755
150,280	150,280
9,864	9,864
32,489	32,489
190,295	190,295
175,734	175,733
159,120	159,120
477,764	477,764
145,283	145,283
0	0
0	0
0	0
9,274	9,274
132,780	132,780
477,764	477,764
236,364	473,617
236,364	473,617
189,308	378,647
36,391	77,351
0	0
0	0
5,180	5,962
7,485	11,657
2,620	4,080
4,200	6,221
0	0
0	0
0	0
4,200	6,221
0.15	0.22
0.15	0.22

5

1,000

3-MOS	6-MOS
FEB-26-2000	FEB-26-2000
MAY-30-1999	FEB-28-1999
AUG-28-1999	AUG-28-1999
7,245	7,245
25,901	25,901
117,135	117,135
5,771	5,771
67,825	67,825
201,862	201,862
198,983	198,983
155,142	155,142
481,196	481,196
106,779	106,779
0	0
0	0
0	0
9,265	9,265
137,170	137,170
481,196	481,196
216,962	426,624
216,962	426,624
171,469	334,070
33,472	69,800
0	0
0	0
2,622	5,188
9,399	17,566
3,209	6,149
5,309	10,096
8,732	8,515
0	0
0	0
14,041	18,611
0.51	0.67
0.55	0.67