



Apogee Enterprises, Inc. Revises Second Quarter and FY2000 Outlook

July 20, 1999

Apogee Enterprises, Inc. today announced that it has revised its expectations for the second quarter ending August 28, 1999 and the fiscal year ending February 26, 2000.

Glass Technologies is progressing on track, gaining orders to load its new capacity; however, results in Glass Services will be reduced by weakness in auto glass

Apogee has restructured its auto glass management team and operations, and has engaged outside consultants to consider all strategic options regarding auto glass

MINNEAPOLIS, July 20 /PRNewswire/ -- Apogee Enterprises, Inc. (Nasdaq: APOG) today announced that it has revised its expectations for the second quarter ending August 28, 1999 and the fiscal year ending February 26, 2000. Although Glass Technologies continues to gain new orders to load its recently expanded plant capacity as planned, weakness in Auto Glass will reduce results in Glass Services. Auto Glass' weakness was largely the result of continuing distribution price pressures and soft demand in its retail marketplace.

As a result, Apogee expects second quarter diluted earnings per share to be in the range of \$0.18 to \$0.20 from continuing operations compared with \$0.27 per share in last year's second quarter. Fiscal 2000 second quarter earnings range expectations also include the impact of approximately \$3 million, or \$0.07 per share, for one-time reorganization costs within the Auto Glass business. For the full fiscal year, Apogee expects earnings per share from continuing operations to be slightly below last year's level. In addition, Apogee expects to report earnings during fiscal 2000 from its discontinued curtainwall operations in Asia.

"We are taking aggressive and immediate actions at Auto Glass," said Russell Huffer, Apogee's Chairman, President and Chief Executive Officer. "We have reorganized to focus accountability at the local market level by combining our sales, marketing and operations into four regional teams, we are realigning our business unit senior management team around Joe Deckman, and have engaged outside consultants to help us examine all of our strategic options. These options include changing the focus of the business or considering all other strategic alternatives."

Huffer added, "Our commitment to shareholder value has been demonstrated in the past with the Glass Technologies expansion and the successful exit from our monumental curtainwall operations. We are determined to maximize our opportunities with the auto glass businesses as well."

Emphasizing the importance of the new leadership at Auto Glass, Huffer said, "Auto Glass will now be led by Joe Deckman, who became the Executive Vice President of the Glass Services segment in June. Joe demonstrated his capabilities when he led turnarounds at Wausau beginning in 1995 and Harmon, Inc. in 1997, and he was also an integral part of the exit from international curtainwall operations. Wausau and Harmon, Inc. have become solid businesses, with good returns, substantially higher margins and excellent cash flow. Joe will be working closely with our senior management team and outside consultants."

Huffer concluded, "We continue to be very positive about Apogee's future. We are encouraged by our progress in Glass Technologies, which is Apogee's primary earnings driver and has superb prospects for growth. Glass Technologies should have a strong year in fiscal 2000, even though we are still in the early stages of loading the newly expanded plant capacity, and those businesses have excellent growth prospects and visibility for the future. Aggressive action in auto glass is definitely the right direction for Apogee and our shareholders."

CAUTIONARY STATEMENT

The discussion above contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect management's current expectations or beliefs. There can be no assurances given that the reorganization and realignment of Auto Glass' businesses and management team will lead to successful operating results for those companies now or in the future or that the strategic alternatives proposed for such businesses will be available on terms acceptable to Apogee. The Company cautions readers that actual future results could differ materially from those described in the forward-looking statements depending upon the outcome of certain factors, including the risks and uncertainties identified in Exhibit 99 to the Company's Report on Form 10-K for the fiscal year ended February 27, 1999.

Apogee Enterprises, Inc. is a world leader in technologies involving the design and development of value-added glass products, services and systems. Organized in two business segments, the Glass Technologies businesses are leaders primarily in architectural glass and high-end glass coatings for the electronics markets, while the Glass Services businesses are leaders in replacement auto glass and building glass services. Headquartered in Minneapolis, the company's stock is traded on the Nasdaq Stock Market under the symbol APOG.

SOURCE Apogee Enterprises, Inc.