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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

OR

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

For Quarter Ended August 30, 1997 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 (612) 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, 1997
Common Stock, $.33-1/3 Par Value	27,853,952

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
FORM 10-Q
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FOR THE QUARTER ENDED AUGUST 30, 1997

Description Page

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Thousands of Dollars)

	August 30, 1997	March 1, 1997
ASSETS		
Current assets		
Cash and cash equivalents (including restricted funds of $-0- and $208, respectively)	$ 8,547	$ 4,065
Receivables, net of allowance for doubtful accounts	183,921	204,259
Inventories	63,475	58,261
Costs and earnings in excess of billings on uncompleted contracts	18,696	25,653
Refundable income taxes	-	1,004
Deferred tax assets	5,037	4,486
Other current assets	4,967	7,466
Total current assets	284,642	305,194
Property, plant and equipment, net	126,032	118,799
Marketable securities - available for sale	28,188	19,656
Investments	984	738
Intangible assets, at cost less accumulated amortization	51,608	52,431
Deferred tax assets	1,090	1,090

Other assets	2,382	3,036
Total assets	$494,927	$500,964

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities		
Accounts payable	$ 60,365	$ 73,325
Accrued expenses	60,752	61,435
Billings in excess of costs and earnings on uncompleted contracts	36,183	40,154
Accrued income taxes	6,047	-
Current installments of long-term debt	1,671	1,707
Total current liabilities	165,018	176,621
Long-term debt	125,183	127,640
Other long-term liabilities	22,825	24,554
Shareholders' equity		
Common stock, $.33 1/3 par value; authorized 50,000,000 shares; issued and outstanding 27,818,000 and 27,882,000 shares, respectively	9,273	9,294
Additional paid-in capital	38,298	34,686
Retained earnings	137,025	129,424
Cumulative translation adjustment and unearned compensation	(2,695)	(1,255)
Total shareholders' equity	181,901	172,149
Total liabilities and shareholders' equity	$494,927	$500,964

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED RESULTS OF OPERATIONS
FOR THE THREE MONTHS AND SIX MONTHS ENDED
AUGUST 30, 1997 AND AUGUST 31, 1996
(THOUSANDS OF DOLLARS EXCEPT SHARE AND PER SHARE AMOUNTS)

	Three Months Ended		Six Months Ended	
	August 30, 1997	August 31, 1996	August 30, 1997	August 31, 1996
Net Sales	$ 253,072	$ 253,154	$ 497,854	$ 481,762
Cost of sales	204,220	205,865	403,321	397,942
Gross profit	48,852	47,289	94,533	83,820
Selling, general and administrative expenses	32,221	32,765	64,574	58,939
Operating income	16,631	14,524	29,959	24,881
Interest expense, net	1,755	1,901	4,059	4,256
Earnings before income taxes and other items below	14,876	12,623	25,900	20,625
Income taxes	5,065	4,629	9,065	7,583
Equity in net loss of affiliated	154	-	404	60

companies				
Minority interest	-	14	-	26
Net Earnings	$ 9,657	$ 7,980	$ 16,431	$ 12,956
Earnings per share	$ 0.34	$ 0.28	$ 0.58	$0.47
Weighted average number of common shares and common share equivalents outstanding	28,441,000	28,015,000	28,475,000	27,839,000
Cash dividends per common share	$ .045	$ 0.040	$ 0.090	$.080

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED AUGUST 30, 1997 AND AUGUST 31, 1996
(Thousands of Dollars)

	1997	1996
OPERATING ACTIVITIES		
Net earnings	16,431	$ 12,956
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	11,890	11,945
Provision for losses on accounts receivable	353	987
Deferred income tax (benefit) expense	(551)	374
Minority interest	-	26
Equity in net earnings of affiliated companies	404	60
Other, net	1,595	452
Changes in operating assets and liabilities, net of effect of acquisitions	30,122	26,800
Receivables	17,353	(21,098)
Inventories	(5,102)	(2,563)
Costs and earnings in excess of billings on uncompleted contracts	6,377	(15,222)
Other current assets	2,512	30
Accounts payable and accrued expenses (1)	(10,514)	33,370
Billings in excess of costs and earnings on uncompleted contracts	(3,971)	12,239
Accrued income taxes	7,451	3,358
Other long-term liabilities	(2,663)	3,967
Net cash provided by operating activities	41,565	40,881
INVESTING ACTIVITIES		
Capital expenditures	(18,218)	(15,087)
Acquisition of businesses, net of cash acquired (1)	(500)	(23,671)
Increase in marketable securities	(8,405)	(2,802)
Proceeds from sale of property and equipment	108	1,853
Other, net	(1,578)	(684)
Net cash used in investing activities	(28,593)	(40,391)
FINANCING ACTIVITIES		
Payments on long-term debt	(2,493)	(1,947)
Proceeds from issuance of long-term debt	-	-
Repurchase and retirement of common stock	(7,017)	(1,396)

Proceeds from issuance of common stock	3,517	3,091
Dividends paid	(2,497)	(2,322)
Net cash provided by financing activities	(8,490)	(2,574)
Increase in cash	4,482	(2,084)
Cash at beginning of period	4,065	7,389
Cash at end of period	$ 8,547	$ 5,305

(1) In 1996, the estimated cost of the Marcon and Viratec acquisition, subsequently determined in January 1997, was included in investing activities and was offset by an increase in accrued expenses in operating activities.

See accompanying notes to consolidated financial statements.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

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 August 30, 1997 and August 31, 1996, the results of operations for the three months and six months ended August 30, 1997 and August 31, 1996 and cash flows for the six months ended August 30, 1997 and August 31, 1996.

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.

Certain amounts from prior-years' financial statements have been reclassified to conform with this year's presentation.

The results of operations for the six-month period ended August 30, 1997 are not necessarily indicative of the results to be expected for the full year.

Accounting period

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.

2. INVENTORIES

Inventories consist of the following:

	August 30, 1997	March 1, 1997
Raw materials and supplies	$17,287	$14,760
In process	4,674	3,863
Finished goods	41,514	39,638
	$63,475	$58,261

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

SALES AND EARNINGS

Record second quarter net earnings of $9.7 million, or 34 cents per share, were 21% greater than last year's $8.0 million, or 28 cents per share. Revenues for the quarter were even with a year ago at $253 million. Year-to-date net earnings rose 27% to $16.4 million, or 58 cents per share, from $13.0 million, or 47 cents per share, a year ago. Revenues for the first six months increased 3%, to $498 million compared to $482 million a year ago.

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

(In Thousands)	Three Months Ended August 30, 1997	Three Months Ended August 31, 1996	% Chg	Six Months Ended August 30, 1997	Six Months Ended August 31, 1996	% Chg
NET SALES						
Glass technologies	$ 58,005	$ 49,474	17	$ 110,050	$ 93,743	17
Auto glass	97,296	84,429	15	187,553	162,847	15
Building products & services	100,464	122,012	(18)	205,187	231,202	(11)
Intersegment eliminations	(2,693)	(2,761)	(2)	(4,936)	(6,030)	(18)
Total	$ 253,072	$ 253,154	-	$ 497,854	$ 481,762	3
OPERATING INCOME						
Glass technologies	$ 7,907	$ 3,904	103	$ 13,184	$ 7,927	66
Auto glass	11,417	8,769	30	17,762	14,974	19
Building products & services	(2,374)	2,125	N/M	(640)	2,686	N/M
Corporate and other	(319)	(274)	16	(347)	(706)	51
Total	$ 16,631	$ 14,524	15	$ 29,959	$ 24,881	20

Glass Technologies (GT)

GT's second quarter produced significant revenue and earnings gains when compared to the same period a year ago. The growth was largely due to strong product demand along with improved product mix experienced at Viracon, the segment's high-performance architectural glass fabricator. Tru Vue, the segment's custom picture framing glass unit, also reported revenue and earning gains, largely due to increased volume.

Viratec Thin Films (Viratec) had modest operating income versus last year's small operating loss. Viratec's flat glass operations continued to show solid results and reported marked improvement in its coating of curved glass surfaces of cathode ray tubes (CaRT). The CaRT line operated at a modest profit for the quarter. However, the unit needs to significantly improve volumes for the CaRT line to achieve adequate returns. The unit is currently expanding the capacity of both its flat glass and CaRT operations.

Based on its backlog and strong demand for its products, GT currently anticipates year-over-year profit growth for all of its units during the latter half of fiscal 1998.

Auto Glass (AG)

AG achieved double-digit growth in both revenues and earnings during the quarter. Approximately one-half of the revenue growth was due to the fourth quarter fiscal 1997 acquisition of Portland Glass. The earnings growth was due in part to better selling prices and cost reductions at the retail and distribution units. During the quarter, same-location sales rose slightly from a year-ago quarter. Curvlite, the segment's

windshield fabricating unit, had higher revenues and reported solid earnings growth, due in part to a modest price improvement.

At the close of the first six months, the segment had 323 retail and distribution locations in over 40 states.

Despite solid earnings results through six months, uncertain demand for automotive replacement glass may cause the segment to report quarterly earning deviations, particularly in the latter half of the fiscal year, the segment's seasonally slower time of the year.

Building Products & Services (BPS)

BPS reported an operating loss for the second quarter compared with operating income for the same period a year ago. The loss was primarily due to a single curtainwall project in the New Construction unit's European operations. New Construction's domestic operations had a solid operating profit for the quarter and showed marked improvement for the period over a year ago. The unit's focus on job selection and cost reductions resulted in lower revenues with improved margins. The Architectural Products, Detention & Security and Full Service units continued to turn out improved operating results. Improved volume levels along with good product mix led to both revenue and earnings growth for these units.

In an August 21, 1997 press release, the Company announced a restructuring charge for BPS's New Construction curtainwall unit. The Company anticipates taking a third-quarter after tax charge of between $11 million and $16 million to exit the unit's Asian operations and rationalize its excess manufacturing capacity in Europe.

BPS plans to continue its focus on cost reductions and process improvements, particularly for its European operations, while looking to grow its profitable operations. It currently anticipates favorable year over year comparisons for its New Construction domestic operations and other operating units, but overseas operating losses from New Construction activities will continue to adversely influence earnings, possibly resulting in operating losses for the remainder of the year.

Backlog

On August 30, 1998, Apogee's consolidated backlog stood at $332 million, down 17% from the $399 million reported a year ago. The most notable variances were sizable declines in the BPS's New Construction unit's Asian and European backlogs.

Consolidated

The following table compares quarterly results with year-ago results, as a percentage of sales, for each caption.

	Three Months Ended		Six Months Ended	
	Aug. 30, 1997	Aug. 31, 1996	Aug. 30, 1997	Aug. 31, 1996
Net sales	100.0	100.0	100.0	100.0
Cost of sales	80.7	81.3	81.0	82.6
Gross profit	19.3	18.7	19..0	17.4
Selling, general and administrative expenses	12.7	12.9	13.0	12.2
Operating income	6.6	5.7	6.0	5.2
Interest expense, net	0.7	0.8	0.8	0.9
Earnings before income taxes and other items below	5.9	5.0	5.2	4.3
Income taxes	2.0	1.8	1.8	1.6
Equity in net earnings of affiliated companies	0.1	-	0.1	-
Minority interest	-	-	-	-
Net earnings	3.8	3.2	3.3	2.7
Income tax rate	34.0%	36.7%	35.0%	36.8%

On a consolidated basis for the three-month and six-month periods, gross profit, as a percentage of net sales, rose as AG and GT reported slightly better pricing and volume growth and BPS reported improved margins for all but its international operations. In addition, the change in sales mix away from the lower-margin curtainwall business also contributed to the improvement. The Company's gross margin also improved due to notably lower insurance costs. Selling, general and administrative expenses (SG & A) were flat for the second quarter due to Company-wide efforts to control such costs. Net interest expense dipped slightly due to lower interest rates and a decline in borrowing levels. The decrease reflected better cash flow and a reduction in working capital needs.

The effective income tax rate of 35% decreased due to changes in the domestic and international jurisdictional mix of the Company's operations.

LIQUIDITY AND CAPITAL RESOURCES

Cash balances were higher at quarter-end due partly to strong receivable collections. Receivables and costs in excess of billings decreased reflecting closure on some longer-term projects at BPS. Inventories grew with the higher sales levels due to the seasonality of many of the Company's businesses. Accrued expenses, accounts payable and billings in excess of costs also declined. Borrowing levels declined modestly from year end. Total debt of $150 million at August 30, 1997, represented 45% of invested capital.

Additions to property, plant and equipment totaled $18.2 million for the first half of the fiscal year. Major components of these additions included expenditures for facility expansion and improvement of information systems at all segments.

CAUTIONARY STATEMENTS

A number of factors should be considered in conjunction with 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 factors are set forth in the cautionary statements filed as Exhibit 99 to the Company's 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, the integration of acquisitions, the realization of expected economies gained through expansion and information systems technology, industry conditions, including that the industries in which the business segments compete are cyclical in nature and sensitive to changes in general economic conditions, the competitive environment in which the Company's business segments operate, including that the industries are highly competitive and fairly mature, and the Company's international operations which are subject to the general risks of doing business abroad and of entering new markets. The Company wishes to caution investors and other to review the statements set forth in Exhibit 99 and that other factors may prove to be important in affecting the Company's business or results of operations. These cautionary statements should be considered in connection with this Form 10-Q, including the forward-looking statements contained in the Management's Discussion and Analysis of the Company's three business segments. These cautionary statements are intended to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

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 17, 1997. The total number of outstanding shares on the record date for the Annual Meeting was 27,982,038. Seventy-five percent of the total outstanding shares were represented in person or by proxy at the meeting.

The candidates for election as Class II Directors listed in the proxy statement were elected to serve three-year terms, expiring at the 2000 annual meeting. The proposals to approve the 1997 Omnibus Stock Incentive Plan and to ratify the appointment of KPMG Peat Marwick LLP as independent auditors for the Company for the 1998 fiscal year were also approved. The results of these matters voted upon by the shareholders are listed below.

	Number of Shares		
	In Favor	Withheld	Abstained
Election of Class II Directors			
Harry A. Hammerly	20,564,318	418,419	
Laurence J. Niederhofer	20,402,265	580,472	
Approval of the 1997 Omnibus Stock Incentive Plan	15,683,361	5,193,167	106,209
Ratification of the appointment of KPMG Peat Marwick LLP as independent auditors	20,722,643	21,243	238,851

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit 11. Statement of Determination of Common Shares and Common Share Equivalents.

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

(b) Registrant filed a Current Report Form 8-K, dated August 21, 1997, announcing the Company's plan to record a third quarter restructuring charge for its New Construction international operations.

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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 14, 1997

/s/ Donald W. Goldfus

Donald W. Goldfus
Chairman of the Board,
Chief Executive Officer and President

Date: October 14, 1997

/s/ Terry L. Hall

Terry L. Hall
Vice President Finance and
Chief Financial Officer

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EXHIBIT 11

STATEMENT OF DETERMINATION OF COMMON SHARES

AND

COMMON SHARE EQUIVALENTS

	Average No. of Common Shares & Common Share Equivalents Assumed to be Outstanding During the Three Months Ended:		Average No. of Common Shares & Common Share Equivalents Assumed to be Outstanding During the Six Months Ended:	
	August 30, 1997	August 31, 1996 (c)	August 30, 1997	August 31, 1996 (c)
Weighted average number of common shares outstanding (a)	27,764,591	27,357,976	27,834,265	27,250,442
Common share equivalents resulting from the assumed exercise of stock options (b)	676,527	657,076	640,998	588,208
Total primary common shares and common share equivalents	28,441,118	28,015,026	28,475,263	27,838,650

(a) Beginning balance of common stock adjusted for changes in amount outstanding, weighted by the elapsed portion of the period during which the shares were outstanding.

(b) Common share equivalents computed by the "treasury" method. Share amounts represent the dilutive effect of outstanding stock options which have an option value below the average market value for the current period.

(c) Restated to reflect the stock split, effected in the form of a 100% stock dividend, issued in February 1997.

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