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 28, 1999 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, 1999
Common Stock, $.33-1/3 Par Value	27,795,739

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
FORM 10-Q
TABLE OF CONTENTS
FOR THE QUARTER ENDED AUGUST 28, 1999

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

	August 28, 1999 (unaudited)	February 27, 1999
ASSETS		
Current assets		
Cash and cash equivalents	$ 7,245	$ 1,318
Receivables, net of allowance for doubtful accounts	111,987	118,216
Inventories	69,047	68,171
Deferred tax assets	9,264	11,622
Other current assets	5,340	6,018
Total current assets	202,883	205,345
Property, plant and equipment, net	199,801	180,428
Other assets		
Marketable securities - available for sale	25,901	27,239
Investments	454	570
Intangible assets, at cost less accumulated amortization of $10,616 and $9,446, respectively	54,867	55,077
Other	2,420	2,532
Total assets	$486,326	$471,191
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 32,712	$ 43,166
Accrued expenses	46,261	51,738
Billings in excess of costs and earnings on uncompleted contracts	13,187	11,622
Accrued income taxes	11,420	7,385
Current installments of long-term debt	756	1,300
Total current liabilities	104,336	115,211
Long-term debt, less current installments	169,661	165,097
Other long-term liabilities	29,070	27,845
Net liabilities of discontinued operations	36,824	32,374
Shareholders' equity		
Common stock, $.33 1/3 par value; authorized 50,000,000 shares; issued and outstanding 27,796,000 and 27,623,000 shares, respectively	9,265	9,208
Additional paid-in capital	44,822	41,903
Retained earnings	93,905	80,194
Unearned compensation	(1,317)	(721)
Net unrealized (loss) gain on marketable securities	(240)	80
Total shareholders' equity	146,435	130,664
Total liabilities and shareholders' equity	$486,326	$471,191

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 28, 1999 and AUGUST 29, 1998
(Thousands of Dollars Except Share and Per Share Amounts)
(unaudited)

	Three Months Ended		Six Months Ended	
	August 28, 1999	August 29, 1998	August 28, 1999	August 29, 1998
Net sales	$218,450	$208,167	$429,573	$398,544
Cost of sales	173,114	162,288	337,321	312,226
Gross profit	45,336	45,879	92,252	86,318
Selling, general and administrative expenses	34,111	30,988	70,888	61,925
Operating income	11,225	14,891	21,364	24,393
Interest expense, net	2,646	2,364	5,226	4,854
Earnings from continuing operations before income taxes and other items below	8,579	12,527	16,138	19,539
Income taxes	2,928	4,510	5,649	7,034
Equity in net loss of affiliated companies	881	448	1,321	748
Minority interest	(160)	(63)	(277)	(63)
Earnings from continuing operations	4,930	7,632	9,445	11,820
Earnings from discontinued operations, net of income taxes	9,111	1,523	9,166	1,213
Net earnings	$ 14,041	$9,155	$18,611	$ 13,033
Earnings per share - basic				
Continuing operations	$ 0.18	$ 0.28	$ 0.34	$ 0.43
Discontinued operations	0.33	0.06	0.33	0.04
Net earnings	$ 0.51	$ 0.33	$ 0.67	$ 0.47
Earnings per share - diluted				
Continuing operations	$ 0.18	$ 0.27	$ 0.34	$ 0.43
Discontinued operations	0.33	0.05	0.33	0.04
Net earnings	$ 0.50	$ 0.33	$ 0.67	$ 0.47

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED AUGUST 28, 1999 AND AUGUST 29, 1998
(Thousands of Dollars)
(unaudited)

	1999	1998
OPERATING ACTIVITIES		
Net earnings	$18,611	$13,033
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Net earnings from discontinued operations	(9,166)	(1,213)
Depreciation and amortization	16,706	12,995
Provision for losses on accounts receivable	1,170	1,055
Deferred income tax expense	2,648	6,852
Equity in net loss of affiliated companies	1,321	748
Minority interest	(277)	(63)
Net cash flow from (to) discontinued operations	6,173	(4,477)
Other, net	154	133
Cash flow before changes in operating assets and liabilities	37,340	29,063
Changes in operating assets and liabilities, net of effect of acquisitions		
Receivables	5,675	(19,619)
Inventories	(150)	(3,349)
Other current assets	678	1,826
Accounts payable and accrued expenses	(15,929)	5,574
Billings in excess of costs and earnings on uncompleted contracts	1,565	4,905
Refundable income taxes and accrued income taxes	9,421	12,186
Other long-term liabilities	788	265
Net cash provided by operating activities	39,388	30,851
INVESTING ACTIVITIES		
Capital expenditures	(34,759)	(31,089)
Acquisition of businesses, net of cash acquired	(1,981)	(3,335)
Purchases of marketable securities	(18,714)	(10,242)
Sales/maturities of marketable securities	19,558	9,838
Investments in and advances to affiliated companies	(1,205)	(575)
Proceeds from sale of property and equipment	53	124
Net cash flow from discontinued operations	2,000	----
Other, net	(250)	32
Net cash used in investing activities	(35,298)	(35,247)
FINANCING ACTIVITIES		
Payments on long-term debt	(1,380)	(840)
Proceeds from issuance of long-term debt	5,400	10,497
Increase in deferred debt expenses	(255)	(2,098)
Proceeds from issuance of common stock	2,763	2,332
Repurchase and retirement of common stock	(1,774)	(830)
Dividends paid	(2,917)	(2,763)
Net cash provided by financing activities	1,837	6,298
Increase in cash and cash equivalents	5,927	1,902
Cash and cash equivalents at beginning of period	1,318	7,853
Cash and cash equivalents at end of period	$7,245	$9,755

See accompanying notes to consolidated financial statements.

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 August 28, 1999 and August 29, 1998, the results of operations for the three months and six months ended August 28, 1999 and August 29, 1998 and cash flows for the six months ended August 28, 1999 and August 29, 1998. Certain prior year amounts have been reclassified to conform to the current period presentation.

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 27, 1999. The results of operations for the three months and six months ended August 28, 1999 and August 29, 1998 are not necessarily indicative of the results to be expected for the full year.

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. Earnings per share

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

	Three Months Ended		Six Months Ended	
	August 28, 1999	August 29, 1998	August 28, 1999	August 29, 1998
Basic earnings per share-weighted common shares outstanding	27,798,554	27,594,620	27,716,810	27,565,531
Weighted common share assumed upon exercise of stock options	77,529	217,551	94,678	231,813
Diluted earnings per share-weighted common shares and common shares equivalent outstanding	27,876,083	27,812,171	27,811,488	27,797,344

3. Inventories

Inventories consist of the following:

	August 28, 1999	February 27, 1999
Raw materials	$17,127	$16,324
Work-in process	4,334	3,157
Finished	46,364	48,330
Cost and earnings in excess of billings on uncompleted contracts	1,222	360
Total inventories	$69,047	$68,171

4. Discontinued Operations

On May 13, 1999, the Company completed the sale of 100% of the stock of its large-scale domestic curtainwall business, Harmon Ltd., for consideration including $2 million cash and a $5.3 million secured, subordinated note. The results of Harmon Ltd., as well as those of the Company's Detention & Security unit, which was sold in November 1998, and the Company's international curtainwall operations are reported as discontinued operations. Earnings from operations of discontinued businesses, net of taxes, for the quarter were $9.1 million, and for the six months were $9.2 million.

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

Sales and Earnings

Net sales for the second quarter ended August 28, 1999 were $218.5 million, a 5% increase over the $208.2 million reported for the same period a year ago. Glass Technologies reported a 12% increase in net sales, while Glass Services reported only a nominal sales gain, primarily reflecting a small sales decline from auto glass operations. Second quarter net earnings of $14.0 million, or 50 cents per share diluted, were 53% higher than last year's $9.2 million, or 33 cents per share diluted. However, primarily due to pricing pressures and soft retail demand at auto glass operations, second quarter earnings from continuing operations decreased 35% to $4.9 million, or 18 cents per share-diluted, from $7.6 million, or 28 cents per share-diluted, for the prior year quarter. Earnings from discontinued operations, $9.1 million after-tax, increased from $1.5 million a year ago, the result of significant cash collections related to the completion of certain projects from the Company's discontinued Asian curtainwall operations. The Company announced its exit from curtainwall operations in Asia in late 1997 and is in the closing stages of its exit activities.

Net sales for the first six months increased 8%, to $429.6 million, compared to $398.5 million a year ago. Year-to-date net earnings increased 43% to $18.6 million, or 67 cents per share diluted, from $13.0 million, or 47 cents per share diluted, in the prior year. Earnings from continuing operations fell 20% to $9.4 million, or 34 cents per share-diluted from the prior year.

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.

(Dollars in thousands)	Three Months Ended			Six Months Ended		
	August 28, 1999	August 29, 1998	% Chg	August 28, 1999	August 29, 1998	% Chg
Net Sales						
Glass Technologies	$ 88,345	$ 78,568	12%	$ 176,876	$ 155,955	13%
Glass Services	132,542	129,757	2	255,248	242,962	5
Intersegment elimination	(2,437)	(158)	(1442)	(2,551)	(373)	(584)
Net sales	$ 218,450	$ 208,167	5%	$ 429,573	$ 398,544	8%
Operating Income (Loss)						
Glass Technologies	$ 4,536	$ 4,911	(8)%	$ 8,555	$ 9,027	(5)%
Glass Services	5,952	10,562	(44)	13,298	15,766	(16)
Corporate and Other	737	(582)	NM	(489)	(400)	(22)
Operating income (loss)	$ 11,225	$ 14,891	(25)%	$ 21,364	$ 24,393	(12)%

Glass Technologies (GT)

Net sales at Glass Technologies increased 12% to $88.3 million in the second quarter, while operating income fell 8% to $4.5 million from last year's $4.9 million. The sales increase was primarily due to 20+%

growth at Viracon and Viratec as both businesses experienced increased volume at their new facilities in Statesboro, GA and San Diego, CA, respectively. A major factor underlying the operating income decline was incremental depreciation expense of $1.9 million associated with the segment's capacity expansions.

Viracon, the segment's largest operating unit, reported a net sales increase of 21% and an operating income increase of 13% for the period compared to last year's second quarter. Customer demand for Viracon's high-performance architectural glass products remained strong. Backlog at August 28, 1999 was at an all-time high of $38.0 million. Production at Viracon's new Statesboro, Georgia facility continued to make progress, however, the ramp-up is proceeding at a slower pace than originally planned. At the beginning of the third quarter, Viracon reduced production at the Owatonna, MN plant in order to create efficiencies that should improve production velocity. As a result of this decision, this facility is not expected to be at full production until late in the third quarter.

Viratec reported a larger operating loss for the quarter as compared to the same quarter a year ago as a result of the combination of a technology change-over to accommodate a new product in its CRT coating operation in San Diego and fine-tuning the production of its new vertical coater in Faribault, MN to bring it up to nameplate capacity. The CRT technology changeover is expected to be completed in the third quarter, while the vertical coater is expected to resume production by the end of the fiscal year.

Tru Vue experienced record sales and profits for the second quarter as demand for Tru Vue's value-added glass products remained solid. Sales increased 6% and operating income increased 36% for the quarter as compared to the same quarter a year ago. The second quarter ended August 28, 1999 was the first full quarter of operation for the new Tru Vue manufacturing facility in Chicago, Illinois.

The Architectural Products Group reported decreased sales and operating income compared to the same period last year. This decrease in operating income was a result of slightly lower sales and the corresponding reduction in gross profit.

Despite strong backlog and strong demand for most of its products, Glass Technologies expects to report lower operating earnings for fiscal 2000, as compared to fiscal 1999, as a result of slower than expected ramp-up of production capacity at its Statesboro, GA, San Diego, CA and Faribault, MN facilities. However, sales and operating income are expected to increase in the second half of the year compared with the first six months of the year.

Glass Services (GS)
- -------------------
As compared to a year ago, net sales increased 2% to $132.5 million at Glass Services. Operating income for the segment decreased 44% to $6.0 million from the same period a year ago despite a strong performance by Harmon, Inc.

The auto glass business reported a 2% decrease in sales and a 70% decrease in operating income as a result of continued distribution price pressures and soft retail demand. Charges associated with realignment of its business activities and management also contributed to lower operating income for the quarter. Same-store unit retail sales rose by approximately 5% during the second quarter, but industry-wide pricing pressures effectively offset the benefit of this increase. At the close of the second quarter, GS had 343 Harmon retail locations and 78 Glass Depot distribution centers.

Harmon Inc., the Company's full service building glass installation and repair shops, reported a 25% increase in net sales and a 113% increase in operating income for the quarter as compared to the same period a year ago, mainly due to increased volume and improved margins.

The continuation of significant pricing pressures and soft retail demand in auto glass operations make it likely that the segment will report significantly lower operating earnings in the last half of the year compared to the same period a year ago.

Discontinued Operations

On May 13, 1999, the Company completed the sale of 100% of the stock of its large-scale domestic curtainwall business, Harmon Ltd., for consideration including $2 million cash and a $5.3 million secured, subordinated note. The results of Harmon Ltd., as well as those of the Company's Detention & Security unit, which was sold in November 1998, and the Company's international curtainwall operations are reported as discontinued operations. Earnings from operations of discontinued businesses, net of taxes, for the second quarter were $9.1 million, and for the six months were $9.2 million.

Backlog

On August 28, 1999, the Company's consolidated backlog was $174.8 million, up 9% from the $160.5 million reported a year ago. The backlogs of GT's operations represented 66% of the Company's consolidated backlog.

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. 28, 1999	Aug. 29, 1998	Aug. 28, 1999	Aug. 29, 1998
Net sales	100.0	100.0	100.0	100.0
Cost of sales	79.2	78.0	78.5	78.3
Gross profit	20.8	22.0	21.5	21.7
Selling, general and administrative expenses	15.6	14.9	16.5	15.5
Operating income	5.1	7.2	5.0	6.1
Interest expense, net	1.2	1.1	1.2	1.2
Earnings from continuing operations before income and other items	3.9	6.0	3.8	4.9
Income taxes	1.3	2.2	1.3	1.8
Equity in net earnings of affiliated companies	0.4	0.2	0.3	0.2
Minority interest	(0.1)	0.0	(0.1)	0.0
Earnings from continuing operations	2.3	3.7	2.2	3.0
Earnings from discontinued operations	4.2	0.7	2.1	0.3
Net earnings	6.4	3.7	4.3	3.0
Effective tax rate	34.0%	36.0%	35.0%	36.0%

On a consolidated basis for the three-month and six-month periods, gross profit fell as a percentage of net sales for the reasons noted above. Despite the gross profit increase recognized by Harmon, Inc., it was not enough to offset the decrease in gross profit reported by Viracon, Viratec, Wausau Architectural Products and auto glass operations for the quarter as compared to the prior year quarter. On a year-to-date basis, Viracon and auto glass operations reported a decrease in gross profit as a percent of sales while Viratec and Harmon, Inc. reported increases over last year. Selling, general and administrative (SG&A) expenses rose by $9.0 million, or 14% over the prior year period, primarily due to increased personnel and outside services costs. A portion of the increased personnel costs represented classification variances associated with the Company's many system conversions. Identification and quantification of such amounts are expected to be completed in the third quarter with appropriate reclassifications made to the prior year's figures. Interest expense increased slightly during the quarter as higher borrowing levels were offset by slightly lower borrowing rates. The six-month effective income tax rate of 35.0% was down slightly from 36.0% a year ago.

Liquidity and Capital Resources

Financial Condition

Net cash provided by operating activities
Cash provided by operating activities for the six months ended August 28, 1999 totaled $39.4 million. That figure reflected the combination of net earnings and noncash charges, such as depreciation and amortization. At quarter-end, the Company's working capital stood at $98.5 million. The primary factors underlying the increase in working capital were increased cash, decreased payables and accruals and cash flow from discontinued operations, partly offset by decreased receivables, increased billings in excess of costs and increased income taxes payable.

Net cash provided by financing activities
Bank borrowings stood at $170.4 million at August 28, 1999, up 2% from the $166.4 million outstanding at February 27, 1999. The borrowings, along with cash provided by operating activities, were sufficient to finance the period's significant investing activities and cash dividend requirements. At August 28, 1999, long-term debt stood at 57% of total capitalization, as compared to 56% at fiscal year-end 1999.

The Company anticipates no increase in borrowing levels over the next two quarters as capital spending levels return to a normalized level after several quarters of significant expenditures related to significant capacity expansion in fiscal 1999 and the first half of fiscal 2000.

Net cash used in investing activities
Additions to property, plant and equipment during the six months ended August 28, 1999 totaled approximately $34.8 million. Major items included expenditures for the GT expansion activities noted above as well as expenditures on information systems projects throughout the Company. The Company projects full-year capital expenditures of approximately $50 million.

Cash increased $5.9 million for the six months ended August 28, 1999.

Shareholders' Equity

At August 28, 1999, Apogee's shareholders' equity stood at $146.4 million. Book value per share was $5.27, up from $4.73 per share at February 27, 1999, 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.

Impact of Year 2000

Each of the Company's businesses has had project teams in place to evaluate its Information Technology (IT) systems, non-IT systems, and third-party readiness for compliance with Year 2000 requirements. For these purposes, the Company defines its "IT systems" as those hardware and software systems which comprise its central management information systems and its telephone systems. All other systems, including those involved in local, on-site product design or manufacturing, are considered "non-IT systems." "Third parties" include the Company's key suppliers and customers.

The inventory, assessment and remediation stages of the Company's IT systems are substantially complete. The Company has several Enterprise Resource Planning (ERP) system implementations designed to enable the businesses to operate more efficiently, which will also address the Year 2000 issue. As of the end of September 1999, the Company believed that these ERP system implementations were approximately 85% complete, with planned completion during October 1999. Where existing systems are expected to remain in place beyond 1999, the Company has identified Year 2000 issues and is completing the process of remediating, replacing or establishing alternative procedures addressing non-Year 2000 compliant systems and hardware. The Company believes mission-critical systems will be completed during October 1999. Although the Company does not foresee a material adverse effect on its business, results of operations related to Year 2000 or the Company's IT systems, risk is not eliminated until the systems are fully installed, tested, and all non-compliant code identified, and corrected.

The Company's businesses have completed assessment, remediation and implementation of embedded operating and applications software and hardware within its mission-critical non-IT systems. Remaining systems will be completed by late Fall 1999. While the Company does not believe that it is likely to experience adverse effects related to Year 2000 in the area of non-IT systems, failure to identify all Year 2000 controls or equipment, or failure to remediate them in a timely way, could result in the inability of a particular plant or facility to manufacture products or provide services in the ordinary course of business.

Virtually none of the Company's products are date sensitive.

The Company's businesses have contacted key customers and suppliers to assess Year 2000 compliance within their organizations to assure no material interruption in these important third party relationships. This dialogue and process has been and will continue to be ongoing throughout 1999. Non-compliant customers and suppliers will be evaluated in terms of the degree of risk posed to the Company's business. If there were significant non-compliance by key customers and suppliers, the Company might experience a material adverse effect on the businesses with those specific third-party relationships.

The Company's businesses are developing contingency plans based on their review of IT systems, non-IT systems, and third party Year 2000 compliance progress. The Company is developing third party contingency plans as it identifies critical partners with evidence of non-compliance. The Company's contingency plans may include plans, where necessary, to establish additional or alternative sources of supply and channels of distribution.

Based on the Company's assessments completed to date, the Company's total cost of addressing Year 2000 issues is currently estimated to be in the range of $7-8 million, of which approximately $6 million has already been incurred. Aside from costs to implement ERP projects for other business purposes, the IT related portion of the total Year 2000 costs is estimated to be approximately $6-7 million.

The Company recognizes that issues related to Year 2000 constitute a material known uncertainty. The Company believes it is taking reasonable steps to address the Year 2000 problem. The failure to identify and remediate Year 2000 problems or the failure of external third parties who do business with the Company to effectively remediate their Year 2000 issues could cause system failures or errors, business interruptions and, in a worst case scenario, the inability to operate in the ordinary course of business for an unknown length of time. The effect on the Company's results of operations, financial position, or liquidity could be materially adverse.

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, 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.

Cautionary Statements

This report contains "forward-looking statements" with 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 the Company's 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 the Company. Also, there can be no assurances that the ramp-up of new plant capacity in the Glass Technologies businesses will proceed as anticipated and will lead to successful operating results for those companies now or in the future.

A number of other factors should be considered in conjunction with the 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 statements filed as Exhibit 99 to the Company's Form 10-K for the fiscal year ended February 27, 1999 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.

The Company wishes to caution investors and others 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 section of this Form 10-Q. These cautionary statements are intended to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

The Company does not enter into market risk-sensitive instruments for trading purposes. The Company's principal market risk is sensitivity to interest rates, due to its significant debt to total capitalization ratio. 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 changes in interest rates affecting the Company's financial instruments would result in approximately a $2.0 million impact to net earnings, based upon the Company's current debt obligations. All other things being equal, as interest rates increase, net earnings decrease; as interest rates decrease, net earnings increase.

The Company also routinely uses 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, an 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.

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 22, 1999. The number of outstanding shares on the record date for the Annual Meeting was 27,759,555. Eighty-eight percent of the outstanding shares were represented in person or by proxy at the meeting.

The candidates for election as Class I Directors listed in the proxy statement were elected to serve three-year terms, expiring at the 2002 Annual Meeting of Shareholders. The proposals to approve the Company's Deferred Compensation Plan for Non-Employee Directors and to ratify the appointment of Arthur Andersen LLP as independent auditors for the Company for the 2000 fiscal year were 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 I Directors			
Barbara B. Grogan	23,398,919	1,043,830	
J. Patrick Horner	23,464,018	978,731	
Stephen C. Mitchell	23,462,688	980,061	
Approval of the Company's Deferred Compensation Plan for Non-Employee Directors	22,775,607	1,558,571	108,571
Ratification of the appointment of Arthur Andersen LLP as independent auditors	24,196,498	208,714	37,537

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

- Exhibit (10). Form of First Amendment to Severance Agreement between the Company and certain senior executive officers of the Company.
- Exhibit (27). Financial Data Schedule (EDGAR filing only).
- Exhibit (27.1). Restated Financial Data Schedule (EDGAR filing only).
- Exhibit (27.2). Restated Financial Data Schedule (EDGAR filing only).

(b) The Company filed Amendment No. 1 to Current Report on Form 8-K/A, dated June 8, 1999 and filed June 8, 1999, amending its Current Report on Form 8-K, dated April 9, 1999 and filed April 23, 1999.

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 8, 1999

/s/Russell Huffer

Russell Huffer
Chairman, Chief Executive Officer and President

Date: October 8, 1999

/s/Robert G. Barbieri

Robert G. Barbieri
Vice President Finance and Chief Financial Officer

EXHIBIT INDEX

Exhibit	
Exhibit 10	Form of First Amendment to Severance Agreement between the Company and certain senior executive officers of the Company.
Exhibit 27	Financial Data Schedule (EDGAR filing only)
Exhibit 27.1	Restated Financial Data Schedule (EDGAR filing only).
Exhibit 27.2	Restated Financial Data Schedule (EDGAR filing only).

EXHIBIT 10

FIRST AMENDMENT
TO
SEVERANCE AGREEMENT

This First Amendment to Severance Agreement (this "First Amendment"), dated as of this ___ day of ________, 1999, amends that certain Severance Agreement dated as of , 1999, by and between Apogee Enterprises, Inc., a Minnesota corporation (the "Company"), and _______________ (the "Executive"), a resident of the State of Minnesota (the "Agreement").

WHEREAS, the Agreement specifies the financial arrangements that the Company will provide to Executive upon Executive's separation from employment with the Company under the circumstances described therein; and

WHEREAS, the parties desire to amend the Agreement in the manner set forth herein in order to enhance the Company's ability to attract and retain highly qualified people.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Section 4(i)(b)(II) of the Agreement is hereby deleted in its entirety and the following is substituted therefor:

> "(II) twenty-four (24) times the sum of (A) Executive's monthly base salary (as in effect in the month preceding the month in which the termination becomes effective or as in effect in the month preceding the Change in Control, whichever is higher) and (B) one-twelfth (1/12) of the Target Bonus;"

2. Section 4(iii) of the Agreement is hereby deleted in its entirety and the following is substituted therefor:

> "(iii) Upon the occurrence of a Change in Control, the Company shall cause its independent auditors promptly to review, at the Company's sole expense, the applicability of Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code") to the "Total Payments" (as defined in Section 4(iv) below) to be received by Executive. If such auditors determine that, after taking into account the provisions of Section 4(iv) hereof, any of the Total Payments would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties with respect to such tax (such excise tax, together with interest and penalties, are collectively referred to as the "Excise Tax"), then, in addition to any amounts payable under foregoing provisions of this Section 4, the Company shall pay an additional cash payment (a "Gross-Up Payment") within 30 days of such determination equal to the Excise Tax imposed on the Total

Payments, including any Excise Tax or any other income taxes that may be imposed on such Gross-Up Payment. If no determination by the Company's auditors is made prior to the time a tax return reflecting the Total Payments is required to be filed by Executive, Executive will be entitled to receive a Gross-Up Payment calculated on the basis of the Total Payments reported by him in such tax return, within 30 days of the filing of such tax return. In all events, if any tax authority determines that a greater Excise Tax should be imposed on the Total Payments than is determined by the Company's independent auditors or reflected in Executive's tax return pursuant to this subparagraph (iii), Executive shall be entitled to receive the full Gross-Up Payment calculated on the basis of the amount of Excise Tax determined to be payable by such tax authority from the Company within 30 days of such determination."

3. Section 4(iv) of the Agreement is hereby deleted in its entirety and the following is substituted therefor:

"(iv) As used herein, "Total Payments" shall mean, collectively, any payment or benefit received or to be received by Executive in connection with a Change in Control of the Company or termination of Executive's employment (whether payable pursuant to the terms of this Agreement or any other plan, contract, agreement or arrangement with the Company, with any person whose actions result in a Change in Control of the Company or with any person constituting a member of an "affiliated group" as defined in Section 280G(d)(5) of the Code) with the Company or with any person whose actions result in a Change in Control of the Company. For purposes of calculating Total Payments, (a) no portion of the Total Payments the receipt or enjoyment of which Executive shall have effectively waived in writing prior to the date of payment of the Severance Payment shall be taken into account; (b) no portion of the Total Payments shall be taken into account which in the opinion of tax counsel selected by the Company and acceptable to Executive does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code; (c) the value of any benefit provided by Section 4(i)(f) of this Agreement shall not be taken into account in computing Total Payments; and (d) the value of any other non-cash benefit or of any deferred cash payment included in the Total Payments shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. In case of uncertainty as to whether all or some portion of a payment is or is not payable to Executive under this Agreement, the Company shall initially make the payment to Executive, and Executive agrees to refund to the Company any amounts ultimately determined not to have been payable under the terms hereof."

4. Any capitalized term used herein and not otherwise defined herein shall have the meaning given to such term in the Agreement.

5. This First Amendment constitutes an amendment of the Agreement in conformity with and pursuant to the terms of Section 7 of the Agreement. Except as expressly amended herein, all terms set forth in the Agreement shall continue in full force and effect.

6. The operative terms of this First Amendment may be inserted into a First Amended and Restated Agreement by the parties and shall have a date as of the day and year first set forth herein.

7. The internal law, and not the law of conflicts, of the State of Minnesota will govern all questions concerning the construction, validity and interpretation of this First Amendment and the performance of the obligations imposed by this First Amendment.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the day and year first above written.

APOGEE ENTERPRISES, INC.

By___________________________
Its_________________________

EXECUTIVE

____

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
117,758	117,758
5,771	5,771
69,047	69,047
202,883	202,883
355,183	355,183
155,382	155,382
486,326	486,326
104,336	104,336
0	0
0	0
0	0
9,265	9,265
137,170	137,170
486,326	486,326
218,450	429,573
218,450	429,573
173,114	337,321
33,747	69,718
0	0
364	1,170
2,646	5,226
8,579	16,138
2,928	5,649
4,930	9,445
9,111	9,166
0	0
0	0
14,041	18,611
0.51	0.67
0.50	0.67

5
1,000

3-MOS	6-MOS
FEB-27-1999	FEB-27-1999
MAY-31-1998	MAR-01-1998
AUG-29-1998	AUG-29-1998
9,755	9,755
19,143	19,143
125,047	125,047
5,555	5,555
64,391	64,391
216,678	216,678
278,627	278,627
132,666	132,666
439,798	439,798
109,150	109,150
0	0
0	0
0	0
9,203	9,203
112,629	112,629
439,798	439,798
208,167	398,544
208,167	398,544
162,288	312,226
30,562	60,870
0	0
426	1,055
2,364	4,854
12,527	19,539
4,510	7,034
7,632	11,820
1,523	1,213
0	0
0	0
9,155	13,033
0.33	0.47
0.33	0.47

5
1,000

3-MOS
FEB-27-1999
MAR-01-1998
MAY-30-1998
11,701
26,738
113,320
5,348
60,590
205,115
259,965
130,717
420,797
107,346
0
0
0
9,207
104,272
420,797
190,377
190,377
149,938
30,308
0
629
2,490
7,012
2,524
4,188
(310)
0
0
3,878
0.14
0.14