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 December 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 December 31, 2000
Common Stock, $.33-1/3 Par Value	27,821,091

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES

FORM 10-Q

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FOR THE QUARTER ENDED DECEMBER 2, 2000

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

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

	December 2, 2000	February 26, 2000
ASSETS	(unaudited)	
Current assets		
Cash and cash equivalents	$ 4,654	$ 7,192
Receivables, net of allowance for doubtful accounts	120,807	125,064
Inventories	33,111	68,184
Deferred tax assets	8,557	8,435
Other current assets	1,809	5,547
Total current assets	$168,938	214,422
Property, plant and equipment, net	169,139	186,039
Other assets		
Marketable securities - available for sale	26,385	24,951
Investments	33,402	418
Intangible assets, at cost less accumulated amortization of $12,897 and $11,668, respectively	50,671	50,549
Other	4,143	4,775
Total assets	$452,678	$481,154
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 55,901	$ 57,989
Accrued expenses	54,006	56,624
Current liabilities of discontinued operations, net	3,121	2,907
Billings in excess of costs and earnings on uncompleted contracts	11,519	9,827
Accrued income taxes	5,818	7,868
Current installments of long-term debt	99	182
Total current liabilities	130,464	135,397
Long-term debt, less current installments	132,464	164,371
Other long-term liabilities	24,785	25,248
Liabilities of discontinued operations, net	21,093	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	46,131	45,106
Retained earnings	89,169	84,608
Unearned compensation	(838)	(888)
Net unrealized (loss) gain on marketable securities	136	(302)
Total shareholders' equity	143,872	137,772
Total liabilities and shareholders' equity	$452,678	$481,154

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED RESULTS OF OPERATIONS
FOR THE THREE MONTHS AND NINE MONTHS ENDED
DECEMBER 2, 2000 AND NOVEMBER 27, 1999
(Thousands Except Per Share Amounts)
(unaudited)

	Three Months Ended		Nine Months Ended	
	December 2, 2000	November 27, 1999	December 2, 2000	November 27, 1999
Net sales	$197,291	$201,127	$670,908	$627,752
Cost of sales	155,969	170,518	534,616	504,587
Gross profit	41,322	30,609	136,292	123,165
Selling, general and administrative expenses	35,951	34,888	113,302	104,689
Operating income (loss)	5,371	(4,279)	22,990	18,476
Interest expense, net	2,919	2,400	8,881	7,589
Earnings (loss) from continuing operations before income taxes and other items below	2,452	(6,679)	14,109	10,887
Income tax provision (benefit)	858	(2,338)	4,938	3,811
Equity in net (earnings) loss of affiliated companies	(1,368)	641	(12)	1,962
Earnings (loss) from continuing operations	2,962	(4,982)	9,183	5,114
Earnings from discontinued operations, net of income taxes	---	2,004	---	10,519
Net earnings (loss)	$ 2,962	$ (2,978)	$ 9,183	$ 15,633
Earnings (loss) per share-Basic				
Continuing operations	$ 0.11	$ (0.18)	$ 0.33	$ 0.18
Discontinued operations	---	0.07	---	0.38
Net earnings (loss)	$ 0.11	$ (0.11)	$ 0.33	$ 0.56
Earnings (loss) per share-Diluted				
Continuing operations	$ 0.11	$ (0.18)	$ 0.33	$ 0.18
Discontinued operations	---	0.07	---	0.38
Net earnings (loss)	$ 0.11	$ (0.11)	$ 0.33	$ 0.56
Weighted average basic shares outstanding	27,842	27,794	27,832	27,743
Weighted average diluted shares outstanding	27,924	27,794	27,859	27,809

See accompanying notes to consolidated financial statements.

APOGEE ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED DECEMBER 2, 2000 AND NOVEMBER 27, 1999
(Thousands)
(unaudited)

	December 2, 2000	November 27, 1999
OPERATING ACTIVITIES		
Net earnings	$ 9,183	$ 15,633
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Net earnings from discontinued operations	---	(10,519)
Depreciation and amortization	27,120	24,901
Provision for losses on accounts receivable	2,182	1,555
Deferred income tax expense	182	1,557
Equity in net (earnings) loss of affiliated companies	(12)	1,962
Net cash flow (to) from discontinued operations	(1,434)	3,717
Other, net	(24)	224
Cash flow before changes in operating assets and liabilities	37,197	39,030
Changes in operating assets and liabilities, net of effect of acquisitions:		
Receivables	2,638	(122)
Inventories	12,207	(2,216)
Other current assets	3,626	1,104
Accounts payable and accrued expenses	(5,805)	(14,380)
Billings in excess of costs and earnings on uncompleted contracts	1,692	4,195
Accrued and refundable income taxes	(2,689)	(2,655)
Other long-term liabilities	(413)	564
Net cash provided by operating activities	48,453	25,520
INVESTING ACTIVITIES		
Capital expenditures	(10,759)	(41,700)
Acquisition of businesses, net of cash acquired	(3,545)	(1,983)
Purchases of marketable securities	(7,900)	(12,185)
Sales/maturities of marketable securities	7,140	12,535
Investments in and advances to affiliated companies	(2,259)	(1,821)
Net cash flow from discontinued operations	4,375	2,000
Other, net	(675)	1,104
Net cash used in investing activities	(13,623)	(42,050)
FINANCING ACTIVITIES		
Payments on long-term debt	(32,674)	(960)
Proceeds from issuance of long-term debt	---	21,350
Increase in deferred debt expenses	(521)	(330)
Proceeds from issuance of common stock	517	2,781
Repurchase and retirement of common stock	(317)	(2,179)
Dividends paid	(4,373)	(4,376)
Net cash (used in) provided by financing activities	(37,368)	16,286
Decrease in cash and cash equivalents	(2,538)	(244)
Cash and cash equivalents at beginning of period	7,192	1,318
Cash and cash equivalents at end of period	$ 4,654	$ 1,074
Supplemental schedule of non-cash investing activities:		
Net assets contributed to PPG Auto Glass, LLC (see Note 4)	$ 30,507	-

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 December 2, 2000 and November 27, 1999, the results of operations for the three months and nine months ended December 2, 2000 and November 27, 1999 and cash flows for the nine months ended December 2, 2000 and November 27, 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 nine months ended December 2, 2000 and November 27, 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 nine-month figures contain forty weeks whereas fiscal 2000 nine-month figures contain thirty-nine 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.

	Three Months Ended		Nine Months Ended	
	December 2, 2000	November 27, 1999	December 2, 2000	November 27, 1999
(Thousands)				
Basic earnings per share-weighted common shares outstanding	27,842	27,794	27,832	27,743
Weighted common shares assumed upon exercise of stock options	82	---	27	66
Diluted earnings per share-weighted common shares and common shares equivalent outstanding	27,924	27,794	27,859	27,809

3. Inventories

(Thousands)	December 2, 2000	February 26, 2000
Raw materials	$17,789	$18,966
Work-in process	4,980	4,995
Finished	9,567	43,439
Cost and earnings in excess of billings on uncompleted contracts	775	784
Total inventories	$33,111	$68,184

4. Investments in Affiliated Companies

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 December 2, 2000, the Company's investment in PPG Auto Glass is $33.0 million. The Company's share of earnings in PPG Auto Glass for the quarter, net of taxes and transaction costs, was $2.3 million. The Company's investment in TerraSun LLC relates to a research and development venture. No dividends from investments in affiliates were paid in the third quarter.

Included in the carrying amount of PPG Auto Glass, LLC is $9.1 million, representing the unamortized excess of the cost of the investment over the value of the underlying net tangible assets of PPG Auto Glass, LLC when the investment was acquired. This excess is being amortized over a weighted average life of 20 years.

Provision has been made for taxes that will become payable when the accrued, undistributed earnings of TerraSun, LLC and PPG Auto Glass, LLC are remitted.

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 October and November 2000, the Company completed the sale of substantially all of the assets of VIS'N in two separate transactions. 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 December 2, 2000, accruals totaling $24.2 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 is expected to be made within the next five years. The primary components of the accruals relate to the completion of certain construction projects, associated legal and advisory fees and related costs. The increase from February 26, 2000 is due to additional requirements for various international curtainwall operation items, offset by the collection of previously reserved receivables.

6. Commitments and Contingent Liabilities

At December 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 December 2, 2000 was approximately $4.2 million. The Company has also entered into a number of noncompete agreements for the benefit of the Company. As of December 2, 2000, we were committed to make future payments of $1.6 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)	Three Months Ended December 2, 2000	Three Months Ended November 27, 1999	Nine Months Ended December 2, 2000	Nine Months Ended November 27, 1999
Net earnings	$2,962	$(2,978)	$9,183	$15,633
Change in unrealized gains (losses) on marketable securities, net of $25, ($26), $236 and ($199), tax expense (benefit), respectively	45	(48)	438	(369)
Comprehensive earnings	$3,007	$(3,026)	$9,621	$15,264

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 third quarter ended December 2, 2000 were $197.3 million, a 2% decrease over the $201.1 million reported for the prior year third quarter. Revenues for the third quarter rose 10% compared to last year, after being adjusted for the formation of the PPG Auto Glass joint venture. Third quarter earnings from continuing operations of $3.0 million, or $.11 per share diluted, were $7.9 million higher than last year's loss of $5.0 million, or $.18 per share diluted. Prior year third quarter net sales have been restated to reflect the exit of the Company's interest in VIS'N. Accordingly, the results of this business, along with the Company's detention/security and international and domestic curtainwall operations, are reported as discontinued operations. The results of the Auto Glass distribution unit are not included in current quarterly results from continuing operations as they were in the prior year third quarter due to the formation of the joint venture with PPG. The results of the joint venture are included in equity in net earnings of affiliated companies. EBITDA (earnings before interest, taxes, depreciation and amortization) for continuing operations was $13.5 million for the third quarter, a $9.5 million increase from $4.0 million reported for the prior year third quarter.

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 7%, to $670.9 million, compared to $627.8 million a year ago. Revenues rose 14% over a year ago, after being adjusted for the PPG Auto Glass joint venture. Earnings from continuing operations rose 80% to $9.2 million, or 33 cents per share diluted, from $5.1 million, or 18 cents per share diluted, in the prior year. Year-to-date net earnings decreased 41% to $9.2 million, or 33 cents per share diluted, from $15.6 million, or 56 cents per share diluted, in the prior year due to the $10.5 million reported gain from discontinued operations reported in the prior year period.

Third Quarter Fiscal 2001 Compared to Third Quarter Fiscal 2000

The following table compares three and nine month results for the current year 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		Nine Months Ended	
	Dec. 2, 2000	Nov. 27, 1999	Dec. 2, 2000	Nov. 27, 1999
Net sales	100.0	100.0	100.0	100.0
Cost of sales	79.1	84.8	79.7	80.4
Gross profit	20.9	15.2	20.3	19.6
Selling, general and administrative expenses	18.2	17.3	16.9	16.7
Operating income (loss)	2.7	(2.1)	3.4	2.9
Interest expense, net	1.5	1.2	1.3	1.2
Earnings (loss) from continuing operations before income taxes and other items below	1.2	(3.3)	2.1	1.7
Income taxes	0.4	(1.2)	0.7	0.6
Equity in net (earnings) loss of affiliated companies	(0.7)	0.3	-	0.3
Earnings (loss) from continuing operations	1.5	(2.5)	1.4	0.8
Earnings from discontinued operations	-	1.0	-	1.7
Net earnings (loss)	1.5	(1.5)	1.4	2.5
Effective tax rate	35.0%	35.0%	35.0%	35.0%

Third quarter consolidated gross profit, as a percentage of net sales was 20.9%, up from 15.2% in the prior year third quarter due to improved performance in both Glass Technologies and Glass Services segments. This improved performance was attributable to improved manufacturing performance within Glass Technologies and improved pricing and improved margins as well as cost reductions within Glass Services. These improvements were offset by additional insurance related expenses in the current year.

Third quarter selling, general and administrative (SG&A) expenses rose by $1.1 million, or 3% over the prior year quarter, while SG&A as a percentage of sales increased from 17.3% to 18.2%. The increase in expenses is primarily due to an increase in depreciation incurred due mainly to information systems capitalized in the prior year, offset by timing of accruals related to bonuses.

Net interest expense increased slightly during the quarter as lower borrowing levels were offset by higher borrowing rates. The nine-month effective income tax rate of 35.0% was consistent with 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 nine months compared to the corresponding periods a year ago.

	Three Months Ended			Nine Months Ended		
(Dollars in thousands)	December 2, 2000	November 27, 1999	% Chg	December 2, 2000	November 27, 1999	% Chg
Net Sales						
Glass Technologies	$101,138	$ 87,361	16%	$309,073	$264,237	17%
Glass Services	97,793	115,387	(15)	367,756	367,687	-
Intersegment elimination	(1,640)	(1,621)	1	(5,921)	(4,172)	42
Net sales	$197,291	$201,127	(2)%	$670,908	$627,752	7%
Operating Income						
Glass Technologies	$ 6,328	$ (937)	N/M	$ 13,823	$ 7,618	81%
Glass Services	(453)	(3,107)	85%	10,915	11,582	(6)
Corporate and Other	(504)	(235)	(114)	(1,748)	(724)	(141)
Operating income	$ 5,371	$ (4,279)	N/M	$ 22,990	$ 18,476	24%

N/M=Not meaningful

Glass Technologies (GT)

Net sales at Glass Technologies increased 16% to $101.1 million in the third quarter, while operating income increased significantly to $6.3 million. The increase in operating income is due to favorable results at Viracon, Viratec and Tru Vue, offset by a decrease in operating results at the Apogee Wausau Group (AWG).

Viracon, the segment's largest operating unit, reported a net sales increase of 28% and a significant increase in operating income for the quarter compared to last year's third quarter. Customer demand for Viracon's high-performance architectural glass products remained strong and the unit has increased its capacity utilization compared to the prior year quarter. Viracon successfully addressed its product mix issue that contributed to decreased efficiencies in the second quarter and which were expected to slow shipments the second half of the year. These improvements were offset by increased labor and an increase in depreciation expense due to prior year capital additions. Backlog at December 2, 2000 remained at a near-record level of $41 million.

Viratec reported an increase in sales and operating income for the quarter compared to last year's third quarter due to improved operational efficiencies. As the PC industry softens, the Company expects a significant decline in revenues from computer CRT-related coatings at its San Diego facility in the first quarter of next fiscal year. The Company is evaluating other potential products and applications for this facility.

Tru Vue recorded a sales increase of 26% and a solid operating income increase for the quarter as compared to last year's third quarter due to continued increased operational efficiencies and demand for Tru Vue's higher margin, value-added glass products. Also, in the third quarter, Tru Vue completed the acquisition of Corporate Art Services, Inc., (Corporate Art) the operating results of which were not significant to the quarter. Corporate Art 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 decrease of 11% and a significant operating income decrease for the quarter as compared to the same quarter a year ago. Wausau Window & Wall Systems continues to experience a slowdown in shipments, due to its inability to fill its available short lead-time capacity. This trend is expected to continue throughout the fourth quarter.

Glass Services (GS)

Net sales of Glass Services decreased 15% to $97.8 million in the third quarter. Net sales grew 5% compared to third quarter of last year, after being adjusted for the formation of PPG Auto Glass joint venture, which 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. Operating income for the segment increased 85% from the prior year quarter.

The auto glass business reported a 27% decrease in sales compared to the prior year quarter. This decrease is due to distribution results not being included in the current year third quarter with the formation of the joint venture with PPG, as compared to three months' performance in the prior year third quarter. Operating income for the auto glass business decreased for the same reason. Net sales of the auto glass retail unit decreased 3% compared with those of a year ago due, in part, to soft demand for auto replacement glass services. The retail unit volume decrease was 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 total costs. During the quarter, 122 jobs were eliminated through layoffs and position eliminations, year-to-date, 26 underperforming stores, or 8% of its retail locations have been closed and call center operations were transitioned to APAC Customer Services, Inc. as part of the Company's initiative to improve customer service and lower costs. Net sales of the manufacturing unit decreased; however, operating income improved.

Harmon, Inc., the Company's full service building glass installation and repair business, reported a 22% increase in net sales and a significant increase in operating income for the quarter as compared to the prior year quarter, mainly due to increased volume and improved margins. At December 2, 2000, backlog at Harmon, Inc. was at a record level of $67.0 million.

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 October and November, the Company completed the sale of substantially all of the assets of VIS'N in two separate transactions. 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.

Backlog

On December 2, 2000, the Company's consolidated backlog was $193.0 million, up 8% from the $178.4 million reported a year ago. The backlogs of GT's operations represented 66% 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 nine months ended December 2, 2000 totaled $48.5 million compared to $25.5 million in the same prior year period. Changes in operating assets and liabilities provided cash of $11.2 million, compared to usage of $13.5 million in the same period last year, the increase due mainly to reduced levels of accounts receivable and inventory and increased levels of accounts payable and accrued liabilities. At quarter-end, working capital was $38.5 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 nine months ended December 2, 2000 was $13.6 million compared to $42.1 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 $132.5 million at December 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. Dividends paid through December 2, 2000 are $4.4 million. At December 2, 2000, long-term debt was 44% 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 continue 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 December 2, 2000, Apogee's shareholders' equity was $143.9 million. Book value per share was $5.17, 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 regular quarterly dividends paid of $.0525 per share.

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 December 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 December 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 or beliefs 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 those noted below. There can be no assurances given that the ongoing reorganization and realignment of Harmon AutoGlass will lead to successful operating results now or in the future. Also, there can be no assurances that the ongoing ramp-ups of new plant capacity in the Glass Technologies businesses will lead to successful operating results for those companies now or in the future. There can be no assurances that the anticipated slowdown in business for Viratec San Diego due to softness in the computer industry can be replaced with new customers and products. There can be no assurances that PPG Auto Glass, Apogee's automotive replacement glass distribution joint venture with PPG Industries, will achieve favorable short-term or long-term operating results. In addition, in recent years, there has been excess capacity at the distribution level of the automotive replacement glass industry and margins have narrowed. There is no assurance PPG Auto Glass will achieve any anticipated efficiencies or be able to improve or maintain margins.

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 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).
Exhibit 27.2 Restated Financial Data Schedule (EDGAR filing only).
Exhibit 27.3 Restated Financial Data Schedule (EDGAR filing only).

(b) Reports on Form 8-K

None

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: January 16, 2001	/s/Russell Huffer -------------- Russell Huffer Chairman, President and Chief Executive Officer
Date: January 16, 2001	/s/Michael B. Clauer ----------------- Michael B. Clauer Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit	
Exhibit 27.	Financial Data Schedule (EDGAR filing only).
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Exhibit 27.2	Restated Financial Data Schedule (EDGAR filing only).
Exhibit 27.3	Restated Financial Data Schedule (EDGAR filing only).

5
1,000

3-MOS	9-MOS
MAR-03-2001	MAR-03-2001
SEP-03-2000	FEB-27-2000
DEC-02-2000	DEC-02-2000
4,654	4,654
26,385	26,385
131,878	131,878
11,071	11,071
33,111	33,111
168,938	168,938
335,236	335,236
166,097	166,097
452,678	452,678
130,464	130,464
0	0
0	0
0	0
9,274	9,274
134,598	134,598
452,678	452,678
197,291	670,908
197,291	670,908
155,969	534,616
35,703	111,120
0	0
248	2,182
2,919	8,881
2,452	14,109
858	4,938
2,962	9,183
0	0
0	0
0	0
2,962	9,183
0.11	0.33
0.11	0.33

5

1,000

3-MOS	9-MOS
FEB-26-2000	FEB-26-2000
AUG-29-1999	FEB-28-1999
NOV-27-1999	NOV-27-1999
1,074	1,074
26,320	26,320
122,453	122,453
5,650	5,650
71,037	71,037
203,679	203,679
356,685	356,685
159,299	159,299
481,218	481,218
102,205	102,205
0	0
0	0
0	0
9,253	9,253
132,471	132,471
481,218	481,218
201,127	672,752
201,127	627,752
170,517	504,587
34,503	103,134
0	0
385	1,555
2,400	7,589
(6,679)	10,887
(2,338)	3,811
(4,982)	5,114
2,004	10,519
0	0
0	0
(2,978)	15,633
(0.11)	0.56
(0.11)	0.56

5
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
334,853	334,853
159,119	159,119
477,764	477,764
145,284	145,284
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
35,569	75,417
0	0
822	1,934
3,180	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
354,125	354,125
155,143	155,143
481,196	481,196
106,780	106,780
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
33,108	68,630
0	0
364	1,170
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
0.50	0.67