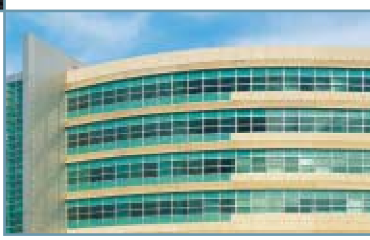


ADDING VALUE TO GLASS

Apogee ANNUAL REPORT FISCAL 2003

FINANCIAL HIGHLIGHTS

APOGEE ENTERPRISES
is a world leader in technologies involving the design and development of value-added glass products, services and systems. Apogee's businesses maintain industry leadership through quality, service and innovation, and are committed to providing superior value to shareholders, customers, employees, business partners and the community. The company is organized in three segments: architectural products and services, automotive replacement glass and services, and large-scale optical technologies.

APOGEE'S VISION.
Set new standards for aesthetic and energy-efficient glass products and services in our markets.

(In thousands, except per share data and percentages)	Year Ended March 1, 2003	Year Ended March 2, 2002	Percent Change
OPERATING RESULTS			
Net sales	$ 771,839	$ 802,315	– 4%
Operating income	41,694	44,127	– 6%
Earnings from continuing operations	26,340	26,142	1%
Earnings from discontinued operations	3,575	—	NM
Net earnings	29,915	26,142	14%
Earnings per share — diluted			
From continuing operations	0.93	0.91	2%
From discontinued operations	0.13	—	NM
Net earnings	1.06	0.91	16%
BALANCE SHEET DATA			
Working capital	51,035	47,845	7%
Total assets	382,841	409,116	– 6%
Total long-term debt	47,258	69,098	– 32%
Shareholders' equity	178,210	170,934	4%
Invested capital*	253,213	265,899	– 5%
CASH FLOW DATA			
Depreciation and amortization	24,271	28,051	– 13%
EBITDA**	65,965	72,178	– 9%
Net cash flow provided by operating activities	42,710	50,873	– 16%
Capital expenditures	12,833	10,466	23%
Free cash flow***	29,877	40,407	– 26%
FINANCIAL RATIOS			
Gross margin	24.1%	23.4%	
Operating margin	5.4%	5.5%	
Return on average shareholders' equity	17.1%	16.4%	
Return on average invested capital	11.5%	9.6%	
Long-term debt to total capital	21.0%	28.8%	
OTHER DATA			
Dividends paid per share	0.225	0.215	5%
Book value per share	6.55	6.03	9%
Average shares outstanding — diluted	28,347	28,817	– 2%
Number of shareholders	7.1	8.3	– 14%
Number of employees	5.3	5.3	0%

**Long-term debt + long-term self-insurance reserves + other long-term liabilities + shareholders' equity*
***Earnings before interest, taxes, depreciation and amortization*
****Net cash flow provided by operating activities – capital expenditures*
NM = Not meaningful

CONTENTS

For complete financials, see separate Form 10-K for fiscal 2003.

Cover photos (Buildings left to right):
4 Times Square, New York, NY – Viracon, energy efficient. ©Jeff Goldberg/Esto
Highwoods Intermedia Center, Tampa, FL – Viracon, Harmon, Inc., hurricane resistant. ©2003 Wes Thompson
Skyline Medical Center, Nashville, TN – Wausau. ©2003 Gary Knight

ADDING VALUE TO GLASS

Apogee excels at adding value to glass, that transparent material people generally look through. But a closer look at glass reveals Apogee's strengths. Through complex processes, we add ultra thin coatings to plain architectural glass to create colors and energy efficiency. We also laminate layers to create windows that help protect against hurricanes and bomb blasts. Our product choices allow architects to create distinctive looks for buildings with "names," as well as for schools, hospitals, airports and sports arenas. Our craftsmen then design, build and install curtainwall and windows using our coated glass and metal. Other technical coatings reduce the reflectivity of televisions and picture framing glass, and protect family photos and art against the sun's damaging rays. And that plain glass is shaped into thousands of windshields that are then installed by our highly trained technicians. Apogee continues to leverage these extensive benefits our products bring to customers, to deliver improved financial performance and greater value to our shareholders.

LETTER TO SHAREHOLDERS

Apogee met the challenges of the economy to grow earnings in fiscal 2003. Our value-added products and services consistently make us strong competitors. And we've further improved our company by strengthening our balance sheet, and streamlining operations and cutting costs using our Six Sigma expertise. When the economy rebounds, we are well positioned to continue enhancing shareholder value.

I am pleased by what we were able to achieve this past year, despite the slowed economy and pricing pressures that impacted all of our segments. We grew operating earnings 2 percent to $0.93 per share compared to $0.91 in fiscal 2002, on slightly lower revenues of $771.8 million.

Recognizing that we need to create shareholder value even in this depressed stock market, we employed our continuing strong cash flow to further reduce long-term debt in fiscal 2003, paying off $21.9 million to end the year at $47.3 million; increase our dividend 5 percent; and fund $18.0 million in share repurchases.

As we had expected, the ongoing slowdown in the U.S. economy impacted our architectural segment this past year, as revenues and earnings were both down slightly. What we did not fully anticipate and what had the biggest impact on earnings were the extremely competitive conditions in the auto replacement glass market that led to significant price decreases. Earnings here were half of what they were in fiscal 2002 on 9 percent lower revenues.

Somewhat offsetting these challenges were the significant improvement in the large-scale optical segment and our commitment to improving operations and cutting costs. The large-scale optical segment increased revenues 18 percent and moved from an operating loss to earnings. Our Six Sigma/Lean business improvement initiative yielded $12.7 million in ongoing expense savings, and we made the necessary tough decisions to cut costs in segments where market conditions deteriorated. We reduced annual costs in the architectural and auto glass segments by approximately $8.5 million late in the fourth quarter of last year and early in the first quarter of fiscal 2004, and we will make more reductions if market conditions warrant.

EXECUTING OUR STRATEGY. During fiscal 2003, we continued to execute the strategy for improving and growing our businesses that I described last year. Our strategy starts with gaining control within our businesses to deliver more predictable results, followed by strengthening our business platform to optimize profitability, and finally positioning our business portfolio for long-term sustainable growth. Yes, our growth efforts have been hampered by the stalled economy, but we continued to progress on this three-part strategy. The improvement in large-scale optical segment performance is exactly what gaining control to deliver more predictable results is all about. Our largest challenge is to bring predictability to the auto glass segment.

Six Sigma is an important tool for strengthening our business platform to optimize profitability. I'm pleased that six of our eight businesses achieved several stringent objectives in fiscal 2003 to win my first Six Sigma Chairman's Awards. Our successful Six Sigma improvement projects are creating additional capacity so we won't need significant capital to grow our businesses in the short-term. To ensure we continue embedding the Six Sigma continuous business improvement philosophy in our culture, I've charged our businesses to train 20 percent of our workforce, or 1,000 people today, in these critical tools. By the end of fiscal 2004, we'll be halfway toward this five-year goal.

We continued to make progress on positioning our business portfolio for growth during these difficult times. Thanks to our corporate marketing initiative, we now have a clearer focus on our market opportunities. Our architectural segment is outperforming the commercial construction market, winning targeted projects and seeing success in penetrating new hurricane and protective glazing markets. We are seeing ongoing growth in our large-scale optical businesses through new products and deeper market penetration. And finally, we are beginning to grow retail auto glass share with success in the fleet business, which is less cyclical. The improvements we've been making and our positioning should provide sustainable momentum for overall growth in both revenues and earnings, particularly when conditions in the commercial construction industry improve.

The significant improvement in our financial strength in the past few years also is instrumental to our ability to grow. Our strong cash flow is enabling us to continue to reduce our debt and pay dividends.

MARKET DAMPENS ARCHITECTURAL PROGRESS. Commercial construction market forecasters have again pushed back the industry's recovery, now to early calendar 2004. In our business, some committed projects have been shifted to later schedules, new projects have not closed, and margins are compressing due to price erosion and a shift to more institutional and smaller projects. We feel we have the factors that we can influence under control. We also are working to strengthen our industry position through stellar quality and service, market-leading products that are required by new legislation, including energy-efficient, hurricane and protective glazing, and our renovation services initiative. When the market turns, we can easily boost shipments since we are currently at 60 percent of architectural capacity.

The auto glass segment will remain under pressure throughout fiscal 2004 due to pricing pressures resulting from industry overcapacity. In retail, we remain focused on growing units, starting with the fleet and collision markets and extending into the insurance industry, and reducing costs. The performance in large-scale optical is expected to continue to be strong, building on our progress and success in fiscal 2003 in penetrating the growing projection television market and converting the custom picture framing market to value-added glass.

A CHALLENGING YEAR. We expect to grow revenues slightly in fiscal 2004, despite the challenges we face. The first half and especially the first quarter will be more difficult, with growth expected in the second half. For us to match our fiscal 2003 earnings, we will need to see improved economic conditions and a more significant improvement in commercial construction than currently anticipated.

We remain committed to creating value for our shareholders by continuing to strengthen our already solid financial condition. We would like to assure our shareholders that Apogee has historically conducted business honestly and ethically, and holds to high standards of fiscal accountability. While we are taking steps to officially implement particular provisions of the new Sarbanes-Oxley Act and related financial reporting regulations, we have operated consistent with the objective of the new rules.

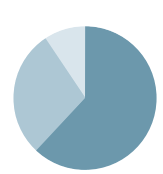
I would like to thank our shareholders for their support and our employees for their commitment and hard work, especially during these challenging times.

Russell Huffer
Chairman, President and Chief Executive Officer

SEGMENTS AT-A-GLANCE

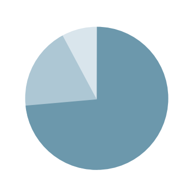
		PRODUCTS AND SERVICES	CUSTOMERS	MARKETS	MARKET SIZE, OUTLOOK	POSITION, SHARES
ARCHITECTURAL PRODUCTS AND SERVICES			Architects specify all products	Primarily U.S. commercial construction	Calendar 2003 U.S. curtainwall, architectural window, storefront market totals approximately $8.13 billion. Apogee serves office, education, health care and other institutional sectors, which total about $4.2 billion and generally are higher-margin niches requiring value-added products. The office sector, usually Apogee's largest, has declined almost 40% since 2000, while the education, health care and other institutional sectors have increased slightly or remained flat, according to F.W. Dodge, a building research firm. Industry forecasters generally expect the commercial construction market overall to begin growing early in calendar 2004.	Apogee businesses have leadership positions, but only have a 10.5% overall share in this fragmented market.
	Viracon	Coated high-performance architectural glass, featuring wide color choices, silk screening and energy efficiency; fabricated into insulating units and/or laminated products for hurricane and security protection, and sound control	Glazing contractors, skylight manufacturers, window manufacturers	Also serves Pacific Rim, Central and South America, and Africa internationally; more than half of sales historically for Class A office buildings		Approximately 11% share of the calendar 2002 $1.72 billion North American architectural glass fabrication market (based on F.W. Dodge, Ducker Research and Viracon data). Viracon leads the high and high-middle performance niches of this market (20% of total) with a 55% share. These niches are expected to grow to 30% of the total architectural glass fabrication market by 2004 as the looks and energy efficiency of value-added glass are increasingly incorporated in buildings.
	Harmon, Inc.	Building glass installation, repair, replacement and renovation	General contractors, construction managers, building owners, property managers	Commercial and institutional buildings up to 20 stories tall for a variety of market sectors		Leading U.S. full-service glazing company, with approximately 2% share within the small to mid-size construction projects market. Within 14 markets served, up to 33% share, with average of 11%.
	Wausau Window and Wall Systems	Engineer-to-order and configure-to-order aluminum window and curtainwall systems	Glazing contractors, erectors, installers	Education, health care, government, corporate offices, high rise condominiums		Approximately 2% share of non-residential window and curtainwall niche.
	Linetec	Paints and anodizes aluminum window frames and other building materials; paints plastic interior shutters	Window companies, extruders, glazing contractors, Polywood Shutters	Architectural aluminum toll-coating finishing; commercial finishing, including for interior shutters		Approximately 5% share of architectural finishing market.
AUTOMOTIVE REPLACEMENT GLASS AND SERVICES	Viracon/Curvlite	Manufactures auto replacement windshields and windows; RV and bus OEM windshields	Auto glass wholesalers and retailers; RV and bus manufacturers	U.S. automobile aftermarket/replacement windshields, windows	Current annual U.S. market is approximately 11 million windshield units and 3.5 million side and back windows. Demand for replacement auto glass decreased 5% last year, compared with a 4% increase in fiscal 2002, according to market data. At the same time, market pricing has been declining as insurance companies seek greater volume discounts, growth in foreign windshields has created overcapacity, and windshield repairs have been increasing at a faster rate than higher-margin replacements.	Approximately 6% of aftermarket windshield manufacturing market.
	Harmon AutoGlass	Replaces windshields and windows; repairs windshields	Insurance companies, agents and customers; auto owners; fleets; dealers; auctions			Although the third largest auto replacement glass retail services company, Harmon's share of this fragmented $2.3 billion (Harmon AutoGlass estimate based on A.M. Best data) market is only approximately 5%.
	PPG Auto Glass, LLC (owned 34% by Apogee)*	Wholesale distribution of auto replacement windshields and windows	Retail installers			Largest wholesale windshield distributor in U.S.
LARGE-SCALE OPTICAL TECHNOLOGIES	Tru Vue	Manufactures and/or distributes proprietary value-added picture framing glass and acrylic with UV, anti-reflective and/or security properties; plain framing glass; regular and preservation framing matboard; designs and assembles pre-framed art	Glass and matboard: mass merchandisers, distributors, independent framers and chains, museums; pre-framed art: sales agencies, mail order catalogs, department and furniture stores, hospitality and restaurant chains	North America, Europe and Australia/New Zealand custom framing; preframed: home decor	The current custom framing glass market in the United States totals approximately 200 million square feet, with the value-added portion about 45 million square feet. Although the custom framing market has slowed with the economy according to industry leaders and trade associations, Tru Vue continues to grow its value-added glass 30% annually by converting plain glass to value-added, a trend that is expected to continue.	Approximately 28% share of the custom framing glass market and approximately 60% share of the niche that has been converted to value-added glass.
	Viratec	Optical coatings, including front-surface mirrors, proprietary anti-reflective glass and acrylic; laminated privacy filters	OEM projection television, flatbed scanner and computer monitor filter manufacturers and distributors; Tru Vue	Projection televisions, art framing, flatbed scanners, CRT desktop filters and other consumer electronics and display markets	Fiscal 2004 projected serviced market of more than $100 million (based on numerous research and industry sources). U.S. projection TV market growing at least 20% annually according to NPD Intellect and manufacturers. In addition, only 5–10% of projection TVs have acrylic anti-reflective shields, which is expected to grow to 20–25% this year. Art glass market expected to grow about 30% annually, consistent with Tru Vue's conversion rate for plain glass to value-added. Markets for flatbed scanners and CRT filters are mature.	Approximately 33% share of fiscal 2004 projected serviced market.

*Reported in equity in affiliates



REVENUES

Architectural products and services	60%
Automotive replacement glass and services	30%
Large-scale optical technologies	10%



OPERATING INCOME

Architectural products and services	74%
Automotive replacement glass and services	18%
Large-scale optical technologies	8%

KENTUCKY CENTER FOR THE ARTS, LOUISVILLE – HARMON, INC., VIRACON, RENOVATION. ©SCOTT SLUSHER

POPLAR POINT COMMONS, CONCORD, NC – VIRACON, NEW REFLECTIVE, ENERGY-EFFICIENT COATING.

NYU STUDENT HOUSING, NEW YORK, NY – WAUSAU, ENERGY EFFICIENT. ©PAUL WARCHOL

SAN FRANCISCO INTERNATIONAL AIRPORT, CA – VIRACON, ENERGY EFFICIENT, SILK SCREENED. ©2003 RICHARD BARNES

Despite the stalled U.S. economy and related slowdown in commercial construction, Apogee's architectural businesses, with their custom, market-leading value-added products and services, continued to outperform their industry. The market challenges, though, led to lower earnings for the company's largest and most profitable segment in fiscal 2003.

The architectural segment leveraged operational improvements and product and service leadership, ranging from wide aesthetic choices to energy-efficient, hurricane and protective glazing and enhanced customer service, to outperform the commercial construction industry this past year. These strengths, Apogee's solid financials and a current capacity utilization of 60 percent position the architectural segment to excel when construction rebounds. Market improvement is expected early in calendar 2004, according to industry forecasters.

Conditions in the commercial construction market declined throughout the year, as projects in progress were delayed and new ones were not initiated on schedule. To offset these conditions, the architectural businesses reduced costs by $4 million annually in the fourth quarter of last year and the first quarter of fiscal 2004 and are prepared to make additional cuts if market conditions warrant.

In fiscal 2003, revenues for the segment were down 4 percent to $458.8 million, while operating income decreased 7 percent for the year to $32.1 million.

The architectural segment comprised 60 percent of Apogee's total revenues, while its operating income contribution was 74 percent. The outlook for this year is for architectural revenues to be flat to slightly improved compared to fiscal 2003 sales.

IMPROVED SERVICE, NEW PRODUCTS PROVIDE EDGE. Last year, buildings with "names" and other Class A office buildings, a traditionally strong Apogee market, were the most severely impacted by the construction slowdown, so the architectural businesses focused more on smaller office buildings, and the education, health care and government sectors where there are pricing pressures and more competition. Recognizing the down environment, Apogee's businesses made the needed moves to optimize profitability. They successfully reduced lead times to better serve current customers and enter new markets, introduced new products and focused on legislatively mandated solutions to nearly offset the market downturn.

Viracon's reduction in customer lead times from 20 weeks two years ago to three to five weeks today is allowing the fabricator to better service smaller projects, including skylight work and window companies such as Wausau. By reducing its lead times for education products to eight weeks, Wausau benefited in this competitive market; it plans additional decreases this year to further strengthen its market position.

New product development ranged from reflective energy-efficient coatings and expanded fabrication services from Viracon and hurricane glazing products from Harmon, Inc., to a host of new offerings from Wausau, which has introduced or updated 60 percent of its window and curtainwall lines in the past five years.

REGULATIONS DRIVING DEMAND. By the end of calendar 2003, half of the states are expected to have adopted a national commercial building code that mandates more energy-efficient windows and hurricane glazing in areas prone to hurricanes. Since Florida's more stringent hurricane code went into effect early in calendar 2002, Apogee has seen increased demand for hurricane products, and today is tracking approximately $100 million in potential projects. Hurricane products illustrate the benefit of value-added products—projects incorporating these glazing options have nearly twice the revenues of normal projects. Although implementation of the new codes is inconsistent, demand for these products is expected to increase significantly in coming years. Apogee is well positioned to meet market needs since nearly all of Viracon's coated glass is energy efficient and Harmon, Inc. and Wausau are developing a variety of hurricane systems incorporating laminated glass from Viracon.

The government is also requiring blast-resistant glass in new or expanded facilities, such as courthouses, offices and airports, and terrorism has spurred interest among other commercial customers for protective glazing. Apogee businesses are supplying high value-add protective products and systems for several governmental projects, including a major airport in the Far East, and also for two office buildings housing financial services companies.

Geographic growth also benefited Apogee in fiscal 2003, as Harmon, Inc. opened an office to serve the south Florida hurricane market and added renovation services in four markets. Renovation, including exterior improvements to windows and curtainwall being provided by Harmon, helps building owners increase rental rates, lower vacancies, reduce maintenance and energy costs, and address environmental concerns such as mold and air quality. Harmon's business model is stronger with a mix of new construction, maintenance and renovation services, and it plans to grow by adding renovation and building glass maintenance components in markets without these services. Longer-term it also plans to expand into new markets beyond the 14 served today.

Apogee's brands often are preferred by architects, general and glazing contractors, and building owners because of product choices and quality, on-time deliveries, excellent project management and expertise in helping customers solve technical, logistical and budget problems.

POSITIONED FOR GROWTH. These strengths and more will drive the Apogee architectural businesses this year. Wausau continues to expand the products offered via its configure-to-order computer system that leverages its valuable engineering expertise to deliver quality custom windows faster and more competitively priced. Viracon will add additional coating products and services, while it also targets international markets positioned for improved growth, such as China, Korea, South Africa, Australia and the Dominican Republic. And Linetec, which paints and anodizes aluminum and plastic building materials, is focused on growing its architectural and commercial customer base.

The segment's businesses are now much stronger operationally and competitively than they were just two years ago. When the commercial construction industry returns to more normal market conditions, Apogee is positioned to be successful.

Challenging industry conditions, including overcapacity and pricing pressures, led to significantly lower earnings in the auto glass segment compared to the prior year. With markets unlikely to improve in the short term, operational improvements and expense reductions, as well as unit growth in retail will be key to bringing predictability to the segment.

The auto glass segment continues to be Apogee's most difficult, as significant pricing pressures newly impacted an already soft industry in fiscal 2003. Lower prices were experienced in all Apogee auto glass businesses, and put additional demands on the retail business with its ongoing challenges. Despite the reduced performance, the auto glass segment remains a source of cash flow for Apogee.

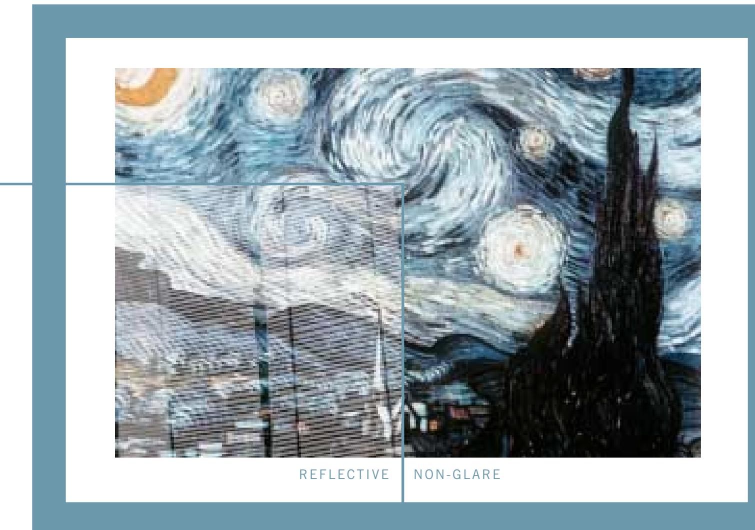
Revenues for the segment are expected to be flat in fiscal 2004, as slight growth in retail is offset by lower pricing for manufacturing.

MANUFACTURING IMPROVES OPERATIONS. Viracon/Curvlite, Apogee's manufacturing business, made significant operational improvements this past year, enabling it to overcome a portion of the lowered pricing for its aftermarket windshields. Viracon/Curvlite sells the majority of its windshields to PPG Industries, Inc., which relies on its short-run capability to produce smaller volume parts. Viracon/Curvlite is focused on growing unit volume this year by selling more auto windshields to other customers and by increasing sales to recreational vehicle and bus manufacturers.

PPG Auto Glass, LLC, the wholesale distribution joint venture owned 34 percent by Apogee, fought the industry price erosion last year by cutting costs.

SHARE GAIN KEY FOR RETAIL. Share gain remains the focus of Harmon AutoGlass, Apogee's retail automobile windshield repair and replacement unit, which saw progress late in the year although at lower prices. To combat the ongoing competitive environment, the business also cut annual operating costs by approximately $4.5 million late in the year, including a reduction in staff.

Harmon achieved initial success in its efforts to increase share in the fleet market, which is more efficient operationally and less cyclical than other sectors of the industry. National insurance companies are a sales and service focus for the retail business this year, with the goal being improved services in order to maintain and gain share with these customers. Harmon is also working to increase its repair business, a lower-cost alternative favored by many insurers.



A focus on profitable product and market opportunities and improvements in retail markets led to a turnaround for the large-scale optical segment in fiscal 2003. The segment achieved strong profit and revenue growth this past year, recovering from an operating loss in fiscal 2002. These businesses are delivering the value demanded by their customers and consumers.

The large-scale optical segment's success in operational improvements, introduction of new optically coated products, and continued conversion of value-added picture framing glass was evident in its significantly improved performance in fiscal 2003. Growth is expected to continue this year, with revenues increasing 8 to 10 percent.

GLASS CONVERSION CONTINUES. Tru Vue's strategy of converting larger retailers and distributors to value-added glass continues to prove successful, even in a slowed custom picture framing market. Value-added glass sales again grew more than 30 percent, led by Michaels Stores, Inc., which converted two more distribution centers. Michaels, the nation's largest art and craft retailer, now offers only glass that protects pictures and art from deteriorating in sunlight through three of its five distribution centers. Customers of framers who have converted to these preservation products then make a visual choice between reflective or non-glare glass.

Tru Vue is also focusing on expanding sales in Australia, New Zealand, Canada and Europe. To meet growing demand for its value-added products, Tru Vue plans to double its non-glare glass capacity in fiscal 2004. Operational improvements at Tru Vue are benefiting the glass product line as well as its smaller matboard and pre-framed art businesses.

PROJECTION TV MARKET A WINNER. Strong penetration of the growing projection television market was instrumental to Viratec turning significant losses into an operating profit in fiscal 2003. Last year, about half of Viratec's revenues were from sales of front-surface mirrors and acrylic shields with an anti-reflective coating for this market, which it entered just over a year ago. Customers include Sony Electronics Inc. and Hitachi, and other manufacturers are turning to Viratec for its industry-leading products in fiscal 2004.

Anti-reflective art framing glass for Tru Vue is also a growth market for Viratec. Its remaining revenues come from privacy filters and the mature markets for flatbed scanners and anti-reflective filters for desktop CRT monitors. Fiscal 2004 efforts will also focus on further exploiting current growth markets and on additional operational improvements.

FY 2003: ELEVEN YEARS OF SELECTED DATA

The following information should be read in conjunction with Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 8 – Financial Statements and Supplementary Data of Form 10-K for fiscal 2003.

(In thousands, except per share data and percentages)*	**2003**	2002	2001	2000	1999
RESULTS FROM OPERATIONS DATA					
Net sales	**$ 771,839**	$ 802,315	$ 865,200	$ 840,488	$ 788,062
Gross profit	**186,067**	187,728	178,997	167,235	170,415
Operating income	**41,694**	44,127	31,894	19,418	43,352
Earnings from continuing operations	**26,340**	26,142	13,361	3,071	20,245
Net earnings (loss)	**29,915**	26,142	15,002	12,175	25,233
Earnings (loss) per share – basic					
From continuing operations	**0.96**	0.94	0.48	0.11	0.73
Net earnings (loss)	**1.09**	0.94	0.54	0.44	0.91
Earnings (loss) per share – diluted					
From continuing operations	**0.93**	0.91	0.48	0.11	0.73
Net earnings (loss)	**1.06**	0.91	0.54	0.44	0.91
BALANCE SHEET DATA					
Current assets	**$ 171,463**	$ 175,084	$ 175,191	$ 214,422	$ 204,308
Total assets	**382,841**	409,116	432,679	481,154	466,389
Current liabilities	**120,428**	127,239	137,437	135,397	119,796
Long-term debt	**47,258**	69,098	104,206	164,371	165,097
Shareholders' equity	**178,210**	170,934	148,292	137,772	130,664
CASH FLOW DATA					
Depreciation and amortization	**$ 24,271**	$ 28,051	$ 34,606	$ 33,019	$ 25,798
Capital expenditures	**12,833**	10,466	14,823	44,025	77,392
Dividends	**6,246**	6,078	5,834	5,833	5,666
OTHER DATA					
Gross margin – %	**24.1**	23.4	20.7	19.9	21.6
Operating margin – %	**5.4**	5.5	3.7	2.3	5.5
Effective tax rate – %	**28.0**	31.0	39.9	50.8	37.6
Working capital	**51,035**	47,845	37,754	79,025	84,512
Current ratio	**1.4:1**	1.4:1	1.3:1	1.6:1	1.7:1
Long-term debt as % of invested capital ***	**18.7**	26.0	37.6	50.2	51.0
Return on:					
Average shareholders' equity – %	**17.1**	16.4	10.5	9.1	21.0
Average invested capital – %	**11.5**	9.6	5.0	3.7	8.3
Average total assets – %	**7.6**	6.2	3.3	2.6	5.8
Dividend yield at year-end – %	**2.8**	1.9	2.3	4.2	2.4
Book value per share	**6.55**	6.03	5.33	4.97	4.73
Price/earnings ratio at year-end	**8:1**	13:1	17:1	11:1	10:1

(In thousands, except per share data and percentages)*	1998	1997	1996	1995	1994**	1993
RESULTS FROM OPERATIONS DATA						
Net sales	$ 731,094	$ 642,226	$ 567,823	$ 516,022	$ 426,400	$ 367,878
Gross profit	165,139	143,761	116,426	102,400	84,184	71,141
Operating income	45,659	44,628	34,729	31,535	23,803	8,779
Earnings from continuing operations	24,114	26,827	20,656	19,160	16,279	6,657
Net earnings (loss)	(51,055)	26,220	17,836	13,050	3,833	4,514
Earnings (loss) per share – basic						
From continuing operations	0.87	0.98	0.76	0.72	0.62	0.25
Net earnings (loss)	(1.84)	0.96	0.66	0.49	0.14	0.17
Earnings (loss) per share – diluted						
From continuing operations	0.85	0.96	0.76	0.71	0.61	0.25
Net earnings (loss)	(1.80)	0.93	0.65	0.48	0.14	0.17
BALANCE SHEET DATA						
Current assets	$ 206,858	$ 159,095	$ 149,414	$ 155,608	$ 123,301	$ 102,869
Total assets	405,526	410,522	327,233	317,085	257,877	213,372
Current liabilities	97,750	86,178	83,574	90,876	92,536	61,702
Long-term debt	151,967	127,640	79,102	80,566	35,688	28,419
Shareholders' equity	109,600	172,150	138,922	124,628	114,062	112,336
CASH FLOW DATA						
Depreciation and amortization	$ 22,463	$ 17,860	$ 13,122	$ 11,972	$ 12,423	$ 12,344
Capital expenditures	37,892	34,203	20,038	22,603	11,447	6,393
Dividends	5,251	4,806	4,453	4,154	3,841	3,584
OTHER DATA						
Gross margin – %	22.6	22.4	20.5	19.8	19.7	19.3
Operating margin – %	6.2	6.9	6.1	6.1	5.6	2.4
Effective tax rate – %	37.4	31.5	35.4	35.1	32.6	28.8
Working capital	109,108	72,916	65,840	64,732	30,765	41,167
Current ratio	2.1:1	1.8:1	1.8:1	1.7:1	1.3:1	1.7:1
Long-term debt as % of invested capital***	53.1	39.4	32.5	35.6	21.6	18.7
Return on:						
Average shareholders' equity – %	(36.2)	16.9	13.5	10.9	3.4	4.0
Average invested capital – %	(16.7)	9.2	7.6	6.7	2.4	3.0
Average total assets – %	(12.5)	7.1	5.5	4.5	1.6	2.1
Dividend yield at year-end – %	1.5	0.9	1.7	1.9	2.0	2.3
Book value per share	3.99	6.17	5.14	4.64	4.28	4.26
Price/earnings ratio at year-end	NM	21:1	15:1	18:1	50:1	34:1

**Share and per share data have been adjusted for the fiscal 1997 stock dividend.*
***Fiscal 1994 figures reflect the cumulative effect of a change in accounting for income taxes, which increased net earnings by $0.5 million, or 2 cents per share.*
****Long-term debt + long-term self-insurance reserves + other long-term liabilities + shareholders' equity*
NM = Not meaningful

FY 2003: CORPORATE INFORMATION

BOARD OF DIRECTORS

Bernard P. Aldrich, 53 [1,2]
President and
Chief Executive Officer
Rimage Corporation

Robert L. Edwards, 47 [1,4]
Senior Vice President,
Chief Financial Officer and
Chief Administrative Officer
Imation Corporation

Donald W. Goldfus, 69 [3]
Retired Chairman of the Board

Barbara B. Grogan, 55 [1,3]
Chairman and President
Western Industrial Contractors

Harry A. Hammerly, 69 [4]
Retired Executive Vice President
3M Company

J. Patrick Horner, 53 [1,4]
Chairman
The Horner Group

Russell Huffer, 53
Chairman, President and
Chief Executive Officer

James L. Martineau, 62 [4]
Retired Executive Vice President

Stephen C. Mitchell, 59 [2,3]
President and
Chief Operating Officer
The Knight Group, LLC

Laurence J. Niederhofer, 70 [3,4]
Retired Chief Executive Officer
Apogee Wausau Group

Ray C. Richelsen, 61 [2]
Retired Executive Vice President
3M Company

Michael E. Shannon, 66 [1,2,3]
Retired Chairman of the Board
Ecolab, Inc.

[1] Audit Committee
[2] Compensation Committee
[3] Corporate Governance Committee
[4] Finance Committee

CORPORATE OFFICERS

Russell Huffer, 53
Chairman, President and
Chief Executive Officer

Michael B. Clauer, 46
Executive Vice President and
Chief Financial Officer

Joseph T. Deckman, 59
Executive Vice President

Larry D. Stordahl, 60
Executive Vice President

Patricia A. Beithon, 49
General Counsel and Secretary

Gary R. Johnson, 41
Vice President and Treasurer

James S. Porter, 42
Vice President of Strategy
and Planning

APOGEE BUSINESSES

Architectural Products and Services

Harmon

Minneapolis, MN
John L. Frye
President
Additional Locations:
Atlanta, GA
Baltimore, MD
Chicago, IL
Cincinnati, OH
Cleveland, OH
Denver, CO
Detroit, MI
Fort Lauderdale/
West Palm Beach, FL
Indianapolis, IN
Orlando, FL
South Bend, IN
Tampa, FL

LINETEC

Wausau, WI
Rick A. Marshall
President
Additional Location:
Villa Rica, GA

VIRACON
"The Leader in Glass Fabrication"

Owatonna, MN
Donald C. Pyatt
President
Additional Location:
Statesboro, GA

WAUSAU WINDOW AND WALL SYSTEMS

Wausau, WI
Alan A. Verploegh
President

Automotive Replacement Glass and Services

HARMON AUTOGLASS

Minneapolis, MN
Joseph T. Deckman
President
Additional Locations:
There are more than 600
shops and service centers
throughout the United States.

VIRACON CURVLITE

Owatonna, MN
Robert C. Jungbluth
President

Large-Scale Optical Technologies

TRU VUE

McCook, IL
Michael B. Clauer
President
Additional Location:
Orlando, FL

VIRATEC

Faribault, MN
Erik J. Bjornard
President

FORWARD-LOOKING STATEMENTS

This discussion contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect the Company's current views with respect to future events and financial performance. The words "believe," "expect," "anticipate," "intend," "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 that Apogee's architectural segment, which serves high-end markets with value-added products, will not be further impacted by the continued slowed economy. In addition, there can be no assurances that Harmon AutoGlass will reverse its loss of market share or overcome pricing pressures in the challenging auto replacement glass market. There can be no assurances that PPG Auto Glass, Apogee's automotive replacement glass distribution joint venture with PPG Industries, will achieve favorable long-term operating results. There also can be no assurances that the large-scale optical segment businesses will continue to increase revenues year-over-year.

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 99.1 to the Company's Annual Report on Form 10-K for the fiscal year ended March 1, 2003, and include, without limitation, cautionary statements regarding changes in economic and market conditions, factors related to competitive pricing, quality, facility utilization, new product introductions, seasonal and cyclical conditions and customer dependency. Also included are other risks related to financial risk, self-insurance, environmental risk and discontinued operations. 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.

FY 2003: INVESTOR INFORMATION

Stock Market
Apogee Enterprises, Inc. common stock is traded on the Nasdaq Stock Market under the symbol APOG.

APOG NASDAQ LISTED

Corporate Headquarters
7900 Xerxes Avenue South, Suite 1800
Minneapolis, MN 55431 – 1159
Telephone: (952) 835-1874
Fax: (952) 835-3196

Corporate Web Site
www.apog.com

Independent Auditors
Deloitte & Touche, LLP
Minneapolis, MN

Quarterly Calendar
The company's fiscal year ends the Saturday nearest the last day of February. Fiscal 2004 quarter-end dates are May 31, 2003, August 30, 2003, November 29, 2003 and February 28, 2004. Quarterly results are usually announced approximately three weeks after the end of each quarter, with the exception of the fourth-quarter results which are announced approximately five weeks after the year-end.

Cash Dividends
Apogee has paid quarterly cash dividends in May, August, November and February since 1974.

Transfer Agent and Registrar
For inquiries regarding stock certificates, such as lost certificates, name changes and ownership transfers, contact:
The Bank of New York
Shareholder Relations, Dept. 11E
P.O. Box 11258, Church Street Station
New York, NY 10286 – 1258
Telephone: (800) 524-4458
E-mail: shareowner-svcs@bankofny.com
Internet: www.stockbny.com

Annual Shareholders' Meeting
The meeting will be held at 10 a.m. CDT on Tuesday, June 17, 2003, in the Thrivent Financial Building Auditorium, 625 Fourth Avenue South, Minneapolis, MN. Apogee will also be webcasting the annual meeting for shareholders: Go to the Apogee Web site at www.apog.com, click on "investor relations" and then click on the webcast link at the top of that page at least 15 minutes prior to the 10 a.m. CDT meeting to register, download and install any necessary software.

Investor Relations Contact
Mary Ann Jackson, Director of Investor Relations
Telephone: (952) 830-0674

Investor Information
Additional information, such as Forms 10-K, 10-Q and proxy statements as filed with the Securities & Exchange Commission, and results and news releases may be obtained at no charge through one of the following:
Internet: www.apog.com
E-mail: IR@apog.com
Telephone: (952) 896-2422
Fax: (952) 896-2400
Mail: Attn: Investor Relations, Corporate Headquarters address

Multiple Accounts
Some shareholders prefer to keep their holdings in more than one account, and they are welcome to do so. However, some multiple accounts are unintentional and will occur if one stock purchase is made with the middle initial and a subsequent purchase without the middle initial. Please contact us for information on how to merge accounts.

Forward-Looking Statements
See page 12.

Quarterly Stock Prices and Dividend Rates

Fiscal 2003	High	Low	Dividend
First Quarter	$ 15.600	$ 11.400	$ 0.055
Second Quarter	15.330	10.150	0.055
Third Quarter	12.390	8.600	0.0575
Fourth Quarter	10.380	7.570	0.0575

Fiscal 2002	High	Low	Dividend
First Quarter	$ 11.990	$ 6.281	$ 0.053
Second Quarter	15.700	9.250	0.053
Third Quarter	17.000	6.860	0.055
Fourth Quarter	18.650	9.990	0.055

GLOSSARY OF TERMS

Auto Glass Repair. A process that bonds glass together with a UV-cured, optically matched resin to restore the windshield's strength, prevent the break from spreading, and improve the windshield's cosmetic appearance.

Curtainwall. An exterior multi-story wall consisting of an aluminum framing system anchored to steel or concrete, glazed or filled with glass in the vision areas and with panels in the nonvision or spandrel areas.

Energy-Efficient Glass. Generally, insulated glass units incorporating coatings that transmit high levels of visible light while lowering the heat gain from solar energy. Insulated glass is fabricated from two or more panes of glass separated by a sealed air space and used primarily to reduce the transfer of heat or sound.

Hurricane-Resistant Glass. Glass laminated with a special composite used primarily to protect a building from wind and wind-borne debris from hurricane-force winds. To meet the safety requirements of building codes, it must pass both projectile impact and cyclic wind pressure tests.

Optical Coatings. Thin film metal oxide coatings which are sputter-deposited onto a base material such as glass. Optical coatings selectively control the reflection and transmission of light, and can provide electrical and static dissipation.

Protective Glazing. Laminated glass products that offer protection and mitigate against the threats of nature and mankind. Products have been tested for ballistic, forced-entry, windstorm or bomb blast protection.

Six Sigma/Lean Thinking or Manufacturing. A business improvement process for eliminating non-value-added process steps from the customer's view (Lean) and reducing variation within processes (Six Sigma). It uses fact-based analytical tools and methodologies for preventing defects in products, processes and services, reducing cycle times and controlling costs to generate value for customers.

Apogee Enterprises, Inc.
7900 Xerxes Avenue South, Suite 1800
Minneapolis, MN 55431–1159
(952) 835-1874 www.apog.com