

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 3, 1998

Apogee Enterprises, Inc.
(Exact name of registrant as specified in its charter)

Commission File No. 0-6365

MINNESOTA
(State or other jurisdiction of
incorporation or organization)

41-0919654
(IRS Employer
Identification No.)

7900 Xerxes Avenue South, Suite 1800
Minneapolis, Minnesota 55431-1159
(Address of principal executive offices)

(612) 835-1874
(Registrant's telephone number, including area code)

Item 5. Other Events

On December 3, 1998, Apogee Enterprises, Inc. (the "Company") and CompuDyne Corporation (the "Purchaser") consummated the closing of the transactions contemplated by the stock purchase agreement dated November 10, 1998 (the "Purchase Agreement"). As a result of the closing, Purchaser acquired the Company's detention and security business through the purchase of the stock of Norment Industries, Inc. and Norshield Corporation, both wholly-owned subsidiaries of the Company. The purchase price paid by Purchaser to Apogee was \$22.5 million for these companies, subject to certain post-closing adjustments.

Item 7. Financial Statements and Exhibits

(c) Exhibits

- 2.1 Amendment No. 1 to Stock Purchase Agreement dated as of November 28, 1998 between Apogee Enterprises, Inc., Harmon. Ltd., and CompuDyne Corporation
- 2.2 Closing Agreement among Apogee Enterprises, Inc. and CompuDyne Corporation
- 99.1 Press Release dated December 3, 1998.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

APOGEE ENTERPRISES, INC.

Date: December 3, 1998

By: /s/ Russell Huffer

Russell Huffer
President and Chief Executive
Officer

Date: December 3, 1998

By: /s/ Robert G. Barbieri

Robert G. Barbieri
Vice President Finance and
Chief Financial Officer
(Principal Accounting Officer)

AMENDMENT TO STOCK PURCHASE AGREEMENT

THIS AMENDMENT AGREEMENT dated as of November 28, 1998 is made and entered into by and between APOGEE ENTERPRISES, INC., a Minnesota corporation ("Seller"), COMPUTDYNE CORPORATION, a Nevada corporation ("Purchaser") and HARMON, LTD. (formerly known as W.S.A., Inc. and referred to hereinafter as "WSA"), a Minnesota corporation.

WHEREAS, Seller and Purchaser are parties to a certain Stock Purchase Agreement dated as of November 10, 1998 (the Stock Purchase Agreement"); and

WHEREAS, Seller and Purchaser desire to amend the Stock Purchase Agreement and to include WSA as a party thereto for a single limited purpose; and

WHEREAS, WSA desires to become a party to the Stock Purchase Agreement, as amended, for a single limited purpose.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Amendment Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The first sentence of the initial paragraph of the Stock Purchase Agreement, naming the parties to the Stock Purchase Agreement, is hereby amended to read as follows:

THIS AGREEMENT dated as of November 10, 1998 is made and entered into by and among APOGEE ENTERPRISES, INC., A Minnesota corporation ("Seller"), COMPUTDYNE, INC., A Nevada corporation ("Purchaser"), and, solely for the purposes of Section 1.01 hereof, HARMON, LTD. (formerly known as W.S.A., INC. and referred to hereinafter as "WSA").

2. The first sentence of the introductory portion of Section 1.01 of the Stock Purchase Agreement is hereby amended by adding to the end thereof, the following:

"and, in connection therewith, at Closing WSA hereby transfers to the Purchaser all of whatever right title and interest it may have in and to the benefits and Liabilities in the Transferred Projects (defined in subsection (a) below)."

3. The second sentence of the introductory portion of Section 1.01 of the Stock Purchase Agreement is hereby amended by deleting the first clause thereof and inserting in lieu thereof the clause "As a result of such purchase,".

4. The introductory language of Section 1.03 of the Stock Purchase Agreement is hereby amended to read as follows:

"After the Closing, the Purchaser will (with respect to subsection (c) below) and will cause the Companies to be responsible and obligated for and will (with respect to subsection (c) below) and will cause the Companies to timely pay and discharge the following Liabilities (the "Company Liabilities") relating to the Business:"

5. Section 5.04 of the Stock Purchase Agreement is hereby amended to read as follows:

"Purchaser shall use reasonable commercial efforts to provide bonding for the Purchaser's payment and performance obligations under Section 1.03(c) hereof in substantially the form set forth in Schedule 5.04 hereto (the "Bonding Condition") with respect to the Transferred Projects identified on Exhibit A attached to Schedule 5.04."

6. The definition of "Liabilities" in Section 10.01 of the Stock Purchase Agreement is hereby amended to insert the parenthetical "(including, without limitation, the obligations of payment and performance)" after the word "obligations" therein.

7. Schedule 5.04 of the Stock Purchase Agreement is hereby amended by deleting such schedule and substituting in lieu thereof the new Schedule 5.04 attached hereto as Attachment A.

8. The Stock Purchase Agreement is hereby amended by adding thereto a new Section 11.17, as follows:

"11.17. Additional Notice Requirements: If Seller receives notice, in any form, of any claim or potential claim with respect to any of the Transferred Projects, or any dispute relating to any contract with respect to any of the Transferred Projects, then Seller shall promptly forward written notice of same to the Purchaser, and, if any such notice relates to a Transferred Project identified on Schedule 5.04, Seller shall also notify Liberty Bond Services sent by hand delivery, or by registered or certified mail, return receipt requested, first class postage prepaid, or by a nationally recognized overnight delivery service, or by telecopy (followed by a hard copy sent by one of the foregoing methods), addressed to Liberty Bond Services, Surety Law Department, 600 West Germantown Pike, Suite 300, Plymouth Meeting, Pennsylvania 19462."

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each party hereto as of the date first above written.

COMPUDYNE CORPORATION

By: _____
Martin A. Roenigk
Chairman and Chief Executive Officer

APOGEE ENTERPRISES, INC.

By: _____
Robert G. Barbieri
Vice President Finance and
Chief Financial Officer

HARMON, LTD.

By: _____
Michael A. Bevilacqua
Treasurer

CLOSING AGREEMENT

THIS AGREEMENT dated as of November 30, 1998 is made and entered into by and between APOGEE ENTERPRISES, INC., a Minnesota corporation ("Seller"), and COMPUDYNE CORPORATION, a Nevada corporation ("Purchaser").

WHEREAS, Seller and Purchaser have entered into the stock purchase agreement dated November 10, 1998 (the "Stock Purchase Agreement") pursuant to which Seller will sell to Purchaser all of the outstanding capital stock of Norment Industries, Inc., a Delaware corporation ("Norment"), and Norshield Corporation, an Alabama corporation ("Norshield" and each of Norment and Norshield is herein individually referred to as the "Company" and collectively as the "Companies");

WHEREAS, on this date Seller and Purchaser are effecting the transactions contemplated by the Stock Purchase Agreement, but desire to have consummation of such transaction effective as of November 28, 1998 which is the fiscal month end for Seller and the Companies; and

WHEREAS, in connection with consummation of the transactions contemplated by the Stock Purchase Agreement, the parties wish to confirm certain agreements and.

I.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions. Terms defined in the Stock Purchase Agreement are used herein as therein defined.

2. Effective Date. Consummation of the transactions contemplated by the Stock Purchase Agreement shall be deemed to have been effective as of November 28, 1998. The Stock Purchase Agreement is hereby amended to provide that the term "Closing Date" shall mean November 28, 1998.

3. Distribution of Excluded Assets. Each of the Companies has duly adopted corporate resolutions distributing to Seller (in partial satisfaction of inter-company debt or, if the debt has been fully discharged, as a dividend) all of the Excluded Assets as of November 28, 1998 which is the Closing Date. Copies of such corporate resolutions are attached hereto as Exhibit A (the "Companies Resolutions"). Certain of the Excluded Assets as of November 28, 1998, including Cash, will not be finally determined until after the Closing. Purchaser agrees that the Companies Resolutions will not be modified after Closing and agrees to cause the Companies to make the transfers and distributions contemplated by the Companies Resolutions as soon as reasonably practicable after the Closing to the extent such transfers and distributions were not made prior to the Closing.

4. Transferred Projects. Exhibit A attached hereto is the definitive list of the Transferred Projects as of the Closing Date, including projects for which bids are outstanding as of the Closing Date if such bids are accepted or awarded. Within ten (10) business days after the date hereof, the parties hereto may mutually agree to modify Exhibit A in the event there are any errors therein.

5. Balance Sheet as of November 28, 1998. As soon as reasonably practicable after the Closing but not later than ten (10) Business Days, Seller will prepare a draft of the balance sheet as of November 28, 1998 under the Administrative Services Agreement.

6. Outstanding Checks. To the extent any checks issued by Norment or Norshield prior to the Closing Date have not cleared as of the Closing Date, Seller will provide funds to the accounts on which such checks are drawn sufficient to honor such checks, said accounts constituting Excluded Assets.

7. Penta Contract. As soon as reasonably practicable after the date hereof, the parties shall cause the contract for the Penta System for the Enterprise Resource Planning System to be separated between Harmon, Ltd. on the one hand, and Norment and Norshield, on the other hand.

8. Amendment to Stock Purchase Agreement. The parties agree that this Agreement constitutes an amendment and supplement to the Stock Purchase Agreement.

9. Miscellaneous. The provisions of Article IX of the Stock Purchase Agreement are hereby incorporated by reference into this Agreement, except for Sections 11.02 through 11.06 and 11.13.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each party hereto as of the date first above written.

SELLER:

APOGEE ENTERPRISES, INC.

By: /s/

Robert G. Barbieri
Vice President and Chief Financial Officer

PURCHASER:

COMPUDYNE CORPORATION

By: /s/

Martin A. Roenigk
Chairman and Chief Executive Officer

FOR IMMEDIATE RELEASE
THURSDAY, DECEMBER 3, 1998

APOGEE ENTERPRISES, INC. COMPLETES THE SALE
OF DETENTION & SECURITY BUSINESS UNIT

MINNEAPOLIS, MN, DECEMBER 3, 1998 -- APOGEE ENTERPRISES, INC. (NASDAQ: APOG) today announced that it has completed the sale of the stock of Norment Industries, Inc. and Norshield Corporation, the two subsidiaries comprising Apogee's Detention & Security business unit, to CompuDyne Corporation (Nasdaq: CDCY). This closing follows Apogee's announcement of the agreement to sell the business unit on November 10. Subject to final adjustments, the stock was valued at approximately \$22.5 million.

The Detention & Security business unit is a leader in high-security systems contracting, with five operating businesses. In fiscal 1998, the unit had net sales of approximately \$75 million, or approximately 8% of Apogee's total.

Apogee Enterprises, Inc. is a leader in the design and development of value-added glass products, services, technologies and systems for the nonresidential building, automotive and commercial markets. The company is organized into three operating segments: Glass Technologies (GT), Auto Glass (AG), and Building Products & Services (BPS). Headquartered in Minneapolis, the company's stock is traded on the Nasdaq Stock Market under the symbol APOG.

FOR MORE INFORMATION ON APOGEE ENTERPRISES, INC. VIA FACSIMILE AT NO COST,
SIMPLY DIAL 1-800-PRO-INFO AND ENTER THE COMPANY CODE TICKER APOG.

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APOGEE ENTERPRISES, INC.
7900 Xerxes Ave., South
Minneapolis, MN 55431
(612) 835-1874

AT THE COMPANY:
Donald W. Goldfus, Chairman
Russell Huffer, CEO
Robert G. Barbieri, CFO
Michael A. Bevilacqua,
Treasurer

AT THE FINANCIAL RELATIONS BOARD:
Larry Stein Suzy Lynde
General Inquiries Investor Inquiries
(312) 266-7800 (312) 266-7800