

## Apogee Enterprises (APOG)

**\$32.11** (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$42.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

Neutral

(Since: 06/30/25)

Prior Recommendation: Underperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**4-Sell**

Zacks Style Scores:

VGM: A

Value: A

Growth: B

Momentum: C

## Summary

Apogee has been benefiting from the strong performance of its Architectural Services segment, which is gaining from improved pricing and product mix. The company's strong project pipeline and recent order trends bode well. Apogee's ongoing efforts to reduce costs and enhance productivity are expected to bolster margins in the coming quarters. The company is investing in a number of foundational projects and establishing centers of excellence to reinforce core processes and skills, and support its enterprise transformation efforts. However, the company is exposed to headwinds, such as inflationary pressures and supply-chain issues. Elevated interest rates are other woes. The company is implementing Project Fortify to phase out lower-margin product and service offerings. This is predicted to have an impact on the company's revenues.

## Price, Consensus & Surprise<sup>(1)</sup>

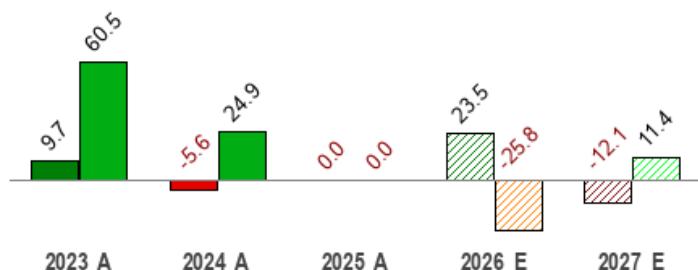


## Data Overview

52 Week High-Low	<b>\$58.35 - \$31.00</b>
20 Day Average Volume (sh)	<b>243,474</b>
Market Cap	<b>\$802.1 M</b>
YTD Price Change	<b>2.4%</b>
Beta	<b>1.08</b>
Dividend / Div Yld	<b>\$1.04 / 2.8%</b>
Industry	<b>Glass Products</b>
Zacks Industry Rank	<b>Top 9% (23 out of 244)</b>

## Sales and EPS Growth Rates (Y/Y %)<sup>(1)</sup>

Sales         EPS    



## Sales Estimates (millions of \$)<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
Last EPS Surprise	14.0%				
Last Sales Surprise	NA				
EPS F1 Est- 4 week change	-1.9%	2027			1,477 E
Expected Report Date	01/07/2026	2026	347 A	358 A	417 E
Earnings ESP	0.0%	2025	332 A	342 A	346 A

## EPS Estimates<sup>(1)</sup>

	Q1	Q2	Q3	Q4	Annual*
P/E TTM	10.3				
P/E F1	8.7	2027			4.11 E
PEG F1	-1.0	2026	0.56 A	0.98 A	3.69 E
P/S TTM	0.6	2025	1.44 A	1.44 A	1.19 A
					0.89 A

\*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/07/2026.

(2) The report's text and the price target are as of 12/15/2025.

## Overview

Apogee Enterprises is a leader in architectural products and services, providing architectural glass, aluminum framing systems and installation services for buildings as well as value-added glass and acrylic for custom picture framing and displays.

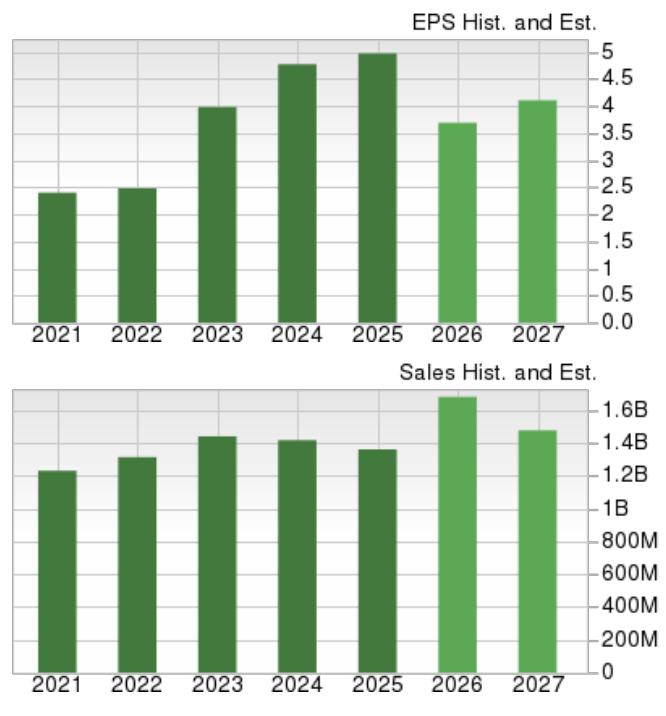
The company operates under four segments, with three of the segments serving the commercial construction market: Apogee changed the names of two reporting segments to better reflect their product focus and capabilities. Beginning in the fourth quarter of fiscal 2025, the Architectural Framing Systems segment will be known as the Architectural Metals segment, and the previously named Large-Scale Optical segment will be now known as the Performance Surfaces segment.

The Architectural Glass segment (23.7% of total revenues in fiscal 2025) fabricates glass used in customized window and wall systems forming the exterior skin of commercial and institutional buildings. The segment consists of Viracon, a fabricator of coated, high-performance architectural glass for global markets. Its markets include the U.S. government, offices, education, health care and hotels.

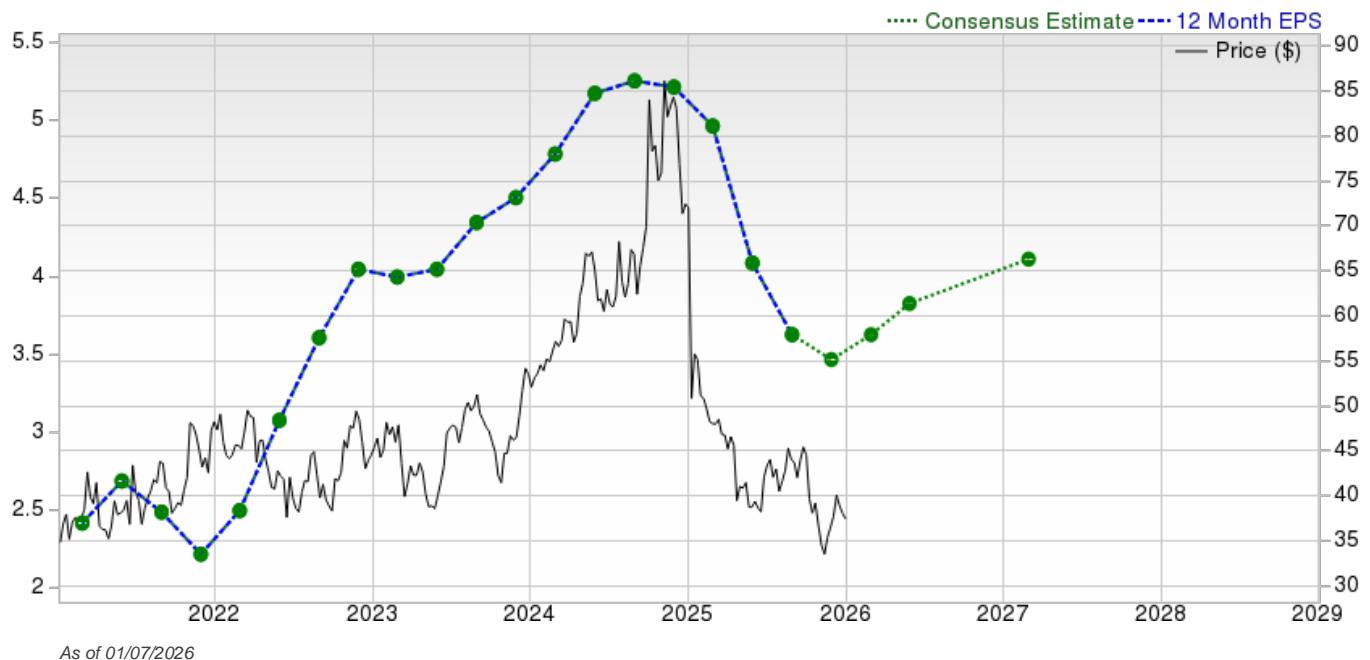
The Architectural Services segment (30.8%) integrates technical services, project management, and field installation services to design, engineer, fabricate and install building glass and curtainwall systems. Effective the first quarter of fiscal 2023, the company began management of the Sotawall and Harmon businesses under the Architectural Services segment.

The Architectural Metals (23.7%) designs, engineers, fabricates and finishes the aluminum frames used in customized aluminum and glass window, curtainwall, storefront and entrance systems structuring the outside skin and entrances of commercial and institutional buildings with features such as energy efficiency and hurricane protection. The segment comprises Wausau Window and Wall Systems, Tubelite and Linetec.

The Performance Surfaces segment (9%) manufactures high-performance glass and acrylic products for the custom framing, museum and technical glass markets. The segment consists of Tru Vue, a manufacturer of value-added glass and acrylic for the custom picture framing and fine art markets. Apogee acquired UW Solutions in November 2024 to further expand this segment.



As of 01/07/2026



As of 01/07/2026

## Reasons To Buy:

- ▲ Apogee's Architectural Services segment witnessed year-over-year growth and margin expansion in fiscal 2025 despite significant supply-chain and inflation headwinds. The rise has continued in fiscal 2026. The segment is gaining on improved pricing and product mix, reflecting the company's strategic shift toward more premium products. This bodes well for the company. The company's tariff mitigation efforts and Project Fortify 2 actions will aid performance amid a challenging macro environment.
- ▲ Following a detailed strategic review of its business, the company has embarked on a plan to deliver profitable growth and improved returns. The strategy is centered on three pillars, including becoming the economic leader in its target markets, actively managing the portfolio to drive higher margins and Return on Invested Capital (ROIC), and strengthening its core capabilities to enable profitable growth. In 2022, it announced new three-year financial goals, which include ROIC greater than 12%, an operating margin greater than 10% and revenue growth greater than 1.2 times the growth of the non-residential construction market.

Backed by these initiatives, the company delivered an adjusted ROIC of 14.9% in fiscal 2025, surpassing the company's goal.

- ▲ The company's segments have the potential to increase market share, expand into new geographies and markets, and introduce new products. Apogee has broader exposure in various projects across different sectors, including healthcare, education, and government and multifamily housing, as well as a growing renovation business. The company is witnessing strong demand from new construction activities. Apart from this, the various government stimulus measures provide support for the company's construction end markets. Apogee continues to focus on strategy to diversify revenue streams, explore growth opportunities, and improve efficiency and productivity of operations to deliver stable growth and profitability. The company has initiated several operational and commercial improvements, including cost reductions, integrated product management and pricing strategies, as well as supply chain and operational efficiencies. These actions are likely to somewhat offset headwinds from cost inflation.
- ▲ Apogee acquired UW Interco, LLC (UW Solutions) for \$242 million in cash from Heartwood Partners in November 2024. This transaction is consistent with the company's goal of adding distinctive businesses with a great operational track record to its portfolio. UW Solutions, a U.S. manufacturer, produces high-performance coated substrates for building products and graphic arts markets, boasting innovative formulations and iconic brands like ResinDEK, ChromaLuxe, RDC Coatings and Unisub. This deal will expand Apogee's Performance Surfaces segment and will establish a scalable growth platform in the specialized coatings and materials market. The transaction is estimated to generate roughly \$100 million in sales in fiscal 2026, with an adjusted EBITDA margin of around 20%.

Apogee will benefit from the continued strong performance in Architectural Services segment. Efforts to improve efficiency and productivity and controlling costs will also aid results.

## Reasons To Sell:

- ▼ Apogee anticipates inflationary pressures to persist in fiscal 2026. Apart from this, Apogee is bearing the brunt of supply-chain disruptions. Labor constraints at some of its facilities remain a hindrance and might impact its production levels. Interest expenses and healthcare costs are also anticipated to be headwinds in the upcoming quarters.
- ▼ The company's Architectural Glass segment is bearing the brunt of lower volumes for the past few quarters due to weak end-market demand. The segment's fiscal second-quarter results were hurt by lower prices and volumes, unfavorable product mix, and increased costs for materials, tariffs, and health insurance. If this persists, this will hurt overall performance.
- ▼ As part of its strategy to optimize its portfolio, the company is employing Project Fortify to move away from some lower-return product and service offerings. As part of this, the company is shutting down its Toronto manufacturing site. This is expected to be a headwind for the top line in fiscal 2026. Moreover, the company has been incurring higher restructuring costs for Project Fortify, including \$1.1 million in employee termination costs and \$1.3 million in other expenses for fiscal 2025, with \$0.2 million in termination cost reversals. In fiscal 2024, the project incurred \$6.2 million in asset impairment charges, \$5.9 million in employee termination costs and \$0.3 million in other expenses.

APOG expects the UW Solutions business to contribute \$100 million to net revenues in fiscal 2026. However, dilution related to the acquisition will negatively impact operating income. APOG also expects an unfavorable impact of tariffs of 35-45 cents on its earnings per share. This is mostly likely to reflect in the first half of fiscal 2026.

Labor and supply-chain issues are likely to hurt Apogee's margins. Elevated interest and healthcare costs are also likely to impact the company's performance in the ongoing quarters.

## Last Earnings Report

### Apogee Surpasses Earnings Estimates in Q2, Lowers FY26 Outlook

Apogee reported adjusted earnings per share (EPS) of 98 cents for the second-quarter fiscal 2026, surpassing the Zacks Consensus Estimate of 86 cents per share. The bottom line decreased 31.9% from the prior-year quarter.

Including one-time items, earnings in the quarter under review were \$1.10 per share compared with \$1.40 in the prior-year quarter.

FY Quarter Ending	2/28/2025
Earnings Reporting Date	Oct 09, 2025
Sales Surprise	NA
EPS Surprise	13.95%
Quarterly EPS	0.98
Annual EPS (TTM)	3.62

Apogee generated revenues of \$358 million in the quarter under review, up 4.6% from the year-ago quarter. The top line surpassed the Zacks Consensus Estimate of \$334 million. This was mainly due to gains from the acquisition of UW Solutions and higher Architectural Services volumes, which were partially offset by lower Architectural Glass volumes and unfavorable product mix in Architectural Metals.

### Apogee's Q2 Margins Dip Y/Y

Cost of sales in the fiscal second quarter moved up 12.4% from the prior-year quarter to \$275.6 million. The gross profit fell 15.1% from the prior-year quarter to \$83 million. The gross margin expanded to 23.1% in the quarter under review from the prior-year quarter's 28.4%.

Selling, general and administrative expenses moved up 0.7% from the prior-year quarter to \$56 million. The operating income fell 35.9% from the year-earlier quarter to \$27 million. The operating margin in the reported quarter was 7.5% compared with the prior-year quarter's 12.3%.

### APOG's Segmental Performance in Q2

In the fiscal second quarter, revenues in the Architectural Metals segment moved down 0.3% year over year to \$141 million due to a less favorable mix. This was partially negated by higher volume and price. The segment's adjusted EBITDA was \$20.8 million compared with the year-ago quarter's \$22.2 million.

Revenues in the Architectural Glass segment fell 19.9% year over year to \$72 million due to lower volume. The segment's adjusted EBITDA was around \$12 million compared with \$24 million in 2025.

Revenues in the Architectural Services segment improved 2.5% year over year to \$100.5 million on improved volumes. The segment reported an adjusted EBITDA of \$5 million, down 31.7% year over year.

Revenues in the Performance Surfaces segment surged 144% year over year to \$48 million, reflecting the contributions from the UW Solutions acquisition. The segment reported an adjusted EBITDA of \$11.2 million in the fiscal second quarter compared with the prior-year quarter's \$4.6 million.

### Apogee's Backlog Rises in Q2

The Architectural Services segment's backlog came in at \$792 million at the end of the fiscal second quarter compared with \$682 million at the end of the prior quarter.

### APOG's Cash Position & Balance Sheet

Apogee had cash and cash equivalents of \$39.5 million at the end of the second-quarter fiscal 2026 compared with \$41 million at the end of fiscal 2025. Cash provided by operating activities was \$57.1 million in the quarter compared with the prior-year quarter's \$58.7 million.

Long-term debt was \$270 million at the end of the second quarter of fiscal 2026, lower than \$285 million at the end of fiscal 2025.

### Apogee's FY26 Guidance

Apogee is revising its guidance for net revenues to \$1.39-\$1.42 billion for fiscal 2026, down from the prior stated \$1.40-\$1.44 billion. Its updated adjusted EPS guidance is \$3.60-\$3.90 compared with the prior stated \$3.80-\$4.20. The updated guidance includes unfavorable headwinds of 35-45 cents from tariffs.

## Valuation

Apogee's shares are up 5.3% in the trailing six-month period and down 46.9% over the trailing 12-month period. Stocks in the Zacks Glass Products industry and the Zacks Industrial Products sector are up 10.3% and up 7.9%, in the trailing six-month period, respectively. Over the past year, the Zacks sub-industry are down 3.8% and the sector are up 3.6%.

The S&P 500 index is up 16.3% in the trailing six-months period and up 15.7% in the past year.

The stock is currently trading at 0.61X forward 12-month earnings, which compares with 0.43X for the Zacks sub-industry, 4.24X for the Zacks sector and 5.27X for the S&P 500 index.

Over the past five years, the stock has traded as high as 1.05X and as low as 0.51X, with a 5-year median of 0.72X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$42 price target reflects 0.64X forward 12-month earnings.

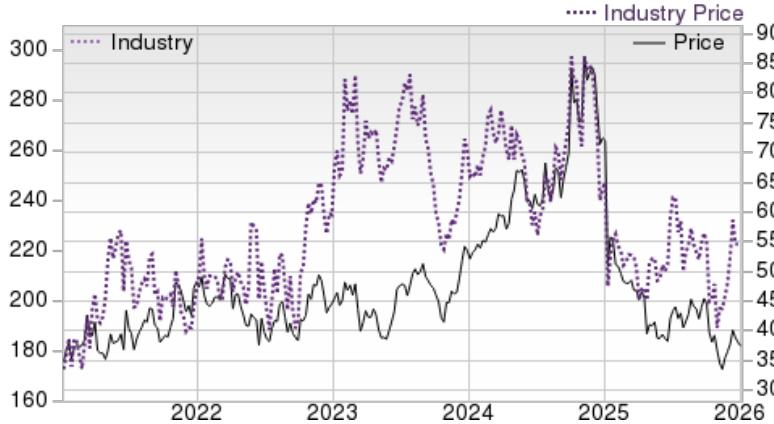
The table below shows summary valuation data for APOG.

Valuation Multiples - APOG					
		Stock	Sub-Industry	Sector	S&P 500
P/S F12M	Current	0.61	0.43	4.24	5.27
	5-Year High	1.05	0.54	4.24	5.51
	5-Year Low	0.51	0.33	2.33	3.83
	5-Year Median	0.72	0.41	3.18	5.05
EV/EBITDA TTM	Current	6.51	5.06	26.72	18.58
	5-Year High	12.63	9.42	28.59	22.41
	5-Year Low	5.62	3.53	14.14	13.88
	5-Year Median	7.62	5.71	18.26	17.97
EV/Sales TTM	Current	0.78	1.11	5.48	5.72
	5-Year High	1.51	1.29	5.58	5.81
	5-Year Low	0.66	0.91	3.01	3.77
	5-Year Median	0.88	1.04	3.95	5.12

As of 12/12/2025

Source: Zacks Investment Research

## Industry Analysis<sup>(1)</sup> Zacks Industry Rank: Top 9% (23 out of 244)



## Top Peers<sup>(1)</sup>

Company (Ticker)	Rec	Rank
Century Aluminum Com... (CENX)	Outperform	3
O-I Glass, Inc. (OI)	Outperform	1
Ball Corporation (BALL)	Neutral	3
Packaging Corporatio... (PKG)	Neutral	3
Pentair plc (PNR)	Neutral	3
Sonoco Products Comp... (SON)	Neutral	3
Tenaris S.A. (TS)	Neutral	3
Zebra Technologies C... (ZBRA)	Neutral	3

## Industry Comparison<sup>(1)</sup> Industry: Glass Products

	APOG	X Industry	S&P 500	BALL	OI	ZBRA
<b>Zacks Recommendation (Long Term)</b>	Neutral	-	-	Neutral	Outperform	Neutral
<b>Zacks Rank (Short Term)</b>	4	-	-	3	1	3
<b>VGM Score</b>	A	-	-	C	A	B
Market Cap	802.14 M	1.62 B	40.27 B	14.55 B	2.44 B	13.05 B
# of Analysts	2	3	22	7	4	4
Dividend Yield	2.79%	0.00%	1.35%	1.47%	0.00%	0.00%
<b>Value Score</b>	A	-	-	B	A	C
Cash/Price	0.05	0.06	0.04	0.04	0.24	0.08
EV/EBITDA	6.04	6.95	14.84	14.37	7.86	15.59
PEG Ratio	-0.97	0.19	2.06	1.06	0.19	NA
Price/Book (P/B)	1.61	0.93	3.44	2.71	1.66	3.48
Price/Cash Flow (P/CF)	5.08	5.97	15.60	10.15	3.94	16.88
P/E (F1)	8.78	9.28	18.94	13.49	8.25	14.69
Price/Sales (P/S)	0.58	0.38	3.12	1.15	0.38	2.48
Earnings Yield	9.71%	10.91%	5.28%	7.40%	12.11%	6.80%
Debt/Equity	0.54	0.40	0.57	1.26	3.36	0.56
Cash Flow (\$/share)	7.34	0.53	8.98	5.35	4.03	15.26
<b>Growth Score</b>	B	-	-	C	B	B
Hist. EPS Growth (3-5 yrs)	18.73%	-9.27%	8.24%	-0.19%	-9.27%	-8.84%
Proj. EPS Growth (F1/F0)	-25.75%	-3.56%	9.18%	12.30%	97.53%	17.16%
Curr. Cash Flow Growth	9.58%	-27.88%	7.00%	-0.56%	-36.75%	24.41%
Hist. Cash Flow Growth (3-5 yrs)	7.86%	-15.60%	7.49%	0.74%	-15.60%	-1.31%
Current Ratio	1.76	1.35	1.19	1.11	1.33	1.61
Debt/Capital	35.06%	27.99%	38.14%	55.73%	77.09%	35.99%
Net Margin	3.19%	2.54%	12.77%	5.36%	-2.26%	9.74%
Return on Equity	15.76%	15.76%	17.03%	17.89%	16.02%	18.08%
Sales/Assets	1.19	0.72	0.53	0.70	0.72	0.66
Proj. Sales Growth (F1/F0)	23.50%	2.57%	5.29%	9.60%	-1.90%	8.10%
<b>Momentum Score</b>	C	-	-	D	B	C
Daily Price Chg	0.38%	0.38%	0.62%	0.72%	4.00%	1.97%
1 Week Price Chg	-1.63%	-0.90%	0.70%	1.31%	1.47%	0.82%
4 Week Price Chg	-2.59%	5.32%	1.52%	15.85%	12.01%	-2.88%
12 Week Price Chg	-3.09%	-3.09%	4.52%	14.12%	36.49%	-10.86%
52 Week Price Chg	-35.26%	9.08%	17.53%	1.14%	48.50%	-34.97%
20 Day Average Volume	243,474	4,460	2,426,458	2,541,616	2,263,029	538,343
(F1) EPS Est 1 week change	-1.90%	-0.62%	0.00%	-0.18%	0.65%	0.00%
(F1) EPS Est 4 week change	-1.90%	-0.02%	0.00%	-0.18%	1.85%	0.00%
(F1) EPS Est 12 week change	-7.42%	-1.04%	0.44%	0.11%	5.34%	-5.08%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

### Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

### Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	B
Momentum Score	C
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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