

Tektronix Second Quarter 2000 Results

The business and geographic product orders, net sales, and operating income breakdown is as follows:

(In thousands)	Quarter Ended		Two Quarters Ended	
	Nov. 27, <u>1999</u>	Nov. 28, <u>1998</u>	Nov. 27, <u>1999</u>	Nov. 28, <u>1998</u>
Product Orders:	\$ 241,600	\$ 266,900	\$ 524,300	\$ 504,000
Measurement Business	241,600	207,100	485,300	396,400
Video and Networking	0	59,800	39,000	107,600
U.S.	123,700	118,900	271,500	244,000
International	117,900	148,000	252,800	260,000
Net Sales:	\$ 261,271	\$ 272,910	\$ 542,018	\$ 536,511
Measurement Business	253,325	213,291	481,359	424,449
Video and Networking	7,946	59,619	60,659	112,062
U.S.	140,485	136,264	287,695	267,352
International	120,786	136,646	254,323	269,159
Operating Income (loss):	\$ 15,777	\$ (121,107)	\$ 3,568	\$ (135,648)
Measurement Business	26,375	14,743	49,033	26,134
Video and Networking	(10,710)	(13,285)	(19,013)	(30,861)
Business ventures' loss and other	112	(122,565)	(26,452)	(130,921)

Consolidated Statements of Operations

(In thousands, except per share amounts)	Quarter Ended		Two Quarters Ended	
	Nov. 27, <u>1999</u>	Nov. 28, <u>1998</u>	Nov. 27, <u>1999</u>	Nov. 28, <u>1998</u>
Net sales	\$ 261,271	\$ 272,910	\$ 542,018	\$ 536,511
Cost of sales	<u>141,274</u>	<u>185,579</u>	<u>297,729</u>	<u>331,516</u>
Gross profit	119,997	87,331	244,289	204,995
Research and development expenses	32,736	41,099	70,943	77,936
Selling, general and administrative expenses	71,459	84,669	143,335	172,039
Equity in business ventures' loss	25	1,182	343	9,180
Charges related to the sale of the Video and Networking division	-	-	26,100	-
Non-recurring charges	<u>-</u>	<u>81,488</u>	<u>-</u>	<u>81,488</u>
Operating income (loss)	15,777	(121,107)	3,568	(135,648)
Other loss - net	<u>2,008</u>	<u>2,599</u>	<u>5,622</u>	<u>2,001</u>
Income (loss) before taxes	13,769	(123,706)	(2,054)	(137,649)
Income taxes	<u>4,828</u>	<u>(39,585)</u>	<u>(78)</u>	<u>(44,047)</u>
Earnings (loss) from continuing operations	8,941	(84,121)	(1,976)	(93,602)
Discontinued Operations:				
Income (loss) from operations of Color Printing and Imaging (less applicable tax of \$ 3,667, (824), 4,762, and 1,443 respectively.)	<u>6,245</u>	<u>(1,750)</u>	<u>8,680</u>	<u>3,068</u>
Net income (loss)	<u>\$ 15,186</u>	<u>\$ (85,871)</u>	<u>\$ 6,704</u>	<u>\$ (90,534)</u>
Earnings (loss) per share - basic and diluted	\$ 0.32	\$ (1.82)	\$ 0.14	\$ (1.87)
Earnings (loss) per share from continuing operations - basic and diluted	\$ 0.19	\$ (1.79)	\$ (0.04)	\$ (1.93)
Earnings (loss) per share from discontinued operations - basic and diluted	\$ 0.13	\$ (0.04)	\$ 0.18	\$ 0.06
Dividends per share	\$ 0.12	\$ 0.12	\$ 0.24	\$ 0.24
Average shares outstanding - basic	47,062	47,077	47,005	48,414
Average shares outstanding - diluted	47,636	47,077	47,468	48,583
Capital expenditures	13,472	16,301	22,536	36,874
Depreciation expense	11,760	14,072	24,183	25,550
Dividends	5,640	5,674	11,271	11,658

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Consolidated Balance Sheets

(In thousands)	<u>Nov. 27, 1999</u>	<u>May 29, 1999</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 57,860	\$ 39,747
Accounts receivable - net	128,637	165,979
Inventories	120,870	158,305
Net assets of discontinued operations	341,799	338,990
Other current assets	93,636	83,417
Total current assets	<u>742,802</u>	<u>786,438</u>
Property, plant and equipment - net	253,651	283,769
Deferred tax assets	55,347	56,405
Other long-term assets	139,494	121,723
Total assets	<u>\$ 1,191,294</u>	<u>\$ 1,248,335</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 79,564	\$ 115,687
Accounts payable	171,578	171,306
Accrued compensation	94,282	108,982
Deferred revenue	4,319	2,438
Total current liabilities	<u>349,743</u>	<u>398,413</u>
Long-term debt	150,596	150,722
Other long-term liabilities	69,364	77,638
Shareholders' equity:		
Common stock	142,608	143,263
Retained earnings	454,046	458,613
Accumulated other comprehensive income	24,937	19,686
Total shareholders' equity	<u>621,591</u>	<u>621,562</u>
Total liabilities and shareholders' equity	<u>\$ 1,191,294</u>	<u>\$ 1,248,335</u>
Shares outstanding	46,962	46,909
Employees	6,753	7,571