CONSOLIDATED BALANCE SHEETS (unaudited)

(Dollars in thousands)	August 24, 1991	August 18, 1990
Assets		
Current assets:		
Cash and cash equivalents	$ 36,537	$ 26,708
Accounts receivable – net	212,353	242,040
Inventories	161,529	157,359
Other current assets	28,755	39,689
Total current assets	439,174	465,79
Property, plant, and equipment	901,657	962,912
Accumulated depreciation and amortization	(579,168)	(604,902)
Property, plant, and equipment – net	322,489	358,010
Other long-term assets	105,310	93,132
Total assets	$ 866,973	$ 916,938
Liabilities and shareholders' equity		
Current liabilities:		
Short-term debt	$ 65,210	$ 35,189
Accounts payable	113,436	137,970
Accrued compensation	73,690	85,436
Income taxes	15,094	13,710
Total current liabilities	267,430	272,305
Long-term debt	88,707	155,741
Deferred income taxes	32,422	32,165
Other long-term liabilities	43,505	53,991
Shareholders' equity:		
Common stock	171,928	166,972
Retained earnings	220,051	188,920
Currency adjustment	42,930	46,844
Total shareholders' equity	434,909	402,736
Total liabilities and shareholders' equity	$ 866,973	$ 916,938
Number of shares outstanding	29,403	29,067
Number of employees	11,636	12,722

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FIRST QUARTER

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1992 INTERIM REPORT

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FIRST QUARTER EARNINGS INCREASE

Tektronix' earnings for the first quarter of fiscal 1992, which ended on August 24, 1991, were $9,625,000 or $0.33 per share, compared with $9,392,000 or $0.32 per share in last year's first quarter. This increase continues the trend of improving earnings which began a year ago. This year's first quarter was 13 weeks long, while last year's first quarter was 12 weeks long.

Net sales for the quarter were $288,564,000, compared with $302,450,000 a year ago. Last year's first quarter included sales for workstations, TriQuint Semiconductor, and other units which have been discontinued or divested. If those units are excluded from last year's total, then sales this year are about equal to the prior year.

Manufacturing cost of sales was well below last year's first-quarter level, and operating expenses were up modestly. While cost containment efforts will continue, it is clear that the company's greatest challenge continues to be the need to increase sales. A focus on growth markets in the three business areas and a steady flow of new products are intended to generate sales gains. At the same time, several key markets for the company, including computer, military/aerospace, and U.S. broadcast companies remain depressed.

Although each of the company's three business areas recorded sales declines from last year's reported totals, there were encouraging signs within each one. Computer Graphics sales from continuing operations were up 10% from last year, paced by growth in color printers. Television test equipment also recorded sales growth, aided by sales to the upcoming Olympic games. Within Test & Measurement, telecommunications test equipment sales also recorded good growth.

COLOR PRINTERS PACE ORDERS

Customer orders for the quarter were $295 million, compared with $297 million last year. If discontinued and divested products are excluded from last year, then orders would have shown a 2% increase. Color printer orders were especially strong, aided by very positive customer response to the introduction in June of the Phaser III plain-paper color printer. Orders for the new TDS digital oscilloscopes were also good and exceeded our planned levels. These important new products began shipments to customers near the end of the first quarter, and are expected to contribute more to sales in the second quarter than they did in the first.

Orders for X Window terminals this year were several times those of last year, and offset the decline in the company's older graphic terminal line. This unit's performance is expected to be enhanced by the September introduction of the XP10 series, the company's first X Window product line aimed specifically at the commercial marketplace.

ADDITIONS TO THE MANAGEMENT TEAM

In September, several additions or changes to the management team were announced. Timothy E. Thorsteinson was named Vice President, Human Resources, coming to Tektronix with a broad background in human resource and quality management. James R. Bloom was named as Vice President, Corporate Marketing. His background includes experience as a management consultant, as president of a small high-tech manufacturer, and as a large technology company executive.

Richard S. Hill, Vice President, was also named in September as the head of the Test & Measurement Group. He has been with Tektronix since 1983, and was most recently in charge of operations for T&M.

As noted in the annual report, Robert W. Lundeen retired as Chairman of the Board of Directors at the annual meeting. Jerome J. Meyer was named Chairman, in addition to his role as President and Chief Executive Officer.

ANNUAL MEETING HELD IN GRASS VALLEY

The company held its annual shareholders' meeting at the site of its Grass Valley Group subsidiary in Grass Valley, California on September 26. Presentations were made by Mr. Meyer and Gary P. Arnold, Vice President, Chief Financial Officer, and Treasurer, who was also elected a director at the meeting. A shareholder proposal regarding South Africa was defeated at the meeting.

The Board of Directors, at its meeting on September 26, declared a quarterly dividend of $0.15 per share. The dividend will be paid to shareholders of record on October 11, and is payable on October 28.

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CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(In thousands except per share amounts)	13 weeks to August 24, 1991	12 weeks to August 18, 1990
Net sales	$ 288,564	$ 302,450
Operating costs and expenses:		
Cost of sales	139,321	158,415
Research and development	39,258	37,628
Selling, general, and administrative	90,463	85,519
Restructuring	–	250
Total operating costs and expenses	269,042	281,812
Equity in joint venture earnings	942	748
Operating income	20,464	21,386
Interest expense	3,444	4,618
Non-operating income (expense)	(1,980)	4
Earnings before taxes	15,040	16,772
Income taxes	5,415	7,380
Net earnings	$ 9,625	$ 9,392
Earnings per share	$ 0.33	$ 0.32
Dividends per share	0.15	0.15
Average shares outstanding	29,297	29,057

SELECTED SUPPLEMENTAL INFORMATION

Customer orders	$ 295,000	$ 297,000
Test and Measurement sales	164,097	172,037
Television Systems sales	65,078	68,432
Computer Graphics sales	59,389	61,981
United States sales	149,487	160,035
International sales	139,077	142,415
Facilities expenditures	13,157	10,330
Depreciation expense	13,767	16,734
Dividends	4,351	4,382

CONSOLIDATED BALANCE SHEETS (unaudited)

(Dollars in thousands)	March 7, 1992	March 2, 1991
Assets		
Current assets:		
Cash and cash equivalents	$ 28,497	$ 22,576
Accounts receivable – net	216,875	240,575
Inventories	173,159	147,242
Other current assets	35,568	38,518
Total current assets	454,099	448,911
Property, plant, and equipment	881,307	939,372
Accumulated depreciation and amortization	(559,742)	(593,698)
Property, plant, and equipment – net	321,565	345,674
Other long-term assets	117,627	106,672
Total assets	$ 893,291	$ 901,257
Liabilities and shareholders' equity		
Current liabilities:		
Short-term debt	$ 74,089	$ 41,475
Accounts payable	123,088	134,119
Accrued compensation	85,466	86,571
Income taxes		23,605
Total current liabilities	282,643	285,770
Long-term debt	83,836	116,548
Deferred income taxes	35,407	26,417
Other long-term liabilities	47,636	42,053
Shareholders' equity:		
Common stock	175,271	167,496
Retained earnings	216,398	205,083
Currency adjustment	52,100	57,890
Total shareholders' equity	443,769	430,469
Total liabilities and shareholders' equity	$ 893,291	$ 901,257
Number of shares outstanding	29,590	29,167
Number of employees	11,464	12,001

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THIRD QUARTER

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1992 INTERIM REPORT

Tektronix

QUARTERLY LOSS RECORDED ON SALES DECLINE

Tektronix' overall financial results for the third fiscal quarter were disappointing, as growth in the Computer Graphics business was offset by continued weakness in Television Systems and a decline in the Test and Measurement area. In addition, the quarter's income was reduced by a restructuring charge to cover the cost of work force reductions and other measures intended to reduce expenses in future quarters.

Despite results that were below the company's objectives, progress was made toward longer-term objectives in the quarter, with numerous new product introductions in the three lines of business, and continuation of steps to improve the company's business processes and to reduce costs.

Net sales for the quarter were $394,813,000, down 1% from $397,800,000 a year ago. The loss in the quarter was $2,886,000 or $0.10 per share, compared with earnings of $13,204,000 or $0.45 a year ago. The restructuring charge was $17,298,000; after the impact of profit share and taxes, it reduced earnings by $9,268,000 or $0.32 per share. Without the restructuring charge, earnings would have been $6,382,000 or $0.22 per share.

The restructuring charge includes the cost of reducing employment in European and some U.S. sales and distribution organizations, the costs associated with the closure of some technology development projects, and the write-down of certain assets in the Tektronix Development Company subsidiary.

Customer orders in the quarter were $380 million, down 3% from last year's third quarter orders of $392 million. The backlog of unfilled product orders declined by $15 million in the quarter.

U.S. sales increased 4% in the quarter and made up 49.5% of the total, while sales to international customers declined by 5%. Increased demand from U.S. and Asian customers was offset by weakness from both Japan and Europe.

OBJECTIVE: LOWER COSTS, IMPROVED EFFECTIVENESS

A number of important steps were taken in the quarter to reduce the company's costs and improve the consistency and effectiveness of operations. Some of those steps, such as reorganization of the European sales organization, contributed to the write-offs which caused the loss for the quarter. Others are intended to reduce costs without write-offs. They include consolidation of data centers, plus systems standardization throughout the company for communication networks, engineering design tools, and information processing.

Implementation continued during the quarter of the strategy to consolidate Oregon operations onto two sites in Beaverton and Wilsonville. As a part of that process, the company's headquarters staff moved to a company-owned building in Wilsonville. That move provides space so that the Walker Road operations can be moved to Beaverton. These steps will allow additional real estate to be put on the market for sale.

COMPUTER GRAPHICS SALES UP; PRINTER SUCCESS CONTINUES

Computer Graphics sales were up 19% in the quarter, driven by the ramp-up in shipments for the company's new Phaser III plain-paper color printer. Orders continued to be ahead of the original targets for the product, and increased shipments reduced the backlog to planned levels.

The Phaser III continued to win recognition for its innovation from the personal computer press. During the quarter it was named the Editors' Choice by both PC Magazine and MacUser.

In addition, in March, the company expanded its line of color thermal wax transfer printers with the announcement of the Phaser II Pxe. That product takes Adobe PostScript Level 2 capability under $5,000 for the first time.

In the graphic terminal area, growth in X Window terminals continued, although it was offset by a decline in older proprietary terminals. The company's latest step in the X Window area occurred in March, with the announcement of the XP330 series, which substantially increases the performance for the part of the product line which is aimed at engineering applications, at prices equal to the earlier generation.

TELEVISION SYSTEMS ORDERS IMPROVE; SALES DECLINE

Sales for Television Systems products were 8% below last year's level, continuing the trend of the first two quarters of the year. Orders, on the other hand, were slightly ahead of last year, and the backlog increased in the quarter. This improvement in the earlier order trend was mainly caused by orders for new production and distribution products. Initial shipments for one important new product, the Grass Valley Model 3000 switcher, will occur in the fourth quarter, and volume shipments are scheduled for the first quarter of next fiscal year.

The company also announced a series of new products at the annual National Association of Broadcasters convention, after the end of the third quarter. Announcements included the industry's first automated tool for video camera measurement, new editors, and a low-cost character generator.

TEST & MEASUREMENT SALES DOWN

Sales for T&M products were 5% below last year in the quarter. Demand continued to be sluggish from several end-market industries, including computers, aerospace, and defense.

Despite the overall decline, orders have continued to be good for the new line of TDS oscilloscopes. Near the end of the quarter, the company announced another expansion of that line, with the addition of the TDS 600 series and the TDS 800 series. Both products extend the performance of the line upward, while retaining the unique new user interface and a common manufacturing platform.

OUTLOOK

While the company has seen a number of successes in the new-product arena, the outlook remains cautious. The order backlog declined in the quarter and remains relatively low. Fourth quarter earnings are likely to be below last year's levels. Despite the beginning of an economic recovery in the U.S., demand has weakened from Japan, and remains sluggish from Europe. Emphasis will remain on improving shareholder value through better asset utilization, improved processes, lower costs, and a flow of new products aimed at carefully targeted markets.

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CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(In thousands except per share amounts)	16 weeks to March 7, 1992	16 weeks to March 2, 1991	41 weeks to March 7, 1992	40 weeks to March 2, 1991
Net sales	$ 394,813	$ 397,800	$ 986,580	$ 1,009,607
Operating costs and expenses:				
Cost of sales	201,105	197,880	493,816	510,990
Research and development	50,851	49,375	128,606	128,099
Selling, general, and administrative	122,698	126,742	307,393	304,721
Restructuring	17,298	(1,215)	17,298	(830)
Total operating costs and expenses	391,952	372,782	947,113	942,980
Equity in joint venture earnings (losses)	(396)	2,618	2,142	5,271
Operating income	2,465	27,636	41,609	71,898
Interest expense	3,822	4,178	10,757	12,599
Non-operating income (expense)	(1,611)	(1,451)	(6,187)	(2,151)
Earnings before taxes	(2,968)	22,007	24,665	57,148
Income taxes	(82)	8,803	9,866	22,859
Net earnings	$ (2,886)	$ 13,204	$ 14,799	$ 34,289
Earnings per share	$ (0.10)	$ 0.45	$ 0.50	$ 1.18
Dividends per share	0.15	0.15	0.45	0.45
Average shares outstanding	29,571	29,161	29,457	29,107

SELECTED SUPPLEMENTAL INFORMATION

Customer orders	$ 380,000	$ 392,000	$ 974,000	$ 1,002,000
Test and Measurement sales	212,192	223,730	554,052	569,961
Television Systems sales	82,105	89,348	208,092	228,442
Computer Graphics sales	100,516	84,722	224,436	211,204
United States sales	195,466	188,449	501,251	505,598
International sales	199,347	209,351	485,329	504,009
Facilities expenditures	23,487	26,426	51,767	52,439
Depreciation expense	20,796	22,499	48,766	55,886
Dividends	4,402	4,374	13,178	13,116