



## Strattec Security Corporation Reports Fiscal Third Quarter Results

April 15, 1999

Milwaukee, Wisconsin -- April 15, 1999 -- STRATTEC SECURITY CORPORATION (NASDAQ:STRT) today reported operating results for its fiscal third quarter and nine months ending March 28, 1999.

Net sales for the three months ended March 28, 1999 were \$51.2 million, an increase of 8 percent compared to net sales of \$47.4 million for the three months ended March 29, 1998. Net income was \$4.5 million, compared to \$3.8 million in the prior year quarter, an increase of over 18%. Diluted earnings per share for the three months ended March 28, 1999, were \$.77 compared to \$.65 in the prior year quarter.

For the nine months ended March 28, 1999, net sales were \$146.1 million, an increase of 4 percent compared to net sales of \$140.0 million in the prior year period. Net income was \$11.9 million, an increase of 23 percent compared to \$9.7 million, and diluted earnings per share were \$2.06 compared to \$1.65.

Sales to all three of STRATTEC's largest customers increased in the current quarter compared to the prior year levels, with General Motors Corporation increasing 5 percent, DaimlerChrysler Corporation increasing 20 percent and Ford Motor Company increasing 19 percent. This sales growth was primarily due to a combination of higher value mechanical and electro-mechanical content, and increased production volumes.

Gross profit margins were 23.6 percent in the current quarter compared to 22.4 percent in the prior year quarter. Operating expenses were \$5.1 million in the current quarter, compared to \$4.7 million in the prior year quarter.

During the March 1999 quarter 6,500 shares were repurchased under the Company's stock repurchase program at a cost of approximately \$198,000.

Harold M. Stratton II, Chairman and Chief Executive Officer, commented, "Our strong profitability in the March quarter reflects sales growth from content expansion and continued improvement in operating margins. With North American vehicle production continuing at surprisingly robust levels, we expect our strong sales activity to continue at the current level in the fourth quarter. Consequently, we are looking forward to a strong finish to our fiscal year in June."

STRATTEC SECURITY CORPORATION designs, develops, manufactures and markets mechanical locks, electro-mechanical locks and related security products for North American and select European automotive manufacturers.

Forward looking statements in this release are subject to many uncertainties in the Company's operations and business environment. These uncertainties include general economic conditions, demand for the Company's products and costs of operations. Such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.

STRATTEC SECURITY CORPORATION  
Results of Operations  
(In thousands)(Unaudited)

	Three Months Ended March 28, 1999		March 29, 1998		Nine Months Ended March 28, 1999		March 29, 1998	
Net Sales	\$ 51,220	\$ 47,420	\$ 146,111	\$ 140,111				
Cost of Goods Sold	739,149	536,797	832,110	710,110				
Gross Profit	312,071	510,623	279,329	299,329				
Engineering, Selling & Administrative Expenses	0 5,078	6 4,672	794 14,	72 14,				
Income from Operations	3 6,99	3 9 5,9	51 18,	485 15,				
Interest Income	3	30	98 1	785				
Interest Expense)	- 9	- 1	- (					
Other Income (Expense), Net	6 (91)	) 2 41	( 74)					
	7321	1 650	90 19,	196 15,				

Provision for Income Taxes	7	2,74	0	8	2,2	55	6	7,	250	5,
Net Income	6	\$ 4,47	1	6	\$ 3,8	35	\$11,		946	\$ 9,
Earnings Per Share:										
Basic	\$ 9	.7	9	\$ 6	.	67	\$	. 2	.11	\$ 1
Diluted	\$ 5	.7	7	\$ 6	.	65	\$	. 2	.06	\$ 1
Average Basic										
Shares Outstanding	56,649		5,72	05	5,6	54	5,7			
Average Diluted										
Shares Outstanding	54,807		5,88	50	5,8	09	5,8			

Balance Sheet Data  
(In Thousands)(Unaudited)

March 28 19                      99    9    March 29, 19

Cash and Cash Equivalents	\$21,00	0	\$4,50
Accounts Receivable,Net	34,00	0	31,40
Inventories	16,00	0	14,20
Debt	-	-	
Shareholders' Equity	79,80	0	66,20

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