

2007 Annual Report



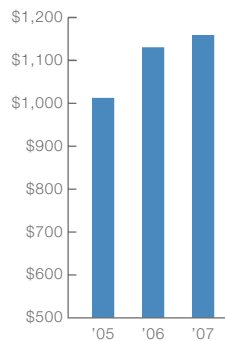
- Letter to Shareholders
- Notice of 2007 Annual Meeting and Proxy Statement
- 2007 Annual Report to Shareholders on Form 10-K

Fiscal 2007 was a strong year for Tektronix in many ways. Excluding share-based compensation, we saw very good earnings per share growth in fiscal 2007. Orders in our Instruments business were especially strong driven by our general purpose test products which grew over 15% year-over-year, and we introduced an unprecedented number of major products. In our Communications business, we grew sales 4% in a difficult market environment and continued to deliver market-leading solutions. Overall, according to preliminary external market data, we continued to take market share.

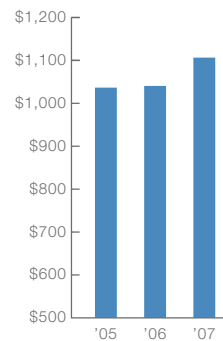
Financial Highlights

| For Years Ending | 2007 | 2006 | 2005 |
|--|--------------|--------------|--------------|
| Orders | \$ 1,157,746 | \$ 1,129,963 | \$ 1,011,272 |
| Net Sales | 1,105,172 | 1,039,870 | 1,034,654 |
| Gross Profit | 661,140 | 621,442 | 618,776 |
| Operating Income | 102,037 | 118,703 | 111,424 |
| Net Earnings from Continuing Operations—GAAP* | \$ 87,271 | \$ 90,892 | \$ 78,851 |
| EPS from Continuing Operations—GAAP* | \$ 1.07 | \$ 1.08 | \$ 0.89 |
| Net Earnings from Continuing Operations—non-GAAP | \$ 124,890 | \$ 114,604 | \$ 126,900 |
| EPS from Continuing Operations—non-GAAP | \$ 1.53 | \$ 1.36 | \$ 1.44 |

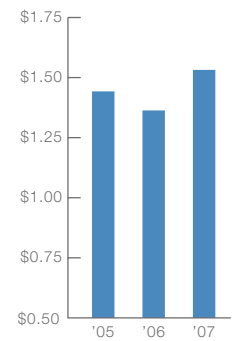
*2007 GAAP earnings and EPS include the effect of stock option expense.



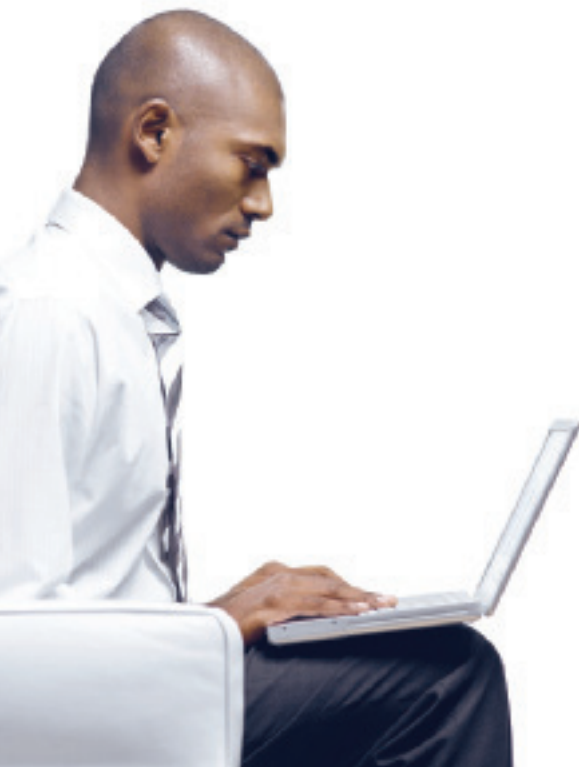
Orders
(000's)



Sales
(000's)



EPS from Continuing
Operations—non-GAAP





A Proven Business Strategy

Our strategy is to focus on markets where we can be a market leader by winning one product category and one customer at a time—we call this our leadership strategy. The objective of this strategy is to focus our investments and resources to build long-term growth.

When we introduced this strategy in 2003, we were focused on four main product categories—three where we held a number one position and one where we were number two—and we were investing in two new product categories. We have proven that this focused strategy is working. Today we have six core product categories—five where we hold a number one position and one where we are number two. And we have one product category that we consider to be “emerging” and growing rapidly. Our overall objective has been to grow 8% to 10%—and we have met that objective. Since fiscal 2003, orders have grown at a 10% CAGR, sales have grown at nearly a 9% CAGR and our backlog has increased to record levels.

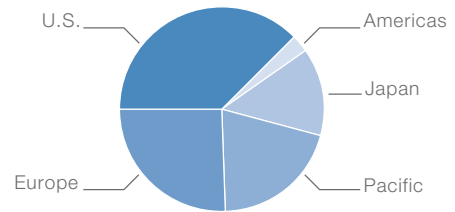
There are three supporting points to our leadership strategy—grow market share in core product categories where we already have a strong market position, leverage existing strengths into adjacent product categories and expand our addressable market.

One key to growing share in our core categories is to introduce leadership products. Traditionally, we have launched three or four major new products in the Instruments business each year. In the last several years we increased investments in R&D, resulting in 14 major new product introductions as well as many smaller introductions in the last 18 months. In our oscilloscope area as an example, since January of 2006 we’ve blanketed the market with over 20 new oscilloscope models priced from \$7,000 to over \$150,000. Our product development machine is now running at full steam, delivering leadership products to the market, and although we expect the pace of new product introductions to moderate slightly, it should continue to be above historical levels. In addition, robust new platforms should allow us to efficiently deliver more application solutions in a rapidly changing market.

The second part of our leadership strategy is to leverage our strength in our core categories into adjacent product categories. During the last several years we invested in two new product categories—signal sources and spectrum analyzers. Those product categories combined have been growing at about a 30% CAGR since fiscal 2003, and are approaching \$100 million in orders. In addition, we started building our Communications business in the FY2003-2004 timeframe primarily through acquisitions. Since that time, we’ve expanded from network diagnostics into network management and we’ve grown our non-distribution Communications business at a CAGR of approximately 25%.

The final part of our strategy is to expand our addressable markets by focusing on faster growing applications, entering unaddressed segments, or investing for geographic growth. For example, in fiscal 2007 we introduced our first family of mixed signal oscilloscopes—an \$80 million market we didn’t address. Over the last several years, we also invested in expanding our footprint in China and we have a very strong presence that we can leverage in the future. We now have critical mass in China in our manufacturing and engineering organizations as well as in sales and operations.

As a result of our investments in this strategy and the leadership products and communications solutions we have introduced, we continued to grow our market share in virtually all product categories according to preliminary third party data for calendar year 2006.



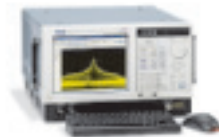
Revenue by Geography



MSO4000
Mixed Signal
Oscilloscope



AWG7000
Arbitrary Waveform
Generator



RSA6100
Real-Time
Spectrum Analyzer



Spectra2 | VQM
Video Monitoring
Solution



K1297-G35
Protocol Analyzer



A Drive for Leadership and Innovation

In the Instruments business, we are focused on delivering a pipeline of leadership products and during the year we had great success. We delivered a new oscilloscope series—the DPO and the DSA70000 series—which extend the uncompromised performance characteristics of our midrange offering. We extended that platform even further with the introduction of our ultra-high performance oscilloscopes, including the DSA72004—the world's highest performance real-time oscilloscope. We also announced a new version of the world's most popular oscilloscope, the TDS1000/2000 series of ultra-lightweight, portable versions of our digital storage oscilloscopes, and the MSO4000, a new family of mixed signal oscilloscopes which represents an expansion of our leading oscilloscope offering and sets a new performance benchmark for this class of product. We launched our new Real-Time Spectrum Analyzer series, the RSA6100, and we announced the AWG7000 series of generators that uniquely address digital RF technologies.

“We enter fiscal 2008 with the strongest portfolio of products we've had in recent history and a pipeline of future products.”

During the year, we also announced two products for video over IP and IPTV deployment—the MTM400 Transport Stream Monitor which enables real-time monitoring of video content and the Spectra2IVQM which is used to diagnose problems with the delivery of media and optimize quality of experience.

In our Communications business we are focused on being first to market with next-generation technologies and winning network footprints in the transition to next-generation networks. This year, we introduced a new mobile test platform, the K1297-G35 Protocol Analyzer which provides the highest performance available for reliable testing of 3G and 3.5G (including HSUPA and HSDPA) broadband wireless network elements and allows network equipment manufacturers to test modern mobile networks under simulated, yet realistic, conditions. We also introduced the industry's first protocol monitoring solution for functional test of mobile WiMAX broadband technologies, the G35-WiMAX solution, which is based on the K1297-G35 mobile protocol test platform.

We expanded our voice over IP monitoring solution to offer active test capability and the ability for service providers and cable companies to extend voice over IP management services to their enterprise customers. Finally, we continued to execute our strategy of winning a customer at a time with the addition of several new customers—some of the world's largest network equipment manufacturers and network operators—as part of the technology transition to next-generation fixed and mobile networks.

What's Ahead

We enter fiscal 2008 with the strongest portfolio of products we've had in recent history and a pipeline of future products that we expect will continue to build our leadership position. In spite of continuing challenges in the communications market we are also encouraged by the continued success we are having with communications customers and the market-leading solutions we offer to support the technology transition to next-generation, converged networks.

Looking forward, our primary focus continues to be on executing our strategy of winning a category at a time. We will also work to improve execution and productivity across our business, aligning our cost structure to ensure we achieve our operating leverage goals, and using our strong balance sheet to grow the company and return value to shareholders—all with the expectation of growing earnings per share.

In closing, I would like to thank our employees all around the world for their hard work and success this year.

Sincerely,

Rick Wills
Chairman, President and CEO



Board of Directors

Richard H. Wills (2000)
Chairman of the Board,
President and Chief Executive Officer
Tektronix, Inc.

Pauline Lo Alker (1996)
Chairman, Chief Executive Officer
and President
a la Mobile, Inc.

A. Gary Ames (1994)
Retired, Former President
and Chief Executive Officer
MediaOne International

Gerry B. Cameron (1997)
Retired, Former Chairman of the Board
and Chief Executive Officer
US Bancorp

David N. Campbell (1998)
Executive Director
Hands On Worldwide

Frank C. Gill (1999)
Retired, Former Executive Vice President
Intel Corporation

Kaj Juul-Pedersen (2007)
President
Sitella

Robin L. Washington (2005)
Former Chief Financial Officer
Hyperion Solutions

Cyril J. Yansouni (2003)
Retired, Former Chairman of the Board
and Chief Executive Officer
Read-Rite Corporation

The calendar year in () indicates when the individuals became directors of Tektronix.

Executive Officers

Richard H. Wills
Chairman of the Board,
President and Chief Executive Officer

James F. Dalton
Senior Vice President, Corporate Development

Susan G. Kirby
Vice President, Human Resources

John T. Major
Vice President, Worldwide Manufacturing

Richard D. McBee
Senior Vice President and General Manager,
Communications Business

Craig L. Overhage
Senior Vice President and General Manager,
Instruments Business

Colin L. Slade
Senior Vice President and
Chief Financial Officer

Reconciliation of GAAP to Non-GAAP Results:

| For Years Ending | 2007 | 2006 | 2005 |
|--|------------|------------|------------|
| Net Earnings from Continuing Operations — GAAP | \$ 87,271 | \$ 90,892 | \$ 78,851 |
| Effect of: | | | |
| Acquisition related items | 28,736 | 27,947 | 56,327 |
| Business realignment costs | 9,139 | 9,847 | 3,100 |
| Gain on sale of equity securities and property | — | (1,635) | (2,161) |
| Share-based compensation costs | 22,722 | — | — |
| Increase to environmental reserve | 4,763 | — | — |
| Tax effect of above items | (22,785) | (12,447) | (9,217) |
| Tax impact from resolution of IRS Audit | (4,956) | — | — |
| Net Earnings from Continuing Operations — non-GAAP | \$ 124,890 | \$ 114,604 | \$ 126,900 |
| EPS from Continuing Operations — non-GAAP | \$ 1.53 | \$ 1.36 | \$ 1.44 |

About Tektronix

Tektronix is a leading supplier of test, measurement, and monitoring products, solutions and services for the communications, computer and semiconductor industries—as well as military/aerospace, consumer electronics, education and a broad range of other industries worldwide. With 60 years of experience, Tektronix enables its customers to design, build, deploy, and manage next-generation global communications networks, advanced and pervasive technologies. Headquartered in Beaverton, Oregon, Tektronix has operations in 19 countries worldwide. Tektronix' Web address is www.tektronix.com.

The statements made in this Shareholder Letter that are purely not historical, including statements regarding strategy, new products and customers, productivity and market or earnings growth, are forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of risks and uncertainties, including those described in the attached Company's report on Form 10-K.

GENERAL INFORMATION

Shareholder's Meeting

The annual meeting of shareholders of Tektronix, Inc. will be held Thursday, September 27, 2007 at 10:00 a.m. Pacific Daylight Time at Tektronix, Inc., Building 50, Beaverton, Oregon 97077

Exchange Listing

Stock Symbol: TEK
New York Stock Exchange

Transfer Agent and Registrar

Mellon Investor Services
Shareholder Relations
P.O. Box 358015
Pittsburgh, PA 15252

or

480 Washington Boulevard
Jersey City, NJ 07310-1900
(800) 411-7025
www.melloninvestor.com/isd

TDD for Hearing Impaired:

(800) 231-5469

Foreign Shareholders:

(201) 680-6578

TDD Foreign Shareholders:

(201) 680-6610

Mailing Address

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Beaverton, OR 97077-0001
(503) 627-7111

Internet

www.tektronix.com

Shareholder Information

Shareholders needing information relating to their shareholdings in Tektronix should contact the Company's Transfer Agent and Registrar at the address or telephone number noted above.

Investor Relations

Securities analysts and investors seeking additional information about the Company should contact Investor Relations at the mailing address above or at (503) 627-7727. Company information is also available on our website at www.tektronix.com.

