UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly period ended: **September 30, 2000**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

Commission file number: **0-23804**

Simpson Manufacturing Co., Inc.
(Exact name of registrant as specified in its charter)

Delaware	**94-3196943**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4120 Dublin Boulevard, Suite 400, Dublin, CA 94568
(Address of principal executive offices)

(Registrant's telephone number, including area code): **(925) 560-9000**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__ No ______

The number of shares of the Registrant's Common Stock outstanding as of September 30, 2000: **12,017,860**

PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements.

Simpson Manufacturing Co., Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	September 30, (Unaudited) 2000	1999	December 31, 1999
ASSETS			
Current assets			
Cash and cash equivalents	$ 62,849,064	$ 44,174,362	$ 54,509,610
Trade accounts receivable, net	52,136,543	50,461,040	42,420,223
Inventories	80,284,287	68,867,778	72,751,245
Deferred income taxes	5,104,209	4,400,358	4,745,534
Other current assets	2,727,747	1,505,336	1,323,215
Total current assets	203,101,850	169,408,874	175,749,827
Property, plant and equipment, net	59,905,593	60,024,345	61,143,524
Investments	365,223	385,264	374,455
Other noncurrent assets	14,306,254	10,452,557	9,986,187
Total assets	$ 277,678,920	$ 240,271,040	$ 247,253,993
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Notes payable and current portion of long-term debt	$ 332,563	$ 300,000	$ 349,541
Trade accounts payable	14,167,506	14,637,458	12,780,621
Accrued liabilities	8,129,591	7,622,273	7,819,155
Income taxes payable	947,010	3,469,005	3,362,254
Accrued profit sharing trust contributions	3,065,667	2,696,669	3,504,286
Accrued cash profit sharing and commissions	6,518,992	5,973,646	4,531,861
Accrued workers' compensation	1,395,764	1,145,764	1,345,764
Total current liabilities	34,557,093	35,844,815	33,693,482
Long-term debt, net of current portion	2,219,512	2,584,345	2,414,562
Deferred income taxes and long-term liabilities	357,630	621,840	556,783
Total liabilities	37,134,235	39,051,000	36,664,827
Minority interest in consolidated subsidiaries	1,035,155	–	–
Commitments and contingencies (Notes 5 and 6)			
Stockholders' equity			
Common stock	43,724,580	44,655,797	44,716,488
Retained earnings	198,522,710	156,827,894	166,457,600
Accumulated other comprehensive income	(2,737,760)	(263,651)	(584,922)
Total stockholders' equity	239,509,530	201,220,040	210,589,166
Total liabilities and stockholders' equity	$ 277,678,920	$ 240,271,040	$ 247,253,993

The accompanying notes are an integral part of these condensed consolidated financial statements.

Simpson Manufacturing Co., Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	**1999**	**2000**	**1999**
Net sales	$ 101,048,081	$ 88,807,636	$ 283,489,158	$ 247,221,970
Cost of sales	60,370,306	52,358,565	169,828,466	147,660,284
Gross profit	40,677,775	36,449,071	113,660,692	99,561,686
Operating expenses:				
Selling	9,806,039	8,123,050	28,087,648	24,062,580
General and administrative	12,655,445	10,278,192	34,950,828	28,399,663
	22,461,484	18,401,242	63,038,476	52,462,243
Income from operations	18,216,291	18,047,829	50,622,216	47,099,443
Interest income, net	826,865	476,698	2,094,049	1,080,243
Income before income taxes	19,043,156	18,524,527	52,716,265	48,179,686
Provision for income taxes	7,852,000	7,408,000	21,616,000	19,342,000
Minority interest	(274,008)	–	(964,845)	–
Net income	$ 11,465,164	$ 11,116,527	$ 32,065,110	$ 28,837,686
Net income per common share				
Basic	$ 0.95	$ 0.93	$ 2.66	$ 2.45
Diluted	$ 0.93	$ 0.90	$ 2.60	$ 2.36
Number of shares outstanding				
Basic	12,048,205	11,968,123	12,037,015	11,777,481
Diluted	12,335,196	12,311,909	12,311,193	12,218,050

Simpson Manufacturing Co., Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	**1999**	**2000**	**1999**
Net income	$ 11,465,164	$ 11,116,527	$ 32,065,110	$ 28,837,686
Other comprehensive income, net of tax:				
Foreign currency translation adjustments	(940,509)	559,600	(2,152,838)	168,039
Comprehensive income	$ 10,524,655	$ 11,676,127	$ 29,912,272	$ 29,005,725

The accompanying notes are an integral part of these condensed consolidated financial statements.

Simpson Manufacturing Co., Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2000	**1999**
Cash flows from operating activities		
Net income	$ 32,065,110	$ 28,837,686
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of capital equipment	(86,032)	(43,308)
Depreciation and amortization	10,030,929	8,148,734
Minority interest	(964,845)	–
Deferred income taxes and long-term liabilities	(535,368)	(560,068)
Equity in income of affiliates	(23,195)	107,273
Noncash compensation related to stock plans	196,875	119,800
Changes in operating assets and liabilities, net of effects of acquisitions:		
Trade accounts receivable	(9,591,936)	(16,371,918)
Inventories	(8,031,023)	(11,708,181)
Trade accounts payable	1,665,392	2,876,221
Income taxes payable	(1,856,952)	8,275,688
Accrued profit sharing trust contributions	(429,062)	(476,693)
Accrued cash profit sharing and commissions	1,987,432	1,953,840
Other current assets	(1,460,413)	(222,522)
Accrued liabilities	445,164	2,030,982
Accrued workers' compensation	50,000	266,492
Other noncurrent assets	(261,386)	(1,619,970)
Total adjustments	(8,864,420)	(7,223,630)
Net cash provided by operating activities	23,200,690	21,614,056
Cash flows from investing activities		
Capital expenditures	(8,120,242)	(11,903,467)
Asset acquisitions, net of cash acquired	(4,620,151)	(7,833,090)
Proceeds from sale of equipment	183,368	260,476
Net cash used in investing activities	(12,557,025)	(19,476,081)
Cash flows from financing activities		
Issuance of debt	143,545	202,040
Repayment of debt	(331,441)	(213,581)
Buyback of common stock	(2,314,305)	–
Issuance of common stock	580,137	4,540,085
Net cash provided by (used in) financing activities	(1,922,064)	4,528,544
Effect of exchange rate changes on cash	(382,147)	105,393
Net increase in cash and cash equivalents	8,339,454	6,771,912
Cash and cash equivalents at beginning of period	54,509,610	37,402,450
Cash and cash equivalents at end of period	$ 62,849,064	$ 44,174,362

The accompanying notes are an integral part of these condensed consolidated financial statements.

Simpson Manufacturing Co., Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements

1. Basis of Presentation

Interim Period Reporting

The accompanying unaudited interim condensed consolidated financial statements have been prepared pursuant to the rules and regulations for reporting on Form 10-Q. Accordingly, certain information and footnotes required by generally accepted accounting principles have been condensed or omitted. These interim statements should be read in conjunction with the consolidated financial statements and the notes thereto included in Simpson Manufacturing Co., Inc.'s (the "Company's") 1999 Annual Report on Form 10-K (the "1999 Annual Report").

The unaudited quarterly condensed consolidated financial statements have been prepared on the same basis as the audited annual consolidated financial statements, and in the opinion of management, contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial information set forth therein, in accordance with generally accepted accounting principles. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. The Company's quarterly results may be subject to fluctuations. As a result, the Company believes the results of operations for the interim periods are not necessarily indicative of the results to be expected for any future period.

Net Income Per Common Share

Basic net income per common share is computed based upon the weighted average number of common shares outstanding. Common equivalent shares, using the treasury stock method, are included in the diluted per-share calculations for all periods when the effect of their inclusion is dilutive.

The following is a reconciliation of basic earnings per share ("EPS") to diluted EPS:

	Three Months Ended September 30, 2000			Three Months Ended September 30, 1999		
	Income	**Shares**	**Per Share**	**Income**	**Shares**	**Per Share**
Basic EPS						
Income available to common stockholders	$ 11,465,164	12,048,205	$ 0.95	$ 11,116,527	11,968,123	$ 0.93
Effect of Dilutive Securities						
Stock options	–	286,991	(0.02)	–	343,786	(0.03)
Diluted EPS						
Income available to common stockholders	$ 11,465,164	12,335,196	$ 0.93	$ 11,116,527	12,311,909	$ 0.90

	Nine Months Ended September 30, 2000			Nine Months Ended September 30, 1999		
	Income	Shares	Per Share	Income	Shares	Per Share
Basic EPS						
Income available to common stockholders	$ 32,065,110	12,037,015	$ 2.66	$ 28,837,686	11,777,481	$ 2.45
Effect of Dilutive Securities						
Stock options	–	274,178	(0.06)	–	440,569	(0.09)
Diluted EPS						
Income available to common stockholders	$ 32,065,110	12,311,193	$ 2.60	$ 28,837,686	12,218,050	$ 2.36

Reclassifications

Certain prior period amounts have been reclassified to conform to the 2000 presentation with no effect on net income or retained earnings as previously reported.

2. Trade Accounts Receivable

Trade accounts receivable consist of the following:

	At September 30, 2000	At September 30, 1999	At December 31, 1999
Trade accounts receivable	$ 53,831,941	$ 52,066,509	$ 43,952,137
Allowance for doubtful accounts	(1,212,388)	(1,205,142)	(1,203,147)
Allowance for sales discounts	(483,010)	(400,327)	(328,767)
	$ 52,136,543	$ 50,461,040	$ 42,420,223

3. Inventories

The components of inventories consist of the following:

	At September 30, 2000	At September 30, 1999	At December 31, 1999
Raw materials	$ 24,552,076	$ 20,807,497	$ 22,816,584
In-process products	8,607,644	7,368,534	7,593,038
Finished products	47,124,567	40,691,747	42,341,623
	$ 80,284,287	$ 68,867,778	$ 72,751,245

Approximately 89% of the Company’s inventories are valued using the LIFO (last-in, first-out) method. Because inventory determination under the LIFO method is only made at the end of each year based on the inventory levels and costs at that time, interim LIFO determinations must necessarily be based on management’s estimates of expected year-end inventory levels and costs. Since future estimates of inventory levels and costs are subject to change, interim financial results reflect the Company’s most recent estimate of the effect of LIFO and are subject to adjustment based upon final year-end inventory amounts. At September 30, 2000 and 1999, and December 31, 1999, LIFO cost exceeded the replacement value of LIFO inventories by approximately $966,000, $620,000 and $1,503,000, respectively.

4. Net Property, Plant and Equipment

Net property, plant and equipment consists of the following:

	At September 30, 2000	At September 30, 1999	At December 31, 1999
Land	$ 4,448,131	$ 4,321,061	$ 4,316,015
Buildings and site improvements	27,572,682	26,762,081	26,724,935
Leasehold improvements	3,949,068	3,887,913	3,942,613
Machinery and equipment	84,300,900	74,568,615	81,147,265
	120,270,781	109,539,670	116,130,828
Less accumulated depreciation and amortization	(66,775,904)	(56,420,453)	(58,949,908)
	53,494,877	53,119,217	57,180,920
Capital projects in progress	6,410,716	6,905,128	3,962,604
	$ 59,905,593	$ 60,024,345	$ 61,143,524

5. Debt

Outstanding debt at September 30, 2000 and 1999, and December 31, 1999, and the available credit at September 30, 2000, consisted of the following:

	Available Credit at September 30, 2000	Debt Outstanding at September 30, 2000	Debt Outstanding at September 30, 1999	Debt Outstanding at December 31, 1999
Revolving line of credit, interest at bank's reference rate (at September 30, 2000, the bank's reference rate was 9.50%), expires November 2001	$ 12,257,301	$ –	$ –	$ –
Revolving term commitment, interest at bank's prime rate (at September 30, 2000, the bank's prime rate less 0.50% was 9.00%), expires September 2002	8,344,838	–	–	–
Revolving line of credit, interest rate at the bank's base rate of interest plus 2%, expires July 2001	365,711	–	–	–
Term loan, fixed interest rate of 5.3%, expires September 2006	–	119,512	154,819	164,562
Standby letter of credit facilities	2,397,861	–	–	–
Term loan, interest at LIBOR plus 1.375% (at September 30, 2000, LIBOR plus 1.375% was 7.9956%), expires May 2008	–	2,400,000	2,700,000	2,550,000
Other notes payable and long-term debt	–	32,563	29,526	49,541
	23,365,711	2,552,075	2,884,345	2,764,103
Less current portion	–	(332,563)	(300,000)	(349,541)
	23,365,711	$ 2,219,512	$ 2,584,345	$ 2,414,562
Standby letters of credit issued and outstanding	(2,397,861)			
	$ 20,967,850			

As of September 30, 2000, the Company had three outstanding standby letters of credit. Two of these letters of credit, in the aggregate amount of $1,710,324, are used to support the Company's self-insured workers' compensation insurance requirements. The third, in the amount of $687,537, is used to guarantee performance on the Company's leased facility in the United Kingdom. Other notes payable represent debt associated with foreign businesses.

6. Commitments and Contingencies

Note 9 to the consolidated financial statements in the Company's 1999 Annual Report provides information concerning commitments and contingencies. From time to time, the Company is involved in various legal proceedings and other matters arising in the normal course of business.

7. Segment Information

The Company is organized into two primary segments. The segments are defined by types of products manufactured, marketed and distributed to the Company's customers. The two product segments are connector products and venting products. These segments are differentiated in several ways, including the types of materials used, the production process, the distribution channels used and the applications in which the products are used. Transactions between the two segments were immaterial for each of the periods presented.

The following table illustrates certain measurements used by management to assess the performance of the segments described above as of or for the three and nine months ended:

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2000	**1999**	**2000**	**1999**
Net Sales				
Connector products	$ 84,604,000	$ 71,607,000	$237,402,000	$199,989,000
Venting products	16,444,000	17,201,000	46,087,000	47,233,000
Total	$101,048,000	$ 88,808,000	$283,489,000	$247,222,000
Income from Operations				
Connector products	$ 16,203,000	$ 15,360,000	$ 44,836,000	$ 40,100,000
Venting products	2,010,000	2,575,000	5,749,000	7,010,000
All other	3,000	113,000	37,000	(11,000)
Total	$ 18,216,000	$ 18,048,000	$ 50,622,000	$ 47,099,000

	At September 30,		**At December 31,**
	2000	**1999**	**1999**
Total Assets			
Connector products	$164,708,000	$149,661,000	$148,328,000
Venting products	48,322,000	43,020,000	38,828,000
All other	64,649,000	47,590,000	60,098,000
Total	$277,679,000	$240,271,000	$247,254,000

Cash collected by the Company's subsidiaries is routinely transferred into the Company's cash management accounts and, therefore, has been included in the total assets of the segment entitled "All other." Cash and cash equivalent balances in this segment were approximately $57,163,000, $41,607,000 and $53,682,000 as of September 30, 2000 and 1999, and December 31, 1999, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Certain matters discussed below are forward-looking statements that involve risks and uncertainties, certain of which are discussed in this report and in other reports filed by the Company with the Securities and Exchange Commission. Actual results might differ materially from results suggested by any forward-looking statements in this report.

The following is a discussion and analysis of the consolidated financial condition and results of operations for the Company for the three and nine months ended September 30, 2000 and 1999. The following should be read in conjunction with the interim Condensed Consolidated Financial Statements and related Notes appearing elsewhere herein.

Results of Operations for the Three Months Ended September 30, 2000, Compared with the Three Months Ended September 30, 1999

Net sales increased 13.8% in the third quarter of 2000 as compared to the third quarter of 1999. Most of the sales growth occurred domestically, particularly in California. Simpson Strong-Tie's third quarter sales increased 18.2% over the same quarter last year, while Simpson Dura-Vent's sales decreased 4.4%. Contractor distributors and homecenters were the fastest growing connector sales channel. The sales increase was broad based across most of Simpson Strong-Tie's major product lines. Strong-Wall and Anchor Systems product lines had the highest growth rates in sales. Sales of Simpson Dura-Vent's Direct-Vent and gas vent product lines decreased compared to the third quarter of 1999, while sales of its chimney and pellet vent product lines increased. Based on a report by the Energy Information Administration in October 2000, this shift, particularly in the Northeastern region of the United States, may be partially attributable to the effects of increased natural gas and heating oil prices on demand for wood burning appliances.

Income from operations increased 1.0% from $18,047,829 in the third quarter of 1999 to $18,216,291 in the third quarter of 2000 primarily as a result of the increased sales offset by lower gross margins. Gross margins decreased from 41.0% in the third quarter of 1999 to 40.3% in the third quarter of 2000 primarily due to a LIFO charge in the third quarter of 2000 compared to a credit in the third quarter of 1999. The charge was offset slightly by better absorption of fixed overhead costs as a result of increased production. Selling expenses increased 20.7% from $8,123,050 in the third quarter of 1999 to $9,806,039 in the third quarter of 2000. The increase was primarily due to higher personnel costs related to the increase in the number of sales and merchandising personnel, particularly those associated with selling the Anchoring Systems product line, and increased promotional expenses. General and administrative expenses increased 23.1% from $10,278,192 in the third quarter of 1999 to $12,655,445 in the third quarter of 2000 primarily due to increased cash profit sharing expenses resulting from higher operating income, and higher personnel and other administrative overhead costs, including costs associated with the operation of Keybuilder.com LLC ("Keybuilder.com"), the Company's joint venture with Keymark Enterprises, Inc., ("Keymark") and those associated with the acquisition of Anchor Tiedown Systems ("ATS"). The stated tax rate was 41.2%, yielding an effective tax rate of 40.7% after considering the effect of Keymark's minority interest in Keybuilder.com, in the third quarter of 2000, an increase from 40.0% in the third quarter of 1999.

Results of Operations for the Nine Months Ended September 30, 2000, Compared with the Nine Months Ended September 30, 1999

Net sales increased 14.7% in the first nine months of 2000 as compared to the first nine months of 1999. Most of the sales growth occurred domestically, particularly in California. International sales contributed to the increase, due in part to the acquisition of Furfix in the third quarter of 1999. Simpson Strong-Tie's first nine month's sales increased 18.7% over the same period last year, while Simpson Dura-Vent's sales decreased 2.4%. Contractor distributors and homecenters were the fastest growing connector sales channel. The sales increase was broad based across most of Simpson Strong-Tie's major product lines. Strong-Wall and Anchor Systems product lines had the highest growth rates in sales. Simpson Dura-Vent's year-to-date sales of gas vent products declined as compared to the first nine months of 1999, while sales of its Direct-Vent product line increased slightly, despite the decline in the third quarter of 2000.

Income from operations increased 7.5% from $47,099,443 in the first nine months of 1999 to $50,622,216 in the first nine months of 2000 primarily as a result of higher sales. Gross margins decreased slightly from 40.3% in the first nine months of 1999 to 40.1% in the first nine months of 2000 primarily due to a LIFO charge in 2000 compared to a credit in 1999 and increased production costs. These charges were offset by better absorption of fixed overhead costs as a result of increased production. Selling expenses increased 16.7% from $24,062,580 in the first nine months of 1999 to $28,087,648 in the first nine months of 2000. The increase was primarily due to higher personnel costs related to the increase in the number of sales and merchandising personnel, particularly those associated with selling the Anchoring Systems product line, as well as increased promotional expenses. General and administrative expenses increased 23.1% from $28,399,663 in the first nine months of 1999 to $34,950,828 in the first nine months of 2000 primarily due to increased cash profit sharing expenses resulting from higher operating income, and higher personnel and other administrative overhead costs, including costs associated with the operation of Keybuilder.com and the acquisitions of Furfix and ATS. The stated tax rate was 41.0%, yielding an effective tax rate of 40.3% after considering the effect of Keymark's minority interest in Keybuilder.com, in the first nine months of 2000, an increase from 40.1% in the first nine months of 1999.

In July 2000, the Company acquired of the assets of ("ATS") for approximately $4.6 million in cash. ATS manufactures and distributes the MBR product line used to anchor multi-story buildings utilizing a threaded rod hold down system.

In October 2000, the Board of Directors authorized the Company, for a period of one year, to buy back up to $35 million of the Company's common stock. This replaces the authorization from late last year when the Board of Directors authorized a buy back of up to $10 million. In September, the Company changed the two profit sharing trust plans for its U.S. based employees to self-directed investment management by the plan participants. As a result of the rebalancing of the plan assets, the Company purchased a net amount of 48,980 shares of its common stock directly from the plans for approximately $2.3 million.

Liquidity and Sources of Capital

As of September 30, 2000, working capital was $168.5 million as compared to $133.6 million at September 30, 1999, and $142.1 million at December 31, 1999. Other than the change in cash and cash equivalents, the principal components of the increase in working capital from December 31, 1999, were increases in the Company's trade accounts receivable and inventories totaling approximately $17.3 million, primarily due to higher sales levels, and a decrease in income taxes payable of approximately $2.4 million. Offsetting these increases were increases, aggregating approximately $3.4 million, in accrued cash profit sharing and trade accounts payable. The balance of the change in working capital was due to the fluctuation of various other asset and liability accounts. The working capital change and changes in noncurrent assets and liabilities combined with net income and noncash expenses, primarily depreciation and amortization, totaling approximately $42.1 million, resulted in net cash provided by operating activities of approximately $23.2 million. As of September 30, 2000, the Company had unused credit facilities available of approximately $21.0 million.

The Company used approximately $12.6 million in its investing activities, primarily to purchase the capital equipment and property needed to expand its capacity and in the acquisition of ATS. The Company plans to continue this expansion throughout the remainder of the year and into 2001.

The Company believes that cash generated by operations and borrowings available under its existing credit agreements, will be sufficient for the Company's working capital needs and planned capital expenditures through the remainder of 2000 and into 2001. Depending on the Company's future growth and possible acquisitions, it may become necessary to secure additional sources of financing.

The Company believes that the effect of inflation on the Company has not been material in recent years, as inflation rates have remained relatively low.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, the Company is involved in various legal proceedings and other matters arising in the normal course of business.

Item 2. Changes in Securities.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

a. Exhibits.

10. Material contracts
    10.1 Amendment to Credit Agreement, dated November 10, 2000, between Simpson Manufacturing Co., Inc. and Union Bank of California.

11. Statements re computation of earnings per share

b. Reports on Form 8-K

No reports on Form 8-K were filed during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Simpson Manufacturing Co., Inc.
(Registrant)

DATE: November 10, 2000

By /s/Michael J. Herbert
Michael J. Herbert
Chief Financial Officer

Simpson Manufacturing Co., Inc. and Subsidiaries
Computation of Earnings Per Common Share
(Unaudited)

Exhibit 11

Basic Earnings per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	**1999**	**2000**	**1999**
Weighted average number of common shares outstanding	12,048,205	11,968,123	12,037,015	11,777,481
Net income	$ 11,465,164	$ 11,116,527	$ 32,065,110	$ 28,837,686
Basic net income per share	$ 0.95	$ 0.93	$ 2.66	$ 2.45

Simpson Manufacturing Co., Inc. and Subsidiaries
Computation of Earnings Per Common Share
(Unaudited)

Exhibit 11 (continued)

Diluted Earnings per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2000	**1999**	**2000**	**1999**
Weighted average number of common shares outstanding	12,048,205	11,968,123	12,037,015	11,777,481
Shares issuable pursuant to employee stock option plans, less shares assumed repurchased at the average fair value during the period	282,350	339,690	269,985	436,664
Shares issuable pursuant to the independent director stock option plan, less shares assumed repurchased at the average fair value during the period	4,641	4,096	4,193	3,905
Number of shares for computation of diluted net income per share	12,335,196	12,311,909	12,311,193	12,218,050
Net income	$ 11,465,164	$ 11,116,527	$ 32,065,110	$ 28,837,686
Diluted net income per share	$ 0.93	$ 0.90	$ 2.60	$ 2.36