SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended December 26, 2004

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 0-25150

STRATTEC SECURITY CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Wisconsin	**39-1804239**
(State of Incorporation)	(I.R.S. Employer Identification No.)

3333 West Good Hope Road, Milwaukee, WI 53209
(Address of Principal Executive Offices)

(414) 247-3333
(Registrant's Telephone Number, Including Area Code)

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 ___

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). YES X NO ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Common stock, par value $0.01 per share: 3,809,338 shares outstanding as of December 26, 2004.

STRATTEC SECURITY CORPORATION

FORM 10-Q

December 26, 2004

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Part I - FINANCIAL INFORMATION

Item 1 Financial Statements

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	December 26, 2004	December 28, 2003	December 26, 2004	December 28, 2003
Net sales	$ 48,436	$ 50,014	$ 93,027	$ 94,434
Cost of goods sold	36,990	37,912	70,808	71,874
Gross profit	11,446	12,102	22,219	22,560
Engineering, selling and administrative expenses	4,848	4,983	10,014	9,901
Income from operations	6,598	7,119	12,205	12,659
Interest income	233	88	416	177
Other income, net	196	184	159	286
Income before provision for income taxes	7,027	7,391	12,780	13,122
Provision for income taxes	2,600	2,772	4,729	4,921
Net income	$ 4,427	$ 4,619	$ 8,051	$ 8,201
Earnings per share:				
Basic	$ 1.16	$ 1.23	$ 2.12	$ 2.18
Diluted	$ 1.15	$ 1.21	$ 2.09	$ 2.15
Average Shares Outstanding:				
Basic	3,806	3,765	3,806	3,762
Diluted	3,840	3,824	3,847	3,821

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

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS(In Thousands, Except Share Amounts)

	December 26, 2004 (unaudited)	June 27, 2004
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 50,163	$ 54,231
Receivables, net	27,693	30,931
Inventories-		
Finished products	3,223	2,659
Work in process	4,795	4,620
Purchased Materials	5,880	4,441
LIFO adjustment	(2,800)	(3,359)
Total inventories	11,098	8,361
Other current assets	9,655	10,903
Total current assets	98,609	104,426
Investment in joint ventures	1,365	1,336
Prepaid pension obligations	1,011	-
Property, plant and equipment	103,342	102,610
Less: accumulated depreciation	(73,642)	(71,182)
Net property, plant and equipment	29,700	31,428
	$ 130,685	$ 137,190
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 16,583	$ 18,787
Accrued Liabilities:		
Payroll and benefits	6,834	11,067
Environmental reserve	2,708	2,710
Other	3,405	2,720
Total current liabilities	29,530	35,284
Deferred income taxes	543	543
Accrued pension and postretirement obligations	5,062	11,511
Shareholders' equity:		
Common stock, authorized 12,000,000 shares $.01 par value, issued 6,835,857 shares at December 26, 2004 and 6,754,892 shares at June 27, 2004	68	68
Capital in excess of par value	74,216	70,415
Retained earnings	138,281	130,230
Accumulated other comprehensive loss	(5,291)	(5,385)
Less: treasury stock, at cost (3,026,519 shares at December 26, 2004 and 2,926,687 shares at June 27, 2004)	(111,724)	(105,476)
Total shareholders' equity	95,550	89,852

	$ 130,685	$ 137,190

The accompanying notes are an integral part of these condensed consolidated balance sheets.

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	Six Months Ended	
	December 26, 2004	December 28, 2003
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 8,051	$ 8,201
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	3,681	3,959
Change in operating assets and liabilities:		
Receivables	3,260	2,383
Inventories	(2,737)	(2,206)
Other assets	267	1,290
Accounts payable and accrued liabilities	(12,269)	(3,955)
Tax benefit from options exercised	672	356
Other, net	224	(142)
Net cash provided by operating activities	1,149	9,886
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in joint ventures	(75)	(125)
Purchase of property, plant and equipment	(2,020)	(3,022)
Net cash used in investing activities	(2,095)	(3,147)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of treasury stock	(6,254)	(1,492)
Exercise of stock options	3,132	1,183
Net cash used in financing activities	(3,122)	(309)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(4,068)	6,430
CASH AND CASH EQUIVALENTS		
Beginning of period	54,231	29,902
End of period	$ 50,163	$ 36,332
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Income taxes paid	$ 3,746	$ 4,135
Interest paid	-	-

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Basis of Financial Statements

STRATTEC SECURITY CORPORATION and subsidiaries (collectively the "Company") designs, develops, manufactures and markets mechanical locks, electro-mechanical locks and related access-control products for North American and global automotive manufacturers. The accompanying condensed unaudited financial statements reflect the consolidated results of the Company and its wholly owned Mexican subsidiaries.

In the opinion of management, the accompanying unaudited financial statements contain all adjustments, which are of a normal recurring nature, necessary to present fairly the financial position of the Company as of December 26, 2004, and the results of operations and cash flows for the three month period then ended. All significant intercompany transactions have been eliminated. Interim financial results are not necessarily indicative of operating results for an entire year.

These financial statements and notes thereto should be read in conjunction with the financial statements and notes thereto included in the Company's 2004 Annual Report.

Earnings Per Share (EPS)

A reconciliation of the components of the basic and diluted per-share computations follows (in thousands, except per share amounts):

	Three Months Ended					
	December 26, 2004			December 28, 2003		
	Net Income	Weighted Average Shares	Per-Share Amount	Net Income	Weighted Average Shares	Per-Share Amount
Basic Earnings Per Share	$ 4,427	3,806	$ 1.16	$ 4,619	3,765	$ 1.23
Stock Options		34			59	
Diluted Earnings Per Share	$ 4,427	3,840	$ 1.15	$ 4,619	3,824	$ 1.21

	Six Months Ended					
	December 26, 2004			December 28, 2003		
	Net Income	Weighted Average Shares	Per-Share Amount	Net Income	Weighted Average Shares	Per-Share Amount
Basic Earnings Per Share	$ 8,051	3,806	$ 2.12	$ 8,201	3,762	$ 2.18
Stock Options		41			59	
Diluted Earnings Per Share	$ 8,051	3,847	$ 2.09	$ 8,201	3,821	$ 2.15

Options to purchase the following shares of common stock were outstanding as of each date indicated but were not included in the computation of diluted EPS because the options' exercise prices were greater than the average market price of the common shares:

Period Ended	Shares	Exercise Price
December 26, 2004	4,500	$63.25
	58,040	$76.70
December 28, 2003	74,160	$58.59
	80,000	$61.68

Comprehensive Income

The following table presents the Company's comprehensive income (in thousands):

	Three Months Ended		Six Months Ended	
	December 26, 2004	December 28, 2003	December 26, 2004	December 28, 2003
Net Income	$ 4,427	$ 4,619	$ 8,051	$ 8,201
Change in Cumulative Translation Adjustments, net	115	(63)	94	(236)
Total Comprehensive Income	$ 4,542	$ 4,556	$ 8,145	$ 7,965

Stock Based Compensation

The Company accounts for its stock-based compensation plans using the intrinsic value method. Accordingly, no compensation cost related to these plans was charged against earnings during fiscal 2005 and 2004. Had compensation cost for these plans been determined using the fair value method rather than the intrinsic value method, the pro forma impact on earnings per share would have been as follows (in thousands, except per share amounts):

	Three Months Ended		Six Months Ended	
	December 26, 2004	December 28, 2003	December 26, 2004	December 28, 2003
Net Income as Reported	$ 4,427	$ 4,619	$ 8,051	$ 8,201
Less Compensation Expense Determined Under Fair Value Method, net of tax	(269)	(240)	(494)	(471)
Pro Forma Net Income	$ 4,158	$ 4,379	$ 7,557	$ 7,730
Basic EPS as Reported	$ 1.16	$ 1.23	$ 2.12	$ 2.18
Pro Forma Basic EPS	$ 1.09	$ 1.16	$ 1.99	$ 2.05
Diluted EPS as Reported	$ 1.15	$ 1.21	$ 2.09	$ 2.15
Pro Forma Diluted EPS	$ 1.09	$ 1.15	$ 1.97	$ 2.03

In December 2004, the Financial Accounting Standards Board (FASB) issued a revision to Statement of Financial Accounting Standards No. 123, "Share Based Payment," which requires the recognition of compensation cost related to stock-based compensation plans in the financial statements using a fair value based method. This will be effective for the Company beginning in fiscal year 2006.

Pension and Other Post-retirement Benefits

The Company has a noncontributory defined benefit pension plan covering substantially all U.S. associates. Benefits are based on years of service and final average compensation. The Company's policy is to fund at least the minimum actuarially computed annual contribution required under the Employee Retirement Income Security Act of 1974 (ERISA). Plan assets consist primarily of listed equity and fixed income securities. The Company has a noncontributory supplemental executive retirement plan (SERP), which is a nonqualified defined benefit plan pursuant to which the Company will pay supplemental pension benefits to certain key employees upon retirement based upon the employees' years of service and compensation. The SERP is being funded through a rabbi trust with M&I Trust Company. The SERP liabilities are included in the pension table below. However, the trust assets are excluded from the table as they do not qualify as plan assets under SFAS No. 87, "Employers' Accounting for Pensions."

The Company also sponsors a post-retirement health care plan. The Company recognizes the expected cost of retiree health care benefits for substantially all U.S. associates during the years that the associates render service. Any new U.S. associates hired after June 1, 2001 are no longer eligible for post-retirement plan benefits. The postretirement health care plan is unfunded.

The following table summarizes the net periodic benefit cost recognized for each of the periods indicated (in thousands):

	Pension Benefits		Postretirement Benefits	
	Three Months Ended		Three Months Ended	
	December 26, 2004	December 28, 2003	December 26, 2004	December 28, 2003
COMPONENTS OF NET PERIODIC BENEFIT COST:				
Service cost	$ 546	$ 550	$ 73	$ 79

Interest cost	871	813	148	141
Expected return on plan assets	(1,049)	(865)	-	-
Amortization of prior service cost	2	2	2	2
Amortization of unrecognized net loss	48	47	63	59
Amortization of net transition asset	(12)	(38)	-	-
Net periodic benefit cost	$ 406	$ 509	$ 286	$ 281

	Pension Benefits		Postretirement Benefits	
	Six Months Ended		Six Months Ended	
	December 26, 2004	December 28, 2003	December 26, 2004	December 28, 2003
COMPONENTS OF NET PERIODIC BENEFIT COST:				
Service cost	$ 1,092	$ 1,100	$ 146	$ 158
Interest cost	1,742	1,626	296	282
Expected return on plan assets	(2,098)	(1,730)	-	-
Amortization of prior service cost	4	4	4	4
Amortization of unrecognized net loss	96	94	126	118
Amortization of net transition asset	(24)	(76)	-	-
Net periodic benefit cost	$ 812	$ 1,018	$ 572	$ 562

During the six months ended December 26, 2004 and December 28, 2003, the Company contributed $8 million and $5 million, respectively, to the qualified pension. No additional contributions are anticipated to be made during the remainder of fiscal 2005.

In May 2004, the FASB issued Financial Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003" (the Act), to address the impact of the Act enacted in December 2003. The Act provides a prescription drug benefit for Medicare eligible employees starting in 2006. The impact of the Act on the Company is not expected to be material.

Item 2

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following Management's Discussion and Analysis should be read in conjunction with the Company's accompanying Financial Statements and Notes thereto and the Company's 2004 Annual Report. Unless otherwise indicated, all references to years refer to fiscal years.

Analysis of Results of Operations

Three months ended December 26, 2004 compared to the three months ended December 28, 2003

Net sales for the three months ended December 26, 2004, decreased $1.6 million to $48.4 million compared to net sales of $50.0 million for the three months ended December 28, 2003. Overall sales to the Company's largest customers decreased in the current quarter compared to the prior year quarter levels. Sales to DaimlerChrysler Corporation increased significantly during the quarter to $12.8 million compared to $9.5 million due to a more favorable vehicle content mix. Sales to Delphi Corporation were flat at $8 million. Sales to General Motors Corporation were $10.8 million compared to $14.0 million due to a combination of price reductions, discontinued models and lower levels of production on certain vehicles the Company supplies. Sales to Mitsubishi Motor Manufacturing of America, Inc. were $1 million in the current quarter compared to $2.1 million in the prior year quarter due to lower vehicle production volumes. Sales to Ford Motor Company decreased slightly to $8.5 million compared to $9.0 million due to pre-programmed price reductions. The Ford Motor Company sales in the current quarter do not reflect approximately $600,000 of new lockset content relating to the Ford Mustang, which was sold directly to Ford's joint venture partner Auto Alliance. Sales to other industrial customers also decreased in comparison to the prior year quarter.

Gross profit as a percentage of net sales was 23.6 percent in the current quarter compared to 24.2 percent in the prior year quarter. The gross profit margin reduction during the current quarter is primarily the result of reduced sales as noted above, which results in lower production volumes, changes in customer product content with lower margins and higher purchased material costs for brass and zinc. The average zinc price per pound increased to $0.59 in the current quarter compared to $0.51 in the prior year quarter. The average brass price per pound increased to $1.92 in the current quarter from $1.55 in the prior year quarter. The Company uses an average of approximately 750,000 pounds of zinc per month and an average of approximately 200,000 pounds of brass per month.

Engineering, selling and administrative expenses were $4.8 million in the current quarter, compared to $5.0 million in the prior year quarter.

Income from operations was $6.6 million in the current quarter compared to $7.1 million in the prior year quarter. The decrease is primarily the result of the decreased sales and gross profit margin as discussed above.

The effective income tax rate for the current quarter was 37.0 percent compared to 37.5 percent in the prior year quarter. The overall effective tax rate differs from the federal statutory tax rate primarily due to the effects of state income taxes.

Six months ended December 26, 2004 compared to the six months ended December 28, 2003

Net sales for the six months ended December 26, 2004, decreased $1.4 million to $93.0 million compared to net sales of $94.4 million for the six months ended December 28, 2003. The overall reduction in sales is the result of lower customer vehicle production, discontinued models and pre-programmed price decreases. The negative factors were partially offset by new program sales and additional content changes on existing products. The change in sales to the Company's largest customers in the current period compared to the prior year period include General Motors Corporation at $22.2 million compared to $26.6 million, Delphi Corporation at $14.8 million compared to $15.0 million, DaimlerChrysler Corporation at $23.7 million compared to $18.3 million, Ford Motor Company at $15.6 million compared to $16.3 million and Mitsubishi Motor Manufacturing of America, Inc. at $2.2 million compared to $3.9 million. The Ford Motor Company sales in the current period do not reflect approximately $700,000 of new lockset content relating to the Ford Mustang, which was sold directly to Ford's joint venture partner Auto Alliance.

Gross profit as a percentage of net sales was 23.9 percent in the current period as well as the prior year period. Gross profit margins were favorably impacted by the Company's ongoing cost reduction initiatives including lean manufacturing initiatives and the movement of certain assembly operations from Milwaukee to the Juarez, Mexico facilities. This was offset as a result of reduced sales as noted above, which resulted in lower production volumes, changes in customer product content with lower margins and higher purchased material costs for brass and zinc. The average zinc price per pound increased to $0.58 in the current period compared to $0.50 in the prior year period. The average brass price per pound increased to $1.89 in the current period from $1.46 in the prior year period. The Company uses an average of approximately 750,000 pounds of zinc per month and an average of approximately 200,000 pounds of brass per month.

Engineering, selling and administrative expenses were $10.0 million in the six months ended December 26, 2004, compared to $9.9 million in the prior year period.

Income from operations was $12.2 million in the current period compared to $12.7 million in the prior year period. The decrease is primarily the result of the decreased sales as discussed above.

The effective income tax rate for the current period was 37.0 percent compared to 37.5 percent in the prior year period. The overall effective tax rate differs from the federal statutory tax rate primarily due to the effects of state income taxes.

Liquidity and Capital Resources

The Company generated cash from operating activities of $1.1 million in the six months ended December 26, 2004 compared to $9.9 million in the six months ended December 28, 2003. The decreased generation of cash from operating activities is primarily due to a decrease in accounts payable and accrued liabilities of $12.3 million in the current period compared to $4.0 million in the prior year period primarily as a result of the changes in accounts payable balances. There was a significant increase in the accounts payable balance in the prior year period as a result of lengthening payment terms with a significant supplier as well as the timing of payments in accordance with normal payment terms. There was a reduction in the accounts payable balance in the current year which was based on normal payment terms with suppliers. In addition, an $8 million contribution to the Company's qualified pension plan was made during the current period compared to $5 million in the prior year period.

Capital expenditures during the six months ended December 26, 2004, were $2.0 million compared to $3.0 million during the six months ended December 28, 2003. The Company anticipates that capital expenditures will be approximately $5.0 million in fiscal 2005, primarily in support of requirements for new product programs and the upgrade and replacement of existing equipment.

The Board of Directors of the Company has authorized a stock repurchase program to buy back up to 3,239,395 outstanding shares. Over the life of the repurchase program through December 26, 2004, a total of 3,040,592 shares have been repurchased at a cost of approximately $111.9 million. During the quarter ended December 26, 2004, 12,500 shares were repurchased at a cost of approximately $787,000. Additional repurchases may occur from time to time. Funding for the repurchases was provided by cash flow from operations.

The Company has a $50.0 million unsecured, revolving credit facility (the "Credit Facility"), which expires October 31, 2005. There were no outstanding borrowings under the Credit Facility at December 26, 2004. Interest on borrowings under the Credit Facility are at varying rates based, at the Company's option, on the London Interbank Offering Rate or the bank's prime rate. The Credit Facility contains various restrictive non-financial covenants. The Company believes that the Credit Facility is adequate, along with cash flow from operations, to meet its anticipated capital expenditure, working capital and operating expenditure requirements.

The Company has not been significantly impacted by inflationary pressures over the last several years, except for rising health care costs which have increased the Company's cost of employee medical coverage, fluctuations in the market price of zinc and brass, and inflation in Mexico, which impacts the U.S. dollar costs of the Mexican operations. The Company has entered into purchase commitments for a percentage of its zinc requirements through June 2005 and for a percentage of its brass requirements through March 2005. These commitments will reduce the financial impact of future price fluctuations. The Company does not hedge the peso exposure.

Joint Ventures

On November 28, 2000, the Company signed certain alliance agreements with E. WITTE Verwaltungsgesellschaft GmbH, and its operating unit, WITTE-Velbert GmbH & Co. KG ("WITTE"). WITTE, of Velbert, Germany, is a privately held, QS 9000 and VDA 6.1 certified automotive supplier. WITTE designs, manufactures and markets components including locks and keys, hood latches, rear compartment latches, seat back latches, door handles and specialty fasteners. WITTE's primary market for these products has been Europe. The WITTE-STRATTEC alliance provides a set of cross-licensing agreements for the manufacture, distribution and sale of WITTE products by the Company in North America, and the manufacture, distribution and sale of the Company's products by WITTE in Europe. Additionally, a joint venture company ("WITTE-STRATTEC LLC") - in which each company holds a 50 percent interest - has been established to seek opportunities to manufacture and sell both companies' products in areas of the world outside of North America and Europe.

In November 2001, WITTE-STRATTEC do Brasil, a joint venture formed between WITTE-STRATTEC LLC and Ifer Estamparia e Ferramentaria Ltda. was formed to service customers in South America. On March 1, 2002, WITTE-STRATTEC China was formed and in April 2004, WITTE-STRATTEC Great Shanghai Co. was formed. WITTE-STRATTEC China and WITTE-STRATTEC Great Shanghai Co. are joint ventures between WITTE-STRATTEC LLC and a unit of Elitech Technology Co. Ltd. of Taiwan and are the base of operations to service the Company's automotive customers in the Asian market.

The investments are accounted for using the equity method of accounting. The activities related to the joint ventures resulted in a loss of approximately $55,000 in the six month period ended December 26, 2004 and a gain of approximately $110,000 in the prior year period.

Critical Accounting Policies

The Company believes the following represents its critical accounting policies:

Pension and Post-Retirement Health Benefits - The determination of the obligation and expense for pension and post-retirement health benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in the Notes to Financial Statements in the Company's 2004 Annual Report and include, among others, the discount rate, expected long-term rate of return on plan assets and rates of increase in compensation and health care costs. In accordance with accounting principles generally accepted in the United States of America, actual results that differ from these assumptions are accumulated and amortized over future periods. While the Company believes that the assumptions used are appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the pension and post-retirement health obligations and future expense.

Other Reserves - The Company has reserves such as an environmental reserve, an incurred but not reported claim reserve for self-insured health plans, a worker's compensation reserve, and a repair and maintenance supply parts reserve. These reserves require the use of estimates and judgement with regard to risk exposure, ultimate liability and net realizable value. The Company believes such reserves are estimated using consistent and appropriate methods. However, changes to the assumptions could materially affect the recorded reserves.

Risk Factors

The Company understands it is subject to the following risk factors based on its operations and the nature of the automotive industry in which it operates:

Loss of Significant Customers, Vehicle Content and Market Share - Sales to General Motors Corporation, Ford Motor Company, DaimlerChrysler Corporation and Delphi Corporation represent approximately 81 percent of the Company's annual sales. The contracts with these customers provide for supplying the customer's requirements for a particular model. The contracts do not specify a specific quantity of parts. The contracts typically cover the life of a model, which averages approximately four to five years. Certain customer models may also be market tested annually. Therefore, the loss of any one of these customers, the loss of a contract for a specific vehicle model, reduction in vehicle content, technological changes or a significant reduction in demand for certain key models could have a material adverse effect on the Company's existing and future revenues and net income.

The Company's major customers also have significant underfunded legacy liabilities related to pension and post-retirement health care obligations. The future impact of these items along with a continuing decline in their North American automotive market share to the Foreign-Owned North American Automotive Manufacturers (primarily the Japanese Automotive Manufacturers) may have a significant impact on the Company's future sales and collectibility risks.

Cost Reduction - There is continuing pressure from the Company's major customers to reduce the prices the Company charges for its products. This requires the Company to generate cost reductions, including reductions in the cost of components purchased from outside suppliers. If the Company is unable to generate sufficient production cost savings in the future, to offset programmed price reductions, the Company's gross margin and profitability will be adversely affected.

Cyclicality and Seasonality in the Automotive Market - The automotive market is highly cyclical and is dependent on consumer spending and to a certain extent on customer sales incentives. Economic factors adversely affecting consumer demand for automobiles and automotive production could adversely impact the Company's revenues and net income. The Company typically experiences decreased revenue and operating income during the first fiscal quarter of each year due to the impact of scheduled customer plant shut-downs in July and new model changeovers.

Foreign Operations - As discussed under Joint Ventures, the Company has joint venture investments in both Brazil and China. These operations are currently not material. However, as these operations expand, their success will depend, in part, on the Company's and its partners' ability to anticipate and effectively manage certain risks inherent in international operations including: enforcing agreements and collecting receivables through certain foreign legal systems, payment cycles of foreign customers, compliance with foreign tax laws, general economic and political conditions in these countries, and compliance with foreign laws and regulations.

Currency Exchange Rate Fluctuations - The Company incurs a portion of its expenses in Mexican pesos. Exchange rate fluctuations between the U.S. dollar and the Mexican peso could have an adverse effect on financial results.

Sources of and Fluctuations in Market Prices of Raw Materials - The primary raw materials used by the Company are high-grade zinc, brass, magnesium, aluminum, steel and plastic resins. These materials are generally available from a number of suppliers, but the Company has chosen to concentrate its sourcing with one primary vendor for each commodity or purchased component. The Company believes its sources of raw materials are reliable and adequate for its needs. However, the development of future sourcing issues related to the availability of these materials as well as significant fluctuations in the market prices of these materials may have an adverse affect on the Company's financial results.

Disruptions Due to Work Stoppages and Other Labor Matters - The Company's major customers and many of their suppliers have unionized work forces. Work stoppages or slow-downs experienced by the Company's customers or their suppliers could result in slow-downs or closures of assembly plants where the Company's products are included in assembled vehicles. For example, strikes by the United Auto Workers led to a shut-down of most of General Motors Corporation's North American assembly plants in June and July of 1998. A material work stoppage experienced by one or more of the Company's customers could have an adverse effect on the Company's business and its financial results. In addition, all production associates at the Company's Milwaukee facility are unionized. A sixteen-day strike by these associates in June 2001 resulted in increased costs by the Company as all salaried associates worked with additional outside resources to produce the components necessary to meet customer requirements. The current contract with the unionized associates is effective through June 26, 2005. The Company may encounter further labor disruption after the expiration date of this contract and may also encounter unionization efforts in its other plants or other types of labor conflicts, any of which could have an adverse effect on the Company's business and its financial results.

Environmental and Safety Regulations - The Company is subject to federal, state, local and foreign laws and other legal requirements related to the generation, storage, transport, treatment and disposal of materials as a result of its manufacturing and assembly operations. These laws include the Resource Conservation and Recovery Act (as amended), the Clean Air Act (as amended) and the Comprehensive Environmental Response, Compensation and Liability Act (as amended). The Company has an environmental management system that is ISO-14001 certified. The Company believes that its existing environmental management system is adequate and it has no current plans for substantial capital expenditures in the environmental area. An environmental reserve was established in 1995 for estimated costs to remediate a site at the Company's Milwaukee facility that was contaminated by a former above-ground solvent storage tank, located on the east side of the facility. The contamination occurred in 1985. This is being monitored in accordance with federal, state and local requirements.

The Company does not currently anticipate any material adverse impact on its results of operations, financial condition or competitive position as a result of compliance with federal, state, local and foreign environmental laws or other legal requirements. However, risk of environmental liability and changes associated with maintaining compliance with environmental laws is inherent in the nature of the Company's business and there is no assurance that material liabilities or changes could not arise.

Highly Competitive Automotive Supply Industry - The automotive component supply industry is highly competitive. Some of the Company's competitors are companies, or divisions or subsidiaries of companies, that are larger than the Company and have greater financial and technology capabilities. The Company's products may not be able to compete successfully with the products of these other companies, which could result in loss of customers and, as a result, decreased revenues and profitability. In addition, the Company's competitive position in the North American automotive component supply industry could be adversely affected in the event that it is unsuccessful in making strategic acquisitions, alliances or establishing joint ventures that would enable it to expand globally. The Company principally competes for new business at the beginning of the development of new models and upon the redesign of existing models by its major customers. New model development generally begins two to five years prior to the marketing of such new models to the public. The failure to obtain new business on new models or to retain or increase business on redesigned existing models could adversely affect the Company's business and financial results. In addition, as a result of relatively long lead times for many of its components, it may be difficult in the short-term for the Company to obtain new sales to replace any unexpected decline in the sale of existing products. Finally, the Company may incur significant product development expense in preparing to meet anticipated customer requirements which may not be recovered.

Program Volume and Pricing Fluctuations - The Company incurs costs and makes capital expenditures for new program awards based upon certain estimates of production volumes over the anticipated program life for certain vehicles. While the Company attempts to establish the price of its products for variances in production volumes, if the actual production of certain vehicle models is significantly less than planned, the Company's revenues and net income may be adversely affected. The Company cannot predict its customers' demands for the products it supplies either in the aggregate or for particular reporting periods.

Investments in Customer Program Specific Assets - The Company makes investments in machinery and equipment used exclusively to manufacture products for specific customer programs. This machinery and equipment is capitalized and depreciated over the expected useful life of each respective asset. Therefore, the loss of any one of the Company's major customers or specific vehicle models could result in impairment in the value of these assets and have a material adverse effect on the Company's financial results.

Prospective Information

A number of the matters and subject areas discussed in this Form 10-Q contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "would," "expect," "intend," "may," "planned," "potential," "should," "will," and "could." These include expected future financial results, product offerings, global expansion, liquidity needs, financing ability, planned capital expenditures, management's or the Company's expectations and beliefs, and similar matters discussed in the Company's Management's Discussion and Analysis. The discussions of such matters and subject areas are qualified by the inherent risks and uncertainties surrounding future expectations generally, and also may materially differ from the Company's actual future experience.

The Company's business, operations and financial performance are subject to certain risks and uncertainties, which could result in material differences in actual results from the Company's current expectations. These risks and uncertainties include, but are not limited to, general economic conditions, in particular relating to the automotive industry, customer demand for the Company's and its customers' products, competitive and technological developments, customer purchasing actions, foreign currency fluctuations, costs of operations and other matters described under "Risk Factors" above.

Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this Form 10-Q and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances occurring after the date of this Form 10-Q.

Item 3 Quantitative and Qualitative Disclosures About Market Risk

The Company does not utilize financial instruments for trading purposes and holds no derivative financial instruments which would expose the Company to significant market risk. The Company has not had outstanding borrowings since December 1997. The Company has been in an investment position since this time and expects to remain in an investment position for the foreseeable future. There is therefore no significant exposure to market risk for changes in interest rates.

The Company is subject to foreign currency exchange rate exposure related to the Mexican operations.

Item 4 Controls and Procedures

As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective in timely alerting them to material information relating to the Company required to be included in the Company's periodic filings with the Securities and Exchange Commission. It should be noted that in designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The Company has designed its disclosure controls and procedures to reach a level of reasonable assurance of achieving the desired control objectives and, based on the evaluation described above, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective at reaching that level of reasonable assurance.

There was no change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the Company's most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II

Other Information

Item 1 Legal Proceedings -

In the normal course of business, the Company may be involved in various legal proceedings from time to time. The Company does not believe it is currently involved in any claim or action the ultimate disposition of which would have a material adverse effect on the Company’s financial statements.

Item 2 Unregistered Sales of Equity Securities and Use of Proceeds -

Issuer Purchases of Equity Securities

Period	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number Of Shares Purchased As Part of Publicly Announced Program	Maximum Number Of Shares that May Yet be Purchased Under the Program
September 27, 2004-October 31, 2004	-	-	-	-
November 1, 2004-November 28, 2004	8,500	$ 62.95	8,500	202,803
November 29, 2004-December 26, 2004	4,000	$ 62.90	4,000	198,803
Total	12,500	$ 62.94	12,500	198,803

The Company’s Board of Director’s authorized a stock repurchase program on October 16, 1996, and the program was publicly announced on October 17, 1996. The Board of Director’s has periodically increased the number of shares authorized under the program, most recently in October 2003. The program currently authorizes the repurchase of up to 3,239,395 shares of the Company's common stock from time to time, directly or through brokers or agents, and has no expiration date.

Item 3 Defaults Upon Senior Securities - None

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

At the Company's Annual Meeting held on October 5, 2004, the shareholders voted to elect Frank J. Krejci as director for a term to expire in 2007. The number of votes cast for and withheld in the election were 3,526,133 and 2,907, respectively. Directors whose term continued after the meeting include Michael J. Koss with a term expiring in 2005, and Harold M. Stratton and Robert Feitler each with a term expiring in 2006.

Item 5 Other Information - None

Item 6 Exhibits

(a) Exhibits

31.1 Rule 13a-14(a) Certification for Harold M. Stratton II, Chairman and Chief Executive Officer

31.2 Rule 13a-14(a) Certification for Patrick J. Hansen, Chief Financial Officer

32 [(1)] 18 U.S.C. Section 1350 Certifications

[(1)] This certification is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

SIGNATURE

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.

STRATTEC SECURITY CORPORATION (Registrant)

Date: February 2, 2005

By /s/ Patrick J. Hansen
Patrick J. Hansen
Vice President,
Chief Financial Officer,
Treasurer and Secretary
(Principal Accounting and Financial Officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Harold M. Stratton II, Chief Executive Officer of STRATTEC SECURITY CORPORATION, certify that:

1. I have reviewed this quarterly report on Form 10-Q of STRATTEC SECURITY CORPORATION;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods

presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 2, 2005

/s/ Harold M. Stratton II
Harold M. Stratton II,
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Patrick J. Hansen, Chief Financial Officer of STRATTEC SECURITY CORPORATION, certify that:

1. I have reviewed this quarterly report on Form 10-Q of STRATTEC SECURITY CORPORATION;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 2, 2005

/s/ Patrick J. Hansen
Patrick J. Hansen,
Chief Financial Officer

Exhibit 32

Certification of Periodic Financial Report
Pursuant to 18 U.S.C. Section 1350

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of STRATTEC SECURITY CORPORATION (the "Company") certifies that the Quarterly Report on Form 10-Q of the Company for the quarter ended December 26, 2004 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and information contained in that Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 2, 2005

/s/ Harold M. Stratton II
Harold M. Stratton II,
Chief Executive Officer

Dated: February 2, 2005

/s/ Patrick J. Hansen
Patrick J. Hansen,
Chief Financial Officer

This certification is made solely for purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.