SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 25, 2000

APPLIED POWER INC.
(Exact name of Registrant as specified in its charter)

Wisconsin	1-11288	39-0168610
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

N22 W23685 Ridgeview Parkway West
Waukesha, Wisconsin 53188-1013

Mailing address: P.O. Box 325, Milwaukee, Wisconsin 53201
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (262) 523-7600

Item 5. Other Events.

In response to inquiries as to the pro forma May 31, 2000 results of Applied Power Inc. after the spin-off of its Electronics Business, Applied Power Inc. has prepared the following pro forma data which gives effect to (1) the spin-off of the Electronics Business, (2) the completed divestitures of Air Cargo Equipment Corporation (May 26, 2000) and Barry Wright Corporation (June 30, 2000), and (3) the internal restructuring necessary to accomplish the spin-off.

Definitions (1) "Actuant," "we," "us" and "our" refer to Actuant Corporation (Applied Power Inc.'s name after the Distribution (as defined below) and approval of the name change by its shareholders) and its subsidiaries, which upon the Distribution will own and conduct the Industrial Business (as defined below); (2) "APW" refers to APW Ltd. and its subsidiaries, which upon the Distribution will own and conduct the Electronics Business (as defined below); (3) "Applied Power" refers to Applied Power Inc. and its subsidiaries before the Distribution; (4) "Industrial Business" refers to Applied Power's branded electrical and industrial tools and supplies businesses and motion control systems businesses; (5) "Electronics Business" refers to Applied Power's integrated electronics enclosures business; (6) "Distribution" refers to the spin-off by Applied Power of the Electronics Business and the related debt realignment; (7) "Divestitures" refers to the recently completed sales by Applied Power of its vibration isolation business, known as Barry Controls, and its aerospace cargo products business, known as Air Cargo; (8) "Non-continuing Businesses" refers to units that have been sold or will not be a part of Actuant after the Distribution, consisting of Barry Controls, Air Cargo, Samuel Groves, Moxness, GB Everest and Magnets; (9) "Transactions" refers to the Distribution, the related corporate restructuring transactions and the Divestitures; and (10) "pro forma" means after giving effect to the Transactions as if they had occurred on the day immediately prior to the first day of the financial period being referenced, in the case of the statement of earnings data, or as of the referenced date, in the case of balance sheet data (except for Transactions occurring prior to that date).

Applied Power's financial statements presented reflect the Electronics Business as discontinued operations. The continuing operations consist of the Industrial Business and, for purposes of historical financial data only, the Non-continuing Businesses.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected historical financial data have been derived from the consolidated financial statements of Applied Power. The statement of earnings data for each of the fiscal years ended August 31, 1997, 1998, and 1999 and the balance sheet data as of August 31, 1998 and 1999 have been derived from audited Consolidated Financial Statements. The balance sheet data as of August 31, 1997 has been derived from unaudited consolidated financial statements of Applied Power. The statement of earnings data for the nine months ended May 31, 1999 and May 31, 2000 and the balance sheet data as of those dates have been derived from unaudited consolidated financial statements of Applied Power. Operating results for the nine months ended May 31, 2000 are not necessarily indicative of the results that may be expected for the entire fiscal year ending August 31, 2000.

The financial data presented in the following table reflect all business units other than the Electronics Business, which will be spun off to shareholders in the Distribution. Financial data presented in the table include the Non-continuing Businesses. As a result, the selected financial data in the following table are not fully representative of the group of business units that will comprise Actuant after the Distribution. We have included a separate financial data table in "footnote 9 below" that includes only those units of Applied Power that will comprise Actuant after the Distribution.

	Year Ended August 31,			Nine Months Ended May 31,	
	1997(2)	1998(2)	1999	1999	2000
	(in millions, except per share data)				
Statement of Earnings Data(1):					
Net sales	$522.4	$637.5	$ 695.7	$ 524.4	$ 535.7
Gross profit	180.5	200.9	252.7	190.3	193.8
Operating expenses(3)(4)(5)	139.8	179.0	144.5	113.4	106.3
Operating earnings	35.8	9.3	99.4	70.2	81.6
Earnings from continuing operations	22.6	0.1	34.6	24.7	35.0
Diluted earnings per share from continuing operations	0.57	0.00	0.86	0.62	0.87
Cash dividends per share(6)	0.06	0.06	0.06	0.03	0.03
Balance Sheet Data (at end of period)(1):					
Total assets(7)	$486.4	$711.5	$1,059.9	$1,074.0	$1,035.5
Total debt(8)	54.8	225.2	521.2	558.9	456.9

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(1) We completed various acquisitions and divestitures that impact the comparability of the selected financial data presented in the table.

(2) Operating results for fiscal 1997 and 1998 include merger, restructuring and other non-recurring charges that were recognized in cost of sales and operating expenses. Such expenses totaled $6.2 million and $56.9 million on a pre-tax basis in fiscal 1997 and 1998, respectively.

(3) Operating expenses in fiscal 1999 include a $7.8 million pre-tax charge due to the cancellation of a contract. For the nine months ended May 31, 2000, we recorded a $1.4 million pre-tax gain when we recovered costs in excess of what we anticipated when the loss was initially recorded.

(4) Operating expenses for the nine months ended May 31, 2000 include a $4.4 million pre-tax charge for investment banking, legal, accounting and other fees and expenses associated with the Distribution.

(5) Operating expenses include engineering, selling and administrative expenses, contract termination costs (recovery), corporate reorganization charges, merger related expenses, and all of Applied Power's general corporate expenses (which include expenditures on resources and services that supported the Electronics Business). Total general corporate expenses were as follows:

Fiscal Period	Amount (in millions)
1997	$15.2
1998 (excluding expenses in Note 2 above)	17.5
1999	12.1
Nine months ended May 31, 1999	9.1
Nine months ended May 31, 2000 (excluding expenses in Note 4 above)	9.2

Such amounts include the general corporate expenses for Zero Corporation ("ZERO") for periods both prior to and after its merger with Applied Power in fiscal 1998. The merger was accounted for using the pooling of interests method of accounting, with all of Applied Power's historical results restated to include the historical results of ZERO. The majority of ZERO's general corporate expenses was eliminated shortly after its acquisition, as its corporate support functions were provided by existing Applied Power corporate personnel. We expect general corporate expenses to decrease following the Distribution due to the need for fewer employees performing such functions and a reduction in the size of the organization being supported by such corporate personnel. We believe that the expenses required to support such general corporate functions in fiscal 1999 and the nine months ended May 31, 2000, had the Distribution been completed prior to the beginning of the period, would have been approximately $4.7 million and $3.9 million, respectively.

(6) Applied Power split its stock two-for-one in fiscal 1998. All dividend and per share data have been adjusted for this stock split. Actuant does not intend to pay dividends following the Distribution.

(7) Includes net assets of discontinued operations as follows:

<TABLE>
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Balance Sheet Date	Balance (in millions)
<S>	<C>
August 31, 1997	$ 86.2
August 31, 1998	249.7
August 31, 1999	598.5
May 31, 1999	604.1
May 31, 2000	597.5

</TABLE>

(8) Historically, Applied Power incurred indebtedness at the parent company level or at a limited number of subsidiaries, rather than at the operating unit or segment level. Debt in the table reflects our debt balance after an allocation was made to the Electronics Business, which is reported in discontinued operations. The debt allocated to the Electronics Business was based on the estimated debt expected to be assigned to APW in the debt realignment related to the Distribution. Historical net financing costs were allocated based on the debt allocation using the historical weighted-average rate. Our debt and capitalization will change as a result of the Distribution.

(9) The following consolidated financial data are derived from the audited consolidated financial statements of Applied Power for each of the three years ended August 31, 1999 and the unaudited consolidated financial statements of Applied Power for the nine months ended May 31, 1999 and May 31, 2000. The adjusted historical financial data in the following table differs from the consolidated financial information in the Consolidated Financial Statements because we excluded the financial data of the Non-continuing Businesses. The unaudited pro forma consolidated statement of earnings data give effect to the Transactions as if they had occurred on August 31, 1999 and the unaudited pro forma consolidated balance sheet data give effect to the Transactions as if they had occurred on May 31, 2000 except for the sale of Air Cargo, which occurred on May 26, 2000.

In the opinion of management, the following data include all necessary adjustments for the fair presentation of the information set forth. Results for interim periods are not necessarily indicative of the results for the full year.

<TABLE>
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	Year Ended August 31,			Nine Months Ended May 31,		Twelve Months Ended May 31,	Pro Forma Twelve Months Ended May 31,
	1997	1998	1999	1999	2000	2000	2000(b)
	(in millions, except ratios)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of Earnings Data(a):							
Net sales							$538.2(c)
Adjusted net sales	$381.8	$482.1	$527.5	$398.3	$406.1	$535.2	
Adjusted gross profit(d)	132.3	151.0	189.5	143.9	147.7	193.3	
Adjusted operating expenses excluding general corporate expenses(e)	93.3	126.0	99.7	79.7	69.1	89.1	
General corporate expenses(f)	15.2	17.5	12.1	9.1	9.2	12.2	5.0
Adjusted operating earnings(e)	20.3	(3.5)	71.5	50.4	64.7	85.8	
Cash interest expense							52.5
Other Financial Data(a):							
Adjusted depreciation	8.9	10.8	10.4	8.4	8.3	10.3	
Adjusted amortization of intangible assets	3.4	11.1	6.2	4.7	4.7	6.1	

Adjusted capital expenditures..	10.2	15.4	13.7	12.4	6.0	7.3	
Total debt....................							450.0

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(a) Adjusted items exclude results of the Non-continuing Businesses.

(b) Includes the reported operating results, until the date of its disposition, of Samuel Groves, a business unit sold by Applied Power on November 23, 1999. For the twelve months ended May 31, 2000, Samuel Groves had net sales of $3.0 million and EBITDA of $0.1 million. All adjusted operating data exclude the results of Samuel Groves.

(c) Pro forma net sales of $538.2 million differs from the $535.2 million of adjusted net sales for the twelve months ended May 31, 2000 by $3.0 million of net sales attributable to the divested Samuel Groves

business unit. Pro forma adjusted EBITDA of $112.4 million differs from the $105.2 million of adjusted EBITDA for the twelve months ended May 31, 2000 by $7.2 million of excess historical general corporate expenses over $5.0 million, the amount management believes would have been incurred by Actuant had the Distribution occurred on the day immediately prior to the first day of such period.

(d) Includes $3.3 million and $17.7 million in fiscal 1997 and 1998, respectively, for non-recurring restructuring charges.

(e) Includes $2.9 million and $34.2 million of restructuring charges in fiscal 1997 and 1998, respectively; $7.8 million of contract termination costs in fiscal 1999 and the nine months ended May 31, 1999; $1.4 million of contract termination recovery in the nine months ended May 31, 2000; and $4.4 million of corporate reorganization expenses in the nine months ended May 31, 2000.

(f) General corporate expenses include all general corporate expenses related to Applied Power, including costs incurred to support both the Industrial Business and the Electronics Business. In accordance with generally accepted accounting principles, none of these expenses has been allocated to discontinued operations. We expect general corporate expenses to decrease following the Distribution due to the need for fewer corporate employees and a reduction in the size of the organization being supported. We believe that the expenses required to support general corporate functions in the nine months ended May 31, 2000, fiscal 1999 and the twelve months ended May 31, 2000, had the Distribution been completed prior to the beginning of the periods, would have been approximately $3.9 million, $4.7 million and $5.0 million, respectively.

(g) "EBITDA" is defined as operating earnings before depreciation, amortization and certain restructuring and other non-recurring items. EBITDA does not represent and should not be considered as an alternative to net income or cash flow from operations as determined by generally accepted accounting principles, and our calculation thereof may not be comparable to that reported by other companies. We believe that EBITDA provides useful information regarding our ability to service and/or incur indebtedness. EBITDA does not take into account our working capital requirements, debt service requirements and other commitments and, accordingly, is not necessarily indicative of amounts that may be available for discretionary use. Pro forma twelve months ended May 31, 2000 EBITDA was $112.4 million. "Adjusted EBITDA" is defined as EBITDA excluding results of the Non-continuing Businesses. Adjusted EBITDA includes all general corporate expenses of Applied Power, including costs incurred to support both the Industrial Business and the Electronics Business. Accordingly, we believe that, had we been a stand-alone entity during the periods presented, our EBITDA would have been higher than the EBITDA presented in the above table. The following is a reconciliation of operating earnings as reported in the Consolidated Financial Statements to the adjusted EBITDA as displayed in the table below:

<TABLE>
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	Year Ended August 31,			Nine Months Ended May 31,		Twelve Months Ended May 31, 2000	Pro Forma Twelve Months Ended May 31, 2000
	1997	1998	1999	1999	2000		
	(in millions)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Operating earnings......	$ 35.8	$ 9.3	$ 99.4	$ 70.2	$ 81.6	$110.8	$ 97.7
Depreciation............	14.8	17.0	17.3	13.8	12.3	15.8	10.1
Amortization of intangible assets......	5.0	12.6	8.7	6.7	5.9	7.9	6.1
Contract termination costs (recovery).......	--	--	7.8	7.8	(1.4)	(1.4)	(1.4)
Corporate reorganization expenses...............	--	--	--	--	4.4	4.4	--

Restructuring charges...	6.2	38.0	--	--	--	--	--
Merger related expenses..............	--	9.3	--	--	--	--	--
Provision for loss on sale of subsidiary.....	--	4.5	--	--	--	--	--
EBITDA.................	$ 61.8	$90.7	$ 133.2	$ 98.5	$ 102.8	$137.5	$112.4
Less: operating earnings from Non-continuing Businesses............	15.4	12.7	27.9	19.8	16.9	25.0	
Less: depreciation and amortization of intangible assets of Non-continuing Businesses............	7.4	7.7	9.5	7.4	5.3	7.3	
Adjusted EBITDA.........	$38.9	$70.3	$95.8	$ 71.3	$ 80.7	$105.2	

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CAPITALIZATION

The following table sets forth the unaudited historical capitalization of Applied Power as of May 31, 2000, and the unaudited pro forma capitalization of Actuant as of May 31, 2000 after giving effect to the Transactions including the issuance of debt under the Actuant Credit Facility, the issuance of the Notes and the estimated fees and expenses related thereto, each as if they had occurred on that date.

<TABLE>
<CAPTION>

	May 31, 2000	
	Historical	Pro Forma(1)
	(in millions)	
<S>	<C>	<C>
Cash and cash equivalents..............................	$ 6.8	$ 6.8
Existing long-term debt(2).............................	$456.9	$ --
The Actuant Credit Facility(3)..........................	--	252.6
The Notes, net of discount.............................	--	197.4
Total debt(4)..	456.9	450.0
Shareholders' equity(5)................................	462.8	(146.8)
Total capitalization.................................	$919.7	$ 303.2

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(1) Gives effect to the Transactions, including the issuance of debt under the Actuant Credit Facility, the issuance of the Notes and the estimated fees and expenses related thereto. The pro forma capitalization assumes that 100% of the 1999 Notes are purchased in the Tender Offer. As of July 20, 2000, approximately 93.1% of the 1999 Notes had been tendered. If less than all of the 1999 Notes are tendered, the borrowings under the Actuant Credit Facility will be lower.

(2) Historical long-term debt excludes $43.8 million of an off-balance sheet accounts receivable financing facility which will be retired upon the consummation of the Distribution. Immediately following the Distribution, Actuant will not have an accounts receivable financing program. The existing long-term debt balance excludes $287.4 million of debt allocated to the Electronics Business, which is included in net assets of discontinued operations on the consolidated balance sheet.

(3) The Actuant Credit Facility consists of $240.0 million in term loans which will be borrowed upon the consummation of the Distribution and a $100.0 million revolving credit facility, approximately $12.6 million of which will be drawn upon consummation of the Distribution.

(4) Prior to the Distribution, most of Applied Power's debt instruments were held at the corporate level. Applied Power's historical debt has been allocated between the Industrial Business and the Electronics Business based on the amount of debt expected to be assumed by the Electronics Business in the Distribution. The amount allocated to the Electronics Business was based in part on an estimate of anticipated cash flow of Applied Power from May 31, 2000 to the date of the Distribution. The amount of debt allocated to the Industrial Business will approximate four times EBITDA of Actuant pro forma for the Transactions for the four fiscal quarters preceding the date of the Distribution and will be reflected in an agreement to be finalized between APW and Actuant.

(5) The reduction in shareholders' equity reflects the following items, net of tax effect:

<TABLE>
<CAPTION>

May 31, 2000

	(in millions)
The Distribution	$(597.5)
Estimated final allocation of debt to APW	(85.9)
Write-off of unamortized historical debt issuance costs	(0.4)
Estimated transaction costs, including Tender Offer premium	(16.7)
Estimated gain on the Divestitures	90.9
	$(609.6)

In accordance with generally accepted accounting principles, the Distribution results in a net reduction in Applied Power's historical shareholders' equity as the total assets being distributed to APW in the Distribution exceed the total liabilities being distributed. The excess of total assets over total liabilities requires a corresponding reduction in shareholders' equity.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma consolidated statements of earnings and unaudited pro forma consolidated balance sheet present the consolidated results of Applied Power and its financial position, adjusted to give effect to the Transactions, including the issuance of the Notes, the issuance of debt under the Actuant Credit Facility and the estimated fees and expenses related thereto. The unaudited pro forma consolidated statements of earnings for the nine and twelve months ended May 31, 2000 and the fiscal year ended August 31, 1999 give effect to the Transactions as if they had occurred on the day prior to the beginning of the period being referenced. The unaudited pro forma consolidated balance sheet data give effect to the Transactions as if they had occurred on May 31, 2000 except for the sale of Air Cargo which occurred on May 26, 2000.

The unaudited pro forma consolidated financial statements have been derived from the historical consolidated financial statements of Applied Power. The pro forma adjustments, as described in the notes that follow, are based upon available information and upon certain assumptions that management believes are reasonable. You should read this information in conjunction with the Consolidated Financial Statements. The unaudited pro forma consolidated financial statements are included for comparative purposes only and do not purport to be indicative of the results of Actuant in the future or what the financial position and results of operations would have been had Actuant been a separate, stand-alone entity during the periods shown.

Unaudited Pro Forma Consolidated Statement of Earnings
(in thousands, except per share data)

	Nine Months Ended May 31, 2000			
	Historical	Excluded Businesses(1)	Other Adjustments	Pro Forma(2)
Net sales	$535,655	$(128,261)	$ --	$407,394
Cost of products sold	341,816	(82,447)	--	259,369
Gross profit	193,839	(45,814)	--	148,025
Engineering, selling and administrative expenses	103,329	(27,625)	(5,281)(3)	70,423
Amortization of intangible assets	5,902	(1,208)	--	4,694
Contract termination recovery	(1,446)	--	--	(1,446)
Corporate reorganization expenses	4,449	--	(4,449)(4)	--
Operating earnings	81,605	(16,981)	9,730	74,354
Other expense (income):				
Net financing costs	27,892	--	13,008 (5)	40,900
Other income--net	(823)	146	--	(677)
Earnings from continuing operations before income tax expense	54,536	(17,127)	(3,278)	34,131
Income tax expense	19,584	--	(5,590)(6)	13,994
Net earnings from continuing operations	34,952	(17,127)	2,312	20,137

Earnings from discontinued operations................	34,232	--	(34,232)(7)	--
Earnings before extraordinary item.........	69,184	(17,127)	(31,920)	20,137
Extraordinary loss..........	(12,186)	--	--	(12,186)
Net earnings...............	$ 56,998	$ (17,127)	$(31,920)	$ 7,951
Basic earnings per share:				
Earnings from continuing operations per share.......	$ 0.89			$ 0.51
Discontinued operations per share.....................	0.88			--
Extraordinary loss per share.....................	(0.31)			(0.31)
Net earnings per share......	$ 1.46			$ 0.20
Weighted average common shares outstanding.........	39,045			39,045
Diluted earnings per share:				
Earnings from continuing operations per share.......	$ 0.87			$ 0.50
Discontinued operations per share.....................	0.85			--
Extraordinary loss per share.....................	(0.30)			(0.30)
Net earnings per share......	$ 1.42			$ 0.20
Weighted average common and equivalent shares outstanding...............	40,302			40,302
Other Data:				
Depreciation and amortization..............	$ 18,224	$ (5,204)	$ --	$ 13,020
Capital expenditures........	9,170	(3,223)	--	5,947

</TABLE>

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

Unaudited Pro Forma Consolidated Statement of Earnings
(in thousands, except per share data)

<TABLE>
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	Year Ended August 31, 1999			
	Historical	Excluded Businesses(1)	Other Adjustments	Pro Forma(2)
<S>	<C>	<C>	<C>	<C>
Net sales...................	$695,704	$(158,867)	$ --	$536,837
Cost of products sold........	443,020	(98,092)	--	344,928
Gross profit................	252,684	(60,775)	--	191,909
Engineering, selling and administrative expenses.....	136,671	(30,530)	(7,399)(3)	98,742
Amortization of intangible assets......................	8,748	(2,589)	--	6,159
Contract termination costs...	7,824	--	--	7,824
Corporate reorganization expenses....................	--	--	--	--
Operating earnings..........	99,441	(27,656)	7,399	79,184
Other expense (income):				
Net financing costs.........	41,181	--	13,353 (5)	54,534
Other expense (income)--net..	850	(143)	--	707
Earnings from continuing operations before income tax expense.....................	57,410	(27,513)	(5,954)	23,943
Income tax expense..........	22,830	--	(13,013)(6)	9,817
Net earnings from continuing operations..................	34,580	(27,513)	7,059	14,126
Earnings from discontinued operations..................	44,817	--	(44,817)(7)	--

Net earnings	$ 79,397	$ (27,513)	$(37,758)	$ 14,126
Basic earnings per share:				
Earnings from continuing operations per share	$ 0.89			$ 0.36
Discontinued operations per share	1.15			--
Net earnings per share	$ 2.04			$ 0.36
Weighted average common shares outstanding	38,825			38,825
Diluted earnings per share:				
Earnings from continuing operations per share	$ 0.86			$ 0.35
Discontinued operations per share	1.12			--
Net earnings per share	$ 1.98			$ 0.35
Weighted average common and equivalent shares outstanding	40,200			40,200
Other Data:				
Depreciation and amortization	$ 26,056	$ (9,197)	$ --	$ 16,859
Capital expenditures	22,885	(9,062)	--	13,823

</TABLE>

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

Unaudited Pro Forma Consolidated Statement of Earnings
(in thousands, except per share data)

<TABLE>
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	Twelve Months Ended May 31, 2000			
	Historical	Excluded Businesses(1)	Other Adjustments	Pro Forma(2)
<S>	<C>	<C>	<C>	<C>
Net sales	$707,003	$(168,796)	$ --	$538,207
Cost of products sold	450,732	(106,479)	--	344,253
Gross profit	256,271	(62,317)	--	193,954
Engineering, selling and administrative expenses	134,442	(35,314)	(7,204)(3)	91,924
Amortization of intangible assets	7,994	(1,879)	--	6,115
Contract termination recovery	(1,446)	--	--	(1,446)
Corporate reorganization expenses	4,449	--	(4,449)(4)	--
Operating earnings	110,832	(25,124)	11,653	97,361
Other expense (income):				
Net financing costs	38,435	--	16,099 (5)	54,534
Other income--net	(152)	(352)	--	(504)
Earnings from continuing operations before income tax expense	72,549	(24,772)	(4,446)	43,331
Income tax expense	27,751	--	(9,985)(6)	17,766
Net earnings from continuing operations	44,798	(24,772)	5,539	25,565
Earnings from discontinued operations	47,568	--	(47,568)(7)	--
Earnings before extraordinary item	92,366	(24,772)	(42,029)	25,565
Extraordinary loss	(12,186)	--	--	(12,186)
Net earnings	$ 80,180	$ (24,772)	$(42,029)	$ 13,379
Basic earnings per share:				
Earnings from continuing operations per share	$ 1.14			$ 0.65

Discontinued operations per share......................	1.22			--
Extraordinary loss per share......................	(0.31)			(0.31)
	--------			--------
Net earnings per share......	$ 2.05			$ 0.34
	========			========
Weighted average common shares outstanding.........	39,024			39,024
	========			========
Diluted earnings per share:				
Earnings from continuing operations per share.......	$ 1.11			$ 0.63
Discontinued operations per share......................	1.18			--
Extraordinary loss per share......................	(0.30)			(0.30)
	--------			--------
Net earnings per share......	$ 1.99			$ 0.33
	========			========
Weighted average common and equivalent shares outstanding................	40,275			40,275
	========			========
Other Data:				
Depreciation and amortization...............	$ 23,823	$ (7,309)	$ --	$ 16,514
Capital expenditures........	10,793	(3,490)	--	7,303

</TABLE>

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

Notes to Unaudited Pro Forma Consolidated Statements of Earnings

(1) Reflects the elimination of historical operating results for the Air Cargo and Barry Controls businesses, which were sold in May 2000 and June 2000, respectively, and the Magnets business, which will become part of APW in connection with the Distribution.

(2) Includes the operating results, until the date of its disposition, of Samuel Groves, a business unit sold by Applied Power on November 23, 1999. Operating results of this divested business for the pro forma periods presented were as follows:

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	Nine Months Ended May 31, 2000	Year Ended August 31, 1999	Twelve Months Ended May 31, 2000
		(in thousands)	
<S>	<C>	<C>	<C>
Net sales................................	$1,340	$9,385	$3,032
Gross profit.............................	348	2,466	723
Operating earnings.......................	(58)	290	(101)
EBITDA...................................	4	631	52
Capital expenditures.....................	--	75	17

</TABLE>

(3) Engineering, selling and administrative expenses include all general corporate expenses related to Applied Power, including costs incurred to support both the Industrial Business and the Electronics Business. In accordance with generally accepted accounting principles, none of these expenses has been allocated to discontinued operations. The adjustment reflects the elimination of the excess of historical general corporate expenses over the amounts management believes would have been incurred by Actuant had the Distribution taken place at the beginning of such periods. The remainder represents salaries and benefits for positions in corporate finance, treasury, tax, human resource and general management as well as certain outside service fees expected to continue, including audit, insurance and legal costs. For the nine and twelve month periods ended May 31, 2000 and fiscal 1999, pro forma general corporate expenses were $3.9 million, $5.0 million and $4.7 million, respectively.

(4) Reflects the adjustment to exclude investment banking, legal, accounting and other fees and expenses associated with the Distribution.

(5) Reflects the elimination of historical net financing costs and the inclusion of estimated pro forma net financing costs based on the debt realignment related to the Distribution as follows:

<TABLE>
<CAPTION>

	Nine Months Ended May 31, 2000	Year Ended August 31, 1999	Twelve Months Ended May 31, 2000
	(in thousands)		
<S>	<C>	<C>	<C>
The Actuant Credit Facility--Revolver and Tranche A Term Loan at 9.47%.........................	$ 9,063	$12,084	$12,084
The Actuant Credit Facility--Tranche B Term Loan at 10.47%...................	9,816	13,088	13,088
The Notes at 13.0%.....................	19,500	26,000	26,000
Non-cash amortization of the discount on Notes.............................	227	303	303
Non-cash amortization of debt issuance costs	1,314	1,752	1,752
Other financing costs..................	980	1,307	1,307
Estimated pro forma net financing costs................................	40,900	54,534	54,534
Less: historical net financing costs...	27,892	41,181	38,435
Pro forma adjustment..................	$13,008	$13,353	$16,099

</TABLE>

LIBOR assumed in the above calculations is 6.72%. A 0.25% change in LIBOR for the Actuant Credit Facility would result in an approximate $0.6 million change in annual pro forma net financing costs.

(6) Represents the adjustment required to arrive at an estimated income tax expense after the Distribution. The increase in the effective pro forma tax rate results from lower utilization of foreign tax credits.

(7) Reflects elimination of the net operating results of the Electronics Business.

"EBITDA" is defined as operating earnings before depreciation, amortization and certain restructuring and other non-recurring items. Restructuring and other non-recurring items included in the pro forma consolidated statement of earnings are contract termination costs, contract termination recovery and corporate reorganization expenses. EBITDA does not represent and should not be considered as an alternative to net income or cash flow from operations as determined by generally accepted accounting principles, and our calculation thereof may not be comparable to that reported by other companies. We believe that EBITDA provides useful information regarding our ability to service and/or incur indebtedness. EBITDA does not take into account our working capital requirements, debt service requirements and other commitments and, accordingly, is not necessarily indicative of amounts that may be available for discretionary use.

<TABLE>
<CAPTION>

EBITDA:	Historical	Excluded Businesses(1)	Other Adjustments	Pro Forma(2)
<S>	<C>	<C>	<C>	<C>
Nine Months Ended May 31, 2000	$ 102,832	$ (22,185)	$ 5,281	$ 85,928
Year Ended August 31, 1999	$ 133,321	$ (36,853)	$ 7,399	$ 103,867
Twelve Months Ended May 31, 2000	$ 137,658	$ (32,433)	$ 7,204	$ 112,429

</TABLE>

Unaudited Pro Forma Consolidated Balance Sheet
(in thousands)

<TABLE>
<CAPTION>

	May 31, 2000			
	Historical	Excluded Businesses(1)	Other Adjustments	Pro Forma
<S>	<C>	<C>	<C>	<C>

ASSETS				
Current assets:				
Cash and cash equivalents	$ 6,808	$ --	$ --	$ 6,808
Accounts receivable, net	79,732	(25,975)	43,803 (2)	97,560
Inventories, net	93,276	(24,280)	--	68,996
Prepaid expenses	7,122	(1,167)	40,000 (3)	45,955
Deferred income taxes	8,599	(2,705)	--	5,894
Total current assets	195,537	(54,127)	83,803	225,213
Property, plant and equipment	176,862	(44,592)	--	132,270
Less: accumulated depreciation	(106,183)	24,167	--	(82,016)
Net property, plant and equipment	70,679	(20,425)	--	50,254
Goodwill, net of accumulated amortization	140,696	(27,678)	--	113,018
Other intangibles, net of accumulated amortization	28,750	(4,812)	--	23,938
Net assets of discontinued operations	597,489	--	(597,489)(4)	--
Other assets	2,385	--	14,320 (5)	16,705
Total assets	$1,035,536	$(107,042)	$(499,366)	$ 429,128
LIABILITIES AND EQUITY				
Current liabilities:				
Short-term borrowings	$ --	$ --	$ --	$ --
Trade accounts payable	55,730	(11,224)	--	44,506
Accrued compensation and benefits	16,448	(2,494)	--	13,954
Income taxes payable	1,118	(6,744)	28,448 (6)	22,822
Other current liabilities	18,464	2,049	10,000 (7)	30,513
Total current liabilities	91,760	(18,413)	38,448	111,795
Long-term debt	456,907	(157,500)	150,593 (8)	450,000
Deferred income taxes	8,485	(9,163)	--	(678)
Other deferred liabilities	15,620	(862)	--	14,758
Shareholders' equity:				
Common stock	7,822	--	--	7,822
Additional paid-in capital	14,255	--	(648,583)(9)	(634,328)
Retained earnings	468,104	78,896	(57,128)(10)	489,872
Accumulated other comprehensive income	(27,417)	--	17,304 (11)	(10,113)
Total shareholders' equity	462,764	78,896	(688,407)	(146,747)
Total liabilities and shareholders' equity	$1,035,536	$(107,042)	$(499,366)	$ 429,128

</TABLE>

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

Notes to Unaudited Pro Forma Consolidated Balance Sheet

(1) Reflects the historical financial position as of May 31, 2000 of the Barry Controls business which was sold in June 2000, and the Magnets business, which will become part of APW in connection with the Distribution.

(2) Historically, Applied Power, through a wholly-owned limited purpose subsidiary, sold participating interests in a pool of its trade accounts receivable to financial institutions. Immediately following the Distribution, we will not have an accounts receivable financing program. The adjustment represents the amount of accounts receivable relating to the Industrial Business sold as of May 31, 2000.

(3) Reflects APW's agreement to reimburse Applied Power for the estimated tax liability created by the corporate restructuring transactions related to the Distribution, including the transactions that makes APW Ltd. a Bermuda

corporation. A corresponding liability is reflected in income taxes payable.

(4) Reflects the transfer of the net assets of the Electronics Business in the Distribution.

(5) Reflects estimated new debt issuance costs of approximately $15.0 million that will be incurred as a result of the debt realignment related to the Distribution, net of a write-off of $0.7 million of unamortized costs related to former debt agreements.

(6) Represents the estimated tax liability increase (decrease) due to certain other pro forma adjustments as follows:

<TABLE>
<CAPTION>

<S>	May 31, 2000 (in thousands) <C>
Estimated taxes on corporate restructuring transactions (see Note 3 above)..	$40,000
Write-off of unamortized historical debt issuance costs (see Note 5 above)..	(272)
Estimated costs associated with effecting the Transactions including estimated Tender Offer premium (see Notes 7 and 8 below)..	(11,280)
Pro forma adjustment......................................	$28,448

</TABLE>

(7) Represents the accrual of the estimated investment banking, legal, accounting and other fees and expenses associated with the Transactions.

(8) A reconciliation of the pro forma adjustments to long-term debt is as follows:

<TABLE>
<CAPTION>

<S>	May 31, 2000 (in thousands) <C>
Accounts receivable financing facility (see Note 2 above)...	$ 43,803
Estimated debt issuance costs (see Note 5 above)...........	15,000
Final allocation per debt realignment and other............	91,790
Pro forma adjustment......................................	$150,593

</TABLE>

(9) Reflects changes to additional paid-in capital account impacted by pro forma adjustments as follows:

<TABLE>
<CAPTION>

<S>	May 31, 2000 (in thousands) <C>
The Distribution (see Note 4 above)........................	$(597,489)
Estimated taxes on corporate restructuring transactions (see Note 3 above)...	40,000
Estimated final allocation of debt.........................	(73,790)
Cumulative translation adjustment (see Note 11 below).......	(17,304)
Pro forma adjustment......................................	$(648,583)

</TABLE>

(10) Reflects changes to retained earnings generated by pro forma adjustments, net of tax effect, as follows:

<TABLE>
<CAPTION>

<S>	May 31, 2000 (in thousands) <C>
Estimated taxes on corporate restructuring transactions (see Note 3 above).......................................	$(40,000)
Write-off of unamortized historical debt issuance costs (see Note 5 above).......................................	(408)

Estimated transaction costs and other......................	(16,720)

Pro forma adjustment......................................	$(57,128)
	========

</TABLE>

(11) Reflects elimination of the portion of the cumulative translation account attributable to the Electronics Business.

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.

APPLIED POWER INC.
(Registrant)

Date: July __, 2000

By:_____________________________
Richard D. Carroll
Vice President-Finance
(Duly authorized to sign on behalf of the Registrant)