

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): September 30, 2004

ACTUANT CORPORATION

(Exact name of Registrant as specified in its charter)

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

6100 North Baker Road
Milwaukee, WI 53209

Mailing address: P.O. Box 3241, Milwaukee, Wisconsin 53201
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (414) 352-4160

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On September 30, 2004, the Company announced its results of operations for the fourth quarter ended August 31, 2004. A copy of the press release announcing the Company's results for the fourth quarter ended August 31, 2004 is attached as Exhibit 99.1 to this report on Form 8-K.

The information in this Form 8-K (including the exhibit hereto) is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Form 8-K (including the exhibit hereto) shall not be incorporated by reference in any other filing under the Securities Exchange Act or Securities Act of 1933 except as shall be expressly set forth by specific reference to this Form 8-K in such filing.

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, hereunto duly authorized.

ACTUANT CORPORATION
(Registrant)

Date: September 30, 2004

By: /s/ Andrew G. Lampereur

Andrew G. Lampereur
Executive Vice President and
Chief Financial Officer

Actuant Announces Record Results, Increases Fiscal 2005 Guidance

MILWAUKEE--(BUSINESS WIRE)--Sept. 30, 2004--Actuant Corporation (NYSE:ATU) today announced results for its fourth quarter and fiscal year ended August 31, 2004. Fourth quarter sales increased approximately 27% to \$187.8 million compared to \$148.2 million in the prior year. Current year results include those from Kwikiee Products Company Inc. ("Kwikiee") and Dresco B.V. ("Dresco"), which were acquired during fiscal 2004. Excluding the impact of these acquisitions and foreign currency exchange rate changes on translated results, fourth quarter sales increased approximately 11% from the comparable prior year period. Fourth quarter fiscal 2004 net earnings and diluted earnings per share ("EPS") were \$18.3 million and \$0.75 per diluted share, respectively, compared to fiscal 2003 fourth quarter net earnings and diluted earnings per share of \$10.0 million and \$0.41 per diluted share, respectively. Fourth quarter fiscal 2004 results include a charge of \$7.1 million, net of tax, or \$0.29 per diluted share, arising from the tender of the Company's 13% Senior Subordinated Notes (the "13% Notes") and net income from discontinued operations of \$10.9 million, or \$0.45 per diluted share, due to the release of a reserve for tax and other obligations related to the spin-off of APW Ltd. in fiscal 2000 (the "Spin-off"). Excluding these special items, current year fourth quarter net earnings increased 44% to \$0.59 per diluted share (see attached reconciliation of earnings).

Actuant's sales for the fiscal year ended August 31, 2004 were \$726.9 million, approximately 24% higher than the \$585.4 million generated in the prior year. Excluding the impact of acquisitions and foreign currency rate changes, fiscal 2004 sales increased approximately 9% from the comparable prior year period. Net earnings for the year ended August 31, 2004 were \$34.8 million, or \$1.41 per diluted share, compared to \$29.0 million, or \$1.18 per diluted share, in fiscal 2003. In fiscal 2004, the Company recorded net of tax special charges of \$25.1 million, or \$1.02 per diluted share, due to the early extinguishment of debt and income from discontinued operations of \$10.9 million, net of tax, or \$0.44 per diluted share, due to the release of a reserve for tax and other obligations related to the Spin-off. In fiscal 2003, the Company recorded net of tax special charges of \$1.3 million, or \$0.05 per diluted share, for the early extinguishment of debt and \$4.2 million, or \$0.18 per diluted share, for litigation matters associated with businesses divested prior to the Spin-off. Excluding these special charges, net earnings and diluted earnings per share for the year ended August 31, 2004 were \$49.0 million, or \$1.99 per diluted share, over 40% higher than the \$34.4 million, or \$1.41 per diluted share in the prior year (see attached reconciliation of earnings).

Commenting on the results, Robert C. Arzbaeher, Chief Executive Officer, stated, "Actuant finished fiscal 2004 strongly, as fourth quarter results exceeded our expectations in terms of sales, earnings, and cash flow. Core sales grew 11% over the prior year and excluding the special items (described above), Actuant increased its year-over-year earnings per share for the 13th consecutive quarter."

Arzbaeher continued, "Favorable economic conditions and margin expansion across both segments helped drive record fourth quarter earnings. We also benefited from a sequential improvement in automotive margins, as well as earnings contributions from both Kwikiee and Dresco. Focus on Actuant's LEAD (Lean Enterprise Across Disciplines) Process, active working capital management, and increased earnings drove another quarter of strong cash flow, reducing net debt to approximately \$188 million at year-end. Despite the \$65 million spent on acquisitions and \$30 million of premiums paid to retire 13% Notes in fiscal 2004, our leverage ratio (debt/EBITDA) at year-end was lower than at the start of the year." (EBITDA is earnings before interest, income taxes, depreciation, amortization and minority interest).

He concluded, "We are pleased with fiscal 2004 results - core sales growth of 9%, the completion of two accretive bolt-on acquisitions, improving margins and strong cash flow. On a full-year basis and excluding special charges in both years, the \$1.99 diluted earnings per share in fiscal 2004 was 41% higher than a year ago, and was the third straight year of EPS growth in excess of 15%. Both Tools & Supplies and Engineered Solutions had excellent years as we saw a recovering North American economy. Looking forward to fiscal 2005, we are optimistic that we will be able to continue to generate earnings growth. Given improved economic conditions, the recent acquisition of Yvel S.A. and lower borrowing costs due to the completion of the 13% Notes tender, we are increasing our previously announced fiscal 2005 guidance. We now expect diluted earnings per share of \$2.25-\$2.35 in 2005 on sales of \$750-\$775 million. First quarter sales should be in the \$185-\$190 million range, and diluted earnings per share should be in the range of \$0.53-\$0.58 per share."

Fiscal 2004 fourth quarter Tools & Supplies segment sales were \$106.3 million, approximately 15% higher than last year due primarily to the Dresco acquisition and foreign currency rate changes. Excluding

Dresco and the impact of foreign currency rate changes, fourth quarter Tools & Supplies segment revenues increased 2% over the prior year. Fourth quarter fiscal 2004 Engineered Solutions segment sales increased approximately 46% to \$81.5 million, compared to \$55.8 million in the previous year. Excluding the impact of the Kwikkee acquisition and foreign currency rate changes, Engineered Solutions sales increased 26%, benefiting from growth in all three of Actuant's main actuation markets - automotive convertible top, heavy duty truck cab-tilt, and recreational vehicles.

Actuant's fiscal 2004 fourth quarter operating profit increased 27% to \$24.3 million, in line with the corresponding increase in sales. The increases in operating profit in fiscal 2004 reflect the benefit of cost reductions implemented over the past year and improved automotive labor efficiencies. These improvements were partially offset by increased corporate expenses.

Safe Harbor Statement

Certain of the above comments represent forward-looking statements made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. Management cautions that these statements are based on current estimates of future performance and are highly dependent upon a variety of factors, which could cause actual results to differ from these estimates. Actuant's results are also subject to general economic conditions, variation in demand from customers, the impact of geopolitical activity on the economy, continued market acceptance of the Company's new product introductions, the successful integration of business unit acquisitions and related restructuring, operating margin risk due to competitive pricing and operating efficiencies, supply chain risk, material and labor cost increases, foreign currency fluctuations and interest rate risk. See the Company's registration statements filed with the Securities and Exchange Commission for further information regarding risk factors.

Actuant, headquartered in Milwaukee, Wisconsin, is a diversified industrial company with operations in more than 20 countries. The Actuant businesses are leading companies in highly engineered position and motion control systems and branded tools. Products are offered under such established brand names as Dresco, Enerpac, Gardner Bender, Kopp, Kwikkee, Milwaukee Cylinder, Nielsen Sessions, Power-Packer, Power Gear and Yvel.

The Company will conduct an investor conference call at 11:00 EDT today to discuss fourth quarter results. For further information on Actuant and its business units, and to listen to today's conference call, visit the Company's website at www.actuant.com.

Actuant Corporation Consolidated Statements of Earnings (In thousands except per share amounts)

	Three Months Ended August 31,		Twelve Months Ended August 31,	
	2004	2003	2004	2003
	(Unaudited)			
Net Sales	\$187,764	\$148,247	\$726,851	\$585,393
Cost of Products Sold	127,650	99,457	495,609	395,409
Gross Profit	60,114	48,790	231,242	189,984
Selling, Administrative and Engineering Expenses	35,354	29,094	138,682	114,928
Amortization of Intangible Assets	493	521	2,221	2,271
Operating Profit	24,267	19,175	90,339	72,785
Net Financing Costs	2,391	5,148	13,559	21,430
Charge for Early Extinguishment of Debt	9,458	-	36,735	1,974
Litigation Charge associated with Divested Businesses	-	-	-	6,502
Other (Income) Expense, net	(376)	(1,217)	1,220	(2,238)
Earnings from Continuing Operations Before Income Taxes and Minority Interest	12,794	15,244	38,825	45,117

Income Tax Expense	5,305	5,350	14,676	15,924
Minority Interest, net of Income Taxes	116	(123)	259	227
	-----	-----	-----	-----
Earnings from Continuing Operations	7,373	10,017	23,890	28,966
Discontinued Operations, net of Income Taxes	10,933	-	10,933	-
	-----	-----	-----	-----
Net Earnings	\$18,306	\$10,017	\$34,823	\$28,966
	=====	=====	=====	=====
Basic Earnings per Share				
Earnings from Continuing Operations	\$0.31	\$0.43	\$1.01	\$1.24
Discontinued Operations, net of Income Taxes	0.46	-	0.46	-
	-----	-----	-----	-----
Total	\$0.77	\$0.43	\$1.47	\$1.24
	=====	=====	=====	=====
Diluted Earnings per Share				
Earnings from Continuing Operations	\$0.30	\$0.41	\$0.97	\$1.18
Discontinued Operations, net of Income Taxes	0.45	-	0.44	-
	-----	-----	-----	-----
Total	\$0.75	\$0.41	\$1.41	\$1.18
	=====	=====	=====	=====
Weighted Average Common Shares Outstanding				
Basic	23,757	23,474	23,660	23,350
Diluted	24,515	24,550	24,677	24,464

Actuant Corporation
Consolidated Balance Sheets
(Dollars in thousands)

	August 31, 2004	August 31, 2003
	-----	-----
ASSETS		
Current assets		
Cash and cash equivalents	\$6,033	\$4,593
Accounts receivable, net	90,433	81,825
Inventories, net	87,074	67,640
Deferred income taxes	11,126	14,727
Other current assets	7,648	3,977
	-----	-----
Total Current Assets	202,314	172,762
Property, plant and equipment, net	47,972	59,197
Goodwill	145,387	101,680
Other intangible assets, net	22,127	19,521
Other long-term assets	6,336	5,517
	-----	-----
Total Assets	\$424,136	\$358,677
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	\$960	\$1,224
Trade accounts payable	64,165	53,045
Accrued compensation and benefits	21,401	16,773
Income taxes payable	817	15,952
Current maturities of long-term debt	3,863	8,918
Other current liabilities	34,627	40,753
	-----	-----
Total Current Liabilities	125,833	136,665
Long-term debt, less current maturities	189,068	159,692
Deferred income taxes	8,376	8,841
Pension and postretirement benefit accruals	28,862	26,454
Other long-term liabilities	40,009	34,534

Minority interest in net equity of consolidated affiliates	211	4,117
Shareholders' equity		
Capital stock	4,753	4,702
Additional paid-in capital	(518,321)	(522,627)
Accumulated other comprehensive income (loss)	(17,600)	(21,823)
Stock held in trust	(806)	(636)
Deferred compensation liability	806	636
Retained earnings	562,945	528,122
	-----	-----
Total Shareholders' Equity (Deficit)	31,777	(11,626)
	-----	-----
Total Liabilities and Shareholders' Equity	\$424,136	\$358,677
	=====	=====

Actuant Corporation
Consolidated Statements of Cash Flows
(In thousands)

	Three Months Ended August 31,		Year Ended August 31,	
	2004	2003	2004	2003
	-----	-----	-----	-----
	(Unaudited)			
Operating Activities				
Earnings from				
continuing operations	\$7,373	\$10,017	\$23,890	\$28,966
Adjustments to reconcile earnings from continuing operations to net cash provided by operating activities of continuing operations:				
Depreciation and amortization	4,343	3,926	16,597	15,067
Amortization of debt discount and debt issuance costs	297	367	1,423	1,479
Write-off of debt discount and debt issuance costs in conjunction with early extinguishment of debt	764	-	5,209	317
Write-off fair value adjustments to long-term debt in conjunction with early terminations of interest rate swaps	1,170	-	754	-
Provision (benefit) for deferred income taxes	(1,298)	3,639	490	4,115
Loss on disposal of assets	224	4	361	71
Changes in operating assets and liabilities, excluding the effects of business acquisitions:				
Accounts receivable	7,172	2,432	4,287	1,550
Inventories	(3,305)	917	(7,549)	5,645
Prepaid expenses and other assets	(1,356)	709	(2,713)	4,387
Trade accounts payable	1,014	3,189	3,731	(2,233)
Accrued interest	592	3,053	(4,050)	(745)
Income taxes payable	5,721	2,032	1,387	3,380
Other accrued liabilities	1,843	(12,215)	4,144	(12,580)
	-----	-----	-----	-----
Cash provided by continuing operations (a)	24,554	18,070	47,961	49,419
Investing Activities				
Proceeds from sale of property, plant and equipment	-	716	14,601	1,109
Capital expenditures	(2,935)	(2,329)	(10,935)	(12,671)
Cash paid for business acquisitions, net of cash acquired	-	-	(65,100)	(9,174)
	-----	-----	-----	-----
Cash used in investing activities	(2,935)	(1,613)	(61,434)	(20,736)

Financing Activities				
Partial redemptions of				
13% senior subordinated notes	(29,236)	-	(110,133)	(9,425)
Net proceeds from convertible				
senior subordinated note				
offering	-	-	144,994	-
Extinguishment of former				
senior secured credit				
agreement	-	-	(30,000)	-
Initial proceeds from				
new senior credit agreement	-	-	30,000	-
Net borrowings (repayments)				
on revolving credit facilities				
and short-term borrowings	12,077	(5,442)	8,136	(2,180)
Principal borrowings on				
term loans	-	-	-	3,932
Principal payments on term				
loans	(1,956)	(11,215)	(26,399)	(22,888)
(Payments for) proceeds				
from early termination of				
interest rate swaps	(1,170)	-	(2,186)	1,550
Debt issuance costs	(229)	-	(1,499)	-
Stock option exercises				
and other	159	524	1,725	1,708
	-----	-----	-----	-----
Cash (used in) provided				
by financing activities	(20,355)	(16,133)	14,638	(27,303)
Effect of exchange rate				
changes on cash	18	(233)	275	170
	-----	-----	-----	-----
Net increase in cash and				
cash equivalents	1,282	91	1,440	1,550
Cash and cash equivalents -				
beginning of period	4,751	4,502	4,593	3,043
	-----	-----	-----	-----
Cash and cash equivalents -				
end of period	\$6,033	\$4,593	\$6,033	\$4,593
	=====	=====	=====	=====

(a) Includes the net of tax cash impact of 13% senior subordinated note redemptions of \$5.2 million for the three months ended August 31, 2004 and \$19.0 million and \$1.0 million for the years ended August 31, 2004 and 2003, respectively.

ACTUANT CORPORATION
SUPPLEMENTAL UNAUDITED DATA
(US dollars, in thousands)

	FISCAL 2003				
	Q1	Q2	Q3	Q4	TOTAL
SALES					
TOOLS & SUPPLIES					
SEGMENT	\$92,014	\$90,651	\$91,386	\$92,433	\$366,484
ENGINEERED SOLUTIONS					
SEGMENT	55,844	51,448	55,803	55,814	218,909
	-----	-----	-----	-----	-----
TOTAL REPORTED SALES	\$147,858	\$142,099	\$147,189	\$148,247	\$585,393
	=====	=====	=====	=====	=====
% SALES GROWTH					
TOOLS & SUPPLIES					
SEGMENT	43.6%	45.4%	39.0%	37.2%	41.2%
ENGINEERED SOLUTIONS					
SEGMENT	13.8%	11.6%	2.8%	3.3%	7.6%
TOTAL REPORTED SALES	30.7%	31.0%	22.6%	22.1%	26.4%
OPERATING PROFIT					
TOOLS & SUPPLIES					
SEGMENT	\$12,818	\$12,224	\$13,702	\$13,417	\$52,161
ENGINEERED SOLUTIONS					
SEGMENT	6,616	5,760	7,648	7,571	27,595
CORPORATE / GENERAL	(1,246)	(1,955)	(1,957)	(1,813)	(6,971)
	-----	-----	-----	-----	-----
TOTAL REPORTED					
RESULTS	\$18,188	\$16,029	\$19,393	\$19,175	\$72,785
	=====	=====	=====	=====	=====

OPERATING PROFIT %

TOOLS & SUPPLIES SEGMENT	13.9%	13.5%	15.0%	14.5%	14.2%
ENGINEERED SOLUTIONS SEGMENT	11.8%	11.2%	13.7%	13.6%	12.6%
TOTAL (INCLUDING CORPORATE)	12.3%	11.3%	13.2%	12.9%	12.4%
EBITDA EXCLUDING SPECIAL ITEMS					
TOOLS & SUPPLIES SEGMENT	\$15,126	\$14,454	\$16,829	\$15,746	\$62,155
ENGINEERED SOLUTIONS SEGMENT	7,666	7,501	8,739	8,947	32,853
CORPORATE / GENERAL	(1,161)	(1,354)	(2,028)	(375)	(4,918)

EBITDA EXCLUDING SPECIAL ITEMS	21,631	20,601	23,540	24,318	90,090
SPECIAL ITEMS (1)	(9,274)	-	798	-	(8,476)

EBITDA (2)	\$12,357	\$20,601	\$24,338	\$24,318	\$81,614
=====					
EBITDA %					
TOOLS & SUPPLIES SEGMENT	16.4%	15.9%	18.4%	17.0%	17.0%
ENGINEERED SOLUTIONS SEGMENT	13.7%	14.6%	15.7%	16.0%	15.0%
TOTAL EXCLUDING SPECIAL ITEMS (INCLUDING CORPORATE)	14.6%	14.5%	16.0%	16.4%	15.4%
FISCAL 2004					

	Q1	Q2	Q3	Q4	TOTAL

SALES					
TOOLS & SUPPLIES SEGMENT	\$96,335	\$103,554	\$109,930	\$106,298	\$416,117
ENGINEERED SOLUTIONS SEGMENT	70,249	72,468	86,551	81,466	310,734

TOTAL REPORTED SALES	\$166,584	\$176,022	\$196,481	\$187,764	\$726,851
=====					
% SALES GROWTH					
TOOLS & SUPPLIES SEGMENT	4.7%	14.2%	20.3%	15.0%	13.5%
ENGINEERED SOLUTIONS SEGMENT	25.8%	40.9%	55.1%	46.0%	41.9%
TOTAL REPORTED SALES	12.7%	23.9%	33.5%	26.7%	24.2%
OPERATING PROFIT					
TOOLS & SUPPLIES SEGMENT	\$14,361	\$15,714	\$17,546	\$17,088	\$64,709
ENGINEERED SOLUTIONS SEGMENT	8,775	7,257	11,415	11,216	38,663
CORPORATE / GENERAL	(2,414)	(2,799)	(3,783)	(4,037)	(13,033)

TOTAL REPORTED RESULTS	\$20,722	\$20,172	\$25,178	\$24,267	\$90,339
=====					
OPERATING PROFIT %					
TOOLS & SUPPLIES SEGMENT	14.9%	15.2%	16.0%	16.1%	15.6%
ENGINEERED SOLUTIONS SEGMENT	12.5%	10.0%	13.2%	13.8%	12.4%
TOTAL (INCLUDING CORPORATE)	12.4%	11.5%	12.8%	12.9%	12.4%
EBITDA EXCLUDING SPECIAL ITEMS					
TOOLS & SUPPLIES SEGMENT	\$16,668	\$17,511	\$19,618	\$19,378	\$73,175
ENGINEERED SOLUTIONS SEGMENT	9,921	8,986	12,753	13,285	44,945
CORPORATE / GENERAL	(2,386)	(2,709)	(3,632)	(3,677)	(12,404)

EBITDA EXCLUDING SPECIAL ITEMS	24,203	23,788	28,739	28,986	105,716
SPECIAL ITEMS (1)	(15,069)	(2,268)	(9,940)	(9,458)	(36,735)

EBITDA (2)	\$9,134	\$21,520	\$18,799	\$19,528	\$68,981
=====					
EBITDA %					
TOOLS & SUPPLIES					
SEGMENT	17.3%	16.9%	17.8%	18.2%	17.6%
ENGINEERED SOLUTIONS					
SEGMENT	14.1%	12.4%	14.7%	16.3%	14.5%
TOTAL EXCLUDING					
SPECIAL ITEMS					
(INCLUDING					
CORPORATE)	14.5%	13.5%	14.6%	15.4%	14.5%

(1) First quarter 2003 special items include a \$2.0 million charge related to the early redemption of debt and a \$7.3 million charge related to litigation for business units divested prior to the July 31, 2000 spin-off. Third quarter 2003 special items represents an \$0.8 million reversal of a portion of the \$7.3 million first quarter charge for the favorable settlement of such litigation. First, third and fourth quarter 2004 special items represents charges related to the early redemption of debt. Second quarter 2004 special items represents the non-cash charge attributable to the write-off of remaining debt issuance costs associated with the senior secured credit facility that was replaced during February 2004.

(2) EBITDA excludes discontinued operations.

ACTUANT CORPORATION

Reconciliation of GAAP measures to non-GAAP measures

(In thousands, except per share amounts)

	FISCAL 2003				
	Q1	Q2	Q3	Q4	TOTAL

NET EARNINGS EXCLUDING					
DISCONTINUED OPERATIONS					
AND SPECIAL ITEMS (1)					
NET EARNINGS (GAAP					
MEASURE)	\$1,856	\$7,116	\$9,977	\$10,017	\$28,966
DISCONTINUED					
OPERATIONS (NET OF					
TAX)	-	-	-	-	-

NET EARNINGS FROM					
CONTINUING OPERATIONS	1,856	7,116	9,977	10,017	28,966
DEBT EXTINGUISHMENT					
COSTS (NET OF TAX)	1,273	-	-	-	1,273
LITIGATION MATTERS					
RELATED TO					
BUSINESSES DIVESTED					
PRIOR TO THE					
SPIN-OFF OF APW					
LTD. (NET OF TAX)	4,708	-	(516)	-	4,192

NET EARNINGS EXCLUDING					
SPECIAL ITEMS (NON-					
GAAP MEASURE)	\$7,837	\$7,116	\$9,461	\$10,017	\$34,431
=====					

DILUTED EARNINGS PER SHARE

EXCLUDING DISCONTINUED

OPERATIONS AND SPECIAL

ITEMS (1)

NET EARNINGS (GAAP					
MEASURE)	\$0.08	\$0.29	\$0.41	\$0.41	\$1.18
DISCONTINUED					
OPERATIONS (NET OF					
TAX)	-	-	-	-	-

NET EARNINGS FROM					
CONTINUING OPERATIONS	0.08	0.29	0.41	0.41	1.18
DEBT EXTINGUISHMENT					
COSTS (NET OF TAX)	0.05	-	-	-	0.05
LITIGATION MATTERS					
RELATED TO					
BUSINESSES DIVESTED					
PRIOR TO THE					

SPIN-OFF OF APW LTD. (NET OF TAX)	0.19	-	(0.02)	-	0.18

NET EARNINGS EXCLUDING SPECIAL ITEMS (NON- GAAP MEASURE)	\$0.32	\$0.29	\$0.39	\$0.41	\$1.41
=====					
EBITDA EXCLUDING DISCONTINUED OPERATIONS AND SPECIAL ITEMS (2)					
NET EARNINGS (GAAP MEASURE)	\$1,856	\$7,116	\$9,977	\$10,017	\$28,966
DISCONTINUED OPERATIONS (NET OF TAX)	-	-	-	-	-

NET EARNINGS FROM CONTINUING OPERATIONS	1,856	7,116	9,977	10,017	28,966
NET FINANCING COSTS	5,662	5,443	5,177	5,148	21,430
INCOME TAX EXPENSE	1,067	4,025	5,482	5,350	15,924
DEPRECIATION & AMORTIZATION	3,689	3,820	3,632	3,926	15,067
MINORITY INTEREST	83	197	70	(123)	227

EBITDA (NON-GAAP MEASURE)	12,357	20,601	24,338	24,318	81,614
SPECIAL ITEMS (3)	9,274	-	(798)	-	8,476

EBITDA EXCLUDING SPECIAL ITEMS (NON- GAAP MEASURE)	\$21,631	\$20,601	\$23,540	\$24,318	\$90,090
=====					

FISCAL 2004					

	Q1	Q2	Q3	Q4	TOTAL

NET EARNINGS EXCLUDING DISCONTINUED OPERATIONS AND SPECIAL ITEMS (1)					
NET EARNINGS (GAAP MEASURE)	\$293	\$8,758	\$7,466	\$18,306	\$34,823
DISCONTINUED OPERATIONS (NET OF TAX)	-	-	-	(10,933)	(10,933)

NET EARNINGS FROM CONTINUING OPERATIONS	293	8,758	7,466	7,373	23,890
DEBT EXTINGUISHMENT COSTS (NET OF TAX)	9,795	1,479	6,791	7,084	25,149
LITIGATION MATTERS RELATED TO BUSINESSES DIVESTED PRIOR TO THE SPIN-OFF OF APW LTD. (NET OF TAX)	-	-	-	-	-

NET EARNINGS EXCLUDING SPECIAL ITEMS (NON- GAAP MEASURE)	\$10,088	\$10,237	\$14,257	\$14,457	\$49,039
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DILUTED EARNINGS PER SHARE EXCLUDING DISCONTINUED OPERATIONS AND SPECIAL ITEMS (1)					
NET EARNINGS (GAAP MEASURE)	\$0.01	\$0.35	\$0.30	\$0.75	\$1.41
DISCONTINUED OPERATIONS (NET OF TAX)	-	-	-	(0.45)	(0.44)

NET EARNINGS FROM CONTINUING OPERATIONS	0.01	0.35	0.30	0.30	0.97
DEBT EXTINGUISHMENT COSTS (NET OF TAX)	0.40	0.06	0.28	0.29	1.02
LITIGATION MATTERS RELATED TO BUSINESSES DIVESTED					

PRIOR TO THE SPIN-OFF OF APW LTD. (NET OF TAX)	-	-	-	-	-
NET EARNINGS EXCLUDING SPECIAL ITEMS (NON- GAAP MEASURE)	\$0.41	\$0.41	\$0.58	\$0.59	\$1.99
EBITDA EXCLUDING DISCONTINUED OPERATIONS AND SPECIAL ITEMS (2)					
NET EARNINGS (GAAP MEASURE)	\$293	\$8,758	\$7,466	\$18,306	\$34,823
DISCONTINUED OPERATIONS (NET OF TAX)	-	-	-	(10,933)	(10,933)
NET EARNINGS FROM CONTINUING OPERATIONS	293	8,758	7,466	7,373	23,890
NET FINANCING COSTS	4,391	3,877	2,900	2,391	13,559
INCOME TAX EXPENSE	283	4,660	4,428	5,305	14,676
DEPRECIATION & AMORTIZATION	3,934	4,254	4,066	4,343	16,597
MINORITY INTEREST	233	(29)	(61)	116	259
EBITDA (NON-GAAP MEASURE)	9,134	21,520	18,799	19,528	68,981
SPECIAL ITEMS (3)	15,069	2,268	9,940	9,458	36,735
EBITDA EXCLUDING SPECIAL ITEMS (NON- GAAP MEASURE)	\$24,203	\$23,788	\$28,739	\$28,986	\$105,716

- (1) Net earnings and diluted earnings per share excluding discontinued operations and special items represent net earnings and diluted earnings per share per the Consolidated Statement of Earnings net of charges or credits for items that are not representative of the normal recurring operations of the current portfolio of Actuant companies. These items include results from discontinued operations, expenses recorded to extinguish debt entered into at the time of the spin-off and litigation charges related to matters associated with businesses divested prior to the spin-off. These measures should not be considered as an alternative to net earnings or diluted earnings per share as an indicator of the company's operating performance. However, this presentation is important to investors for understanding the operating results of the current portfolio of Actuant companies.
- (2) EBITDA represents net earnings before net financing costs, income tax expense, depreciation & amortization and minority interest. EBITDA excluding discontinued operations and special items is net of charges or credits that are not representative of the normal recurring operations of the current portfolio of Actuant companies. These special items include results from discontinued operations, expenses recorded to extinguish debt entered into at the time of the spin-off and litigation charges related to matters associated with businesses divested prior to the spin-off. EBITDA is not a calculation based upon generally accepted accounting principles (GAAP). The amounts included in the EBITDA calculation, however, are derived from amounts included in the Consolidated Statements of Earnings data. EBITDA should not be considered as an alternative to net earnings or operating profit as an indicator of the company's operating performance, or as an alternative to operating cash flows as a measure of liquidity. Actuant has presented EBITDA because it regularly reviews this as a measure of the company's ability to incur and service debt. In addition, EBITDA is used by many of our investors and lenders, and is presented as a convenience to them. However, the EBITDA measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.
- (3) First quarter 2003 special items include a \$2.0 million charge related to the early redemption of debt and a \$7.3 million charge related to litigation for business units divested prior to the July 31, 2000 spin-off. Third quarter 2003 special items represents an \$0.8 million reversal of a portion of the \$7.3 million first quarter charge for the favorable settlement of such litigation. First, third and fourth quarter 2004 special items represents charges related to the early redemption of debt. Second quarter 2004 special items represents the non-cash charge

attributable to the write-off of remaining debt issuance costs associated with the senior secured credit facility that was replaced during February 2004.

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