

UNITED STATES
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): March 22, 2006

ACTUANT CORPORATION
(Exact name of Registrant as specified in its charter)

Wisconsin (State or other jurisdiction of incorporation)	1-11288 (Commission File Number)	39-0168610 (I.R.S. Employer Identification No.)
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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 March 22, 2006, Actuant Corporation (the "Company") announced its results of operations for the second quarter ended February 28, 2006. A copy of the press release announcing the Company's results for the second quarter ended February 28, 2006 is attached as Exhibit 99.1 to this report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release of the Company dated March 22, 2006

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: March 22, 2006

By: /s/ Andrew G. Lampereur

Andrew G. Lampereur
Executive Vice President and
Chief Financial Officer

Actuant Announces Record Second Quarter Results

MILWAUKEE--(BUSINESS WIRE)--March 22, 2006--Actuant Corporation (NYSE:ATU) today announced results for its second quarter ended February 28, 2006. Second quarter fiscal 2006 net earnings and diluted earnings per share ("EPS") were \$19.3 million and \$0.63, respectively versus comparable prior year period net earnings and EPS of \$15.2 million and \$0.52, respectively. This represents 21% year-over-year EPS growth in the second quarter. Net earnings for the six-months ended February 28, 2006 were \$40.6 million, or \$1.33 per diluted share, compared to \$32.1 million, or \$1.13 per diluted share for the prior year period.

Second quarter sales increased approximately 17% to \$276.0 million compared to \$235.3 million in the prior year. Current year results include those from Key Components, Inc. ("KCI"), Hedley Purvis Ltd., Hydratight Sweeney, and B.E.P. Marine Limited, which were acquired in the second quarter of fiscal 2005 or later. Excluding the impact of foreign currency exchange rate changes, second quarter core sales (year-over-year sales growth in both existing and acquired businesses) increased approximately 6% over the comparable prior year period. Sales for the quarter, excluding acquisitions and foreign currency rate changes, increased 8%. Sales for the six months ended February 28, 2006 were \$559.9 million, approximately 29% higher than the \$434.9 million in the comparable prior year period. Excluding the impact of foreign currency rate changes, core sales and sales excluding acquisitions for the six-month period both increased 3%.

Robert C. Arzbaecher, President and CEO of Actuant, commented, "We are pleased with second quarter results, including the 17% sales and 21% EPS growth. In addition to 6% core sales growth in the quarter, we had sizeable margin expansion with operating margins up 120 basis points from the prior year."

Arzbaecher continued, "On a segment basis, Tools & Supplies posted strong second quarter results, driven by robust demand in the industrial tools and North American electrical markets. Excluding the impact of foreign currency exchange rate changes, our Engineered Solutions segment core sales declined 1% from a year ago, a significant sequential improvement from the 11% year-over-year sales decline in the first quarter. The improvement was driven by a year-over-year rebound in automotive sales, which were up 5% in the second quarter compared to a 29% year-over-year decline in the first quarter. This improvement had been anticipated due to the launch of four new convertible top platforms in the last six months. End-market diversity is a critical part of the Actuant strategy - we continue to generate increased sales and earnings in total, despite headwinds in a few markets."

Actuant's operating profit in the second quarter of fiscal 2006 was \$34.9 million, or 30% higher than the \$26.9 million in the comparable prior year period. Operating profit margin increased 120 basis points from 11.4% in the second quarter of last year to 12.6% in the current year. This increase was driven by higher production volumes, favorable sales mix, and continued efforts across all businesses to drive LEAD (Lean Enterprise Across Disciplines) initiatives, including low cost country sourcing.

Second quarter fiscal 2006 sales for the Tools & Supplies segment increased approximately 26% to \$174.6 million, compared to \$138.5 million in the previous year. Excluding the impact of foreign currency rate changes, year-over-year second quarter Tools & Supplies segment core sales increased 11% and sales excluding acquisitions increased 14%. Second quarter fiscal 2006 Engineered Solutions segment sales increased approximately 5% to \$101.4 million, compared to \$96.7 million in the previous year. Excluding the impact of foreign currency rate changes, second quarter Engineered Solutions core sales and sales excluding acquisitions both decreased 1%, the result of lower sales to the recreational vehicle market due to weak consumer demand.

Total debt at February 28, 2006 was approximately \$428 million. Net debt (total debt less approximately \$11 million of cash) was \$417 million, compared to \$418 million at the beginning of the quarter. Excluding the approximate \$9 million of cash used for acquisition related activities and a \$2 million decline in accounts receivable securitization, Actuant generated approximately \$12 million of cash flow in the second quarter, which is a seasonally weak cash-flow period. The Company had availability under its revolving credit facility of \$225 million at February 28, 2006.

The Company also announced sales and earnings guidance for the third quarter and full year of fiscal 2006. Arzbaecher stated, "We expect third quarter sales and EPS to increase as compared to the first two quarters due to normal seasonality as well as accelerating automotive convertible top sales. We are projecting third quarter sales and EPS to be in the range of \$300 - \$310 million and \$0.73 - \$0.78 per share, respectively. We are raising the lower end of our full year fiscal 2006 sales and EPS ranges, resulting in updated guidance of \$1.155 - \$1.175 billion and \$2.80 - \$3.00 per share, respectively."

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 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.

An investor conference call is scheduled for 11am ET today, March 22, and may be listened to via web cast on Actuant's website at www.actuant.com.

About Actuant

Actuant, headquartered in Glendale, Wisconsin, is a diversified industrial company with operations in more than 30 countries. The Actuant businesses are market leaders in highly engineered position and motion control systems and branded hydraulic and electrical tools and supplies. Since its creation through a spin-off in 2000, Actuant has grown its sales from \$482 million to over \$1 billion and its market capitalization from \$113 million to over \$1.5 billion. The company employs a workforce of approximately 6,000 worldwide. Actuant Corporation trades on the NYSE under the symbol ATU. For further information on Actuant and its business units, visit the Company's website at www.actuant.com.

(tables follow)

Actuant Corporation
Condensed Consolidated Balance Sheets
(Dollars in thousands)

	February 28, 2006	August 31, 2005
	-----	-----
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$10,979	\$10,356
Accounts receivable, net	147,657	131,185
Inventories, net	141,543	135,960
Deferred income taxes	14,803	14,974
Other current assets	7,957	6,838
	-----	-----
Total current assets	322,939	299,313
Property, plant and equipment, net	83,652	83,879
Goodwill	431,149	428,285
Other intangible assets, net	168,763	175,001
Other long-term assets	11,831	9,857
	-----	-----
Total assets	\$1,018,334	\$996,335
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term borrowings	\$2,532	\$21
Trade accounts payable	90,812	89,506
Accrued compensation and benefits	31,483	32,663
Income taxes payable	16,645	15,049
Current maturities of long-term debt	131	136
Other current liabilities	45,596	51,360
	-----	-----
Total current liabilities	187,199	188,735
Long-term debt, less current maturities	425,031	442,661
Deferred income taxes	59,982	58,783
Pension and postretirement benefit accruals	40,795	41,192
Other long-term liabilities	18,310	20,131
Shareholders' equity		
Capital stock	5,436	5,410
Additional paid-in capital	(364,259)	(370,875)
Accumulated other comprehensive income (loss)	(25,022)	(20,282)
Restricted stock awards	(1,736)	(1,452)
Stock held in trust	(1,362)	(1,166)
Deferred compensation liability	1,362	1,166
Retained earnings	672,598	632,032
	-----	-----
Total shareholders' equity	287,017	244,833
	-----	-----
Total liabilities and shareholders' equity	\$1,018,334	\$996,335
	=====	=====

Actuant Corporation
Condensed Consolidated Statements of Earnings
(Dollars in thousands except per share amounts)

	Three Months Ended February 28,		Six Months Ended February 28,	
	2006	2005	2006	2005
	(Unaudited)		(Unaudited)	
Net sales	\$276,019	\$235,267	\$559,895	\$434,944
Cost of products sold	184,958	160,877	369,356	296,753
Gross profit	91,061	74,390	190,539	138,191
Selling, administrative and engineering expenses	54,433	46,177	113,915	82,977
Amortization of intangible assets	1,774	1,275	3,559	1,866
Operating profit	34,854	26,938	73,065	53,348
Financing costs, net	6,084	3,907	12,151	5,845
Other (income) expense, net	325	40	1,023	(1,179)
Earnings from operations before income tax expense and minority interest	28,445	22,991	59,891	48,682
Income tax expense	9,159	8,022	19,379	16,828
Minority interest, net of income taxes	(12)	(229)	(54)	(285)
Net earnings	\$19,298	\$15,198	\$40,566	\$32,139
Earnings per share				
Basic	\$0.71	\$0.58	\$1.50	\$1.29
Diluted	0.63	0.52	1.33	1.13
Weighted average common shares outstanding				
Basic	27,084	26,103	27,060	25,003
Diluted	31,568	30,642	31,539	29,516

Actuant Corporation
Condensed Consolidated Statements of Cash Flows
(Dollars in thousands)

	Three Months Ended February 28,		Six Months Ended February 28,	
	2006	2005	2006	2005
	(Unaudited)		(Unaudited)	
Operating Activities				
Net earnings	\$19,298	\$15,198	\$40,566	\$32,139
Adjustments to reconcile net earnings to net cash used in operating activities:				
Depreciation and amortization	6,721	5,699	13,242	9,797
Amortization of debt discount and debt issuance costs	361	332	721	577
Stock-based compensation expense	1,103	1,025	2,172	1,940
Provision for deferred income taxes	446	(1,036)	503	(791)
Gain on disposal of assets	136	(117)	70	(296)
Changes in operating assets and liabilities, excluding the effects of the business acquisition:				
Accounts receivable	4,531	3,790	(16,651)	(7,244)

(Decrease) increase in accounts receivable securitization program	(2,294)	19,280	442	19,280
Inventories	432	(4,711)	(5,313)	(10,038)
Prepaid expenses and other assets	(46)	(1,049)	(1,230)	2,736
Trade accounts payable	(4,194)	(2,362)	2,513	(4,302)
Income taxes payable	(3,843)	645	1,650	2,472
Reimbursement of tax refund to former subsidiary	-	-	-	(15,837)
Other accrued liabilities	(8,673)	(3,053)	(3,684)	(6,494)
Net cash from operating activities	13,978	33,641	35,001	23,939
Investing Activities				
Proceeds from sale of property, plant and equipment	-	2,482	115	2,839
Capital expenditures	(4,824)	(4,764)	(9,899)	(7,947)
Cash paid for business acquisitions, net of cash acquired	(9,337)	(278,195)	(9,337)	(287,147)
Net cash used in investing activities	(14,161)	(280,477)	(19,121)	(292,255)
Financing Activities				
Net borrowings (repayments) on revolving credit facilities and short-term borrowings	2,018	(53,769)	(15,085)	(36,144)
Proceeds from issuance of term loans	-	250,000	-	250,000
Principal payments on term loans	-	(2,127)	-	(2,218)
Retirement of KCI 10.5% Bonds	-	(82,800)	-	(82,800)
Debt issuance costs	-	(2,300)	-	(2,300)
Net proceeds from Class A common stock offering	-	134,360	-	134,360
Cash dividend	-	-	(2,165)	-
Tax benefit from stock-based compensation	472	165	660	3,548
Stock option exercises and other	1,049	323	1,477	1,556
Net cash provided by (used in) financing activities	3,539	243,852	(15,113)	266,002
Effect of exchange rate changes on cash	153	(35)	(144)	350
Net increase (decrease) in cash and cash equivalents	3,509	(3,019)	623	(1,964)
Cash and cash equivalents - beginning of period	7,470	7,088	10,356	6,033
Cash and cash equivalents - end of period	\$10,979	\$4,069	\$10,979	\$4,069

ACTUANT CORPORATION

SUPPLEMENTAL UNAUDITED DATA
(Dollars in thousands)

	FISCAL 2005				
	Q1	Q2	Q3	Q4	TOTAL
SALES					
TOOLS & SUPPLIES SEGMENT	\$112,537	\$138,546	\$158,211	\$174,250	\$583,544
ENGINEERED SOLUTIONS SEGMENT	87,140	96,721	113,522	95,139	392,522
TOTAL	\$199,677	\$235,267	\$271,733	\$269,389	\$976,066

% SALES GROWTH

TOOLS & SUPPLIES SEGMENT	16.8%	33.8%	43.9%	63.9%	40.2%
ENGINEERED SOLUTIONS SEGMENT	24.0%	33.5%	31.2%	16.8%	26.3%
TOTAL	19.9%	33.7%	38.3%	43.5%	34.3%

OPERATING PROFIT					
TOOLS & SUPPLIES SEGMENT	\$17,493	\$19,621	\$21,924	\$28,537	\$87,575
ENGINEERED SOLUTIONS SEGMENT	12,080	10,803	16,091	10,792	49,766
CORPORATE / GENERAL	(3,163)	(3,486)	(4,137)	(4,064)	(14,850)
TOTAL	\$26,410	\$26,938	\$33,878	\$35,265	\$122,491

OPERATING PROFIT %					
TOOLS & SUPPLIES SEGMENT	15.5%	14.2%	13.9%	16.4%	15.0%
ENGINEERED SOLUTIONS SEGMENT	13.9%	11.2%	14.2%	11.3%	12.7%
TOTAL (INCLUDING CORPORATE)	13.2%	11.4%	12.5%	13.1%	12.5%

EBITDA					
TOOLS & SUPPLIES SEGMENT	\$19,262	\$22,560	\$25,619	\$31,877	\$99,318
ENGINEERED SOLUTIONS SEGMENT	13,384	13,345	18,143	13,150	58,022
CORPORATE / GENERAL	(919)	(3,308)	(3,871)	(4,186)	(12,284)
TOTAL	\$31,727	\$32,597	\$39,891	\$40,841	\$145,056

EBITDA %					
TOOLS & SUPPLIES SEGMENT	17.1%	16.3%	16.2%	18.3%	17.0%
ENGINEERED SOLUTIONS SEGMENT	15.4%	13.8%	16.0%	13.8%	14.8%
TOTAL (INCLUDING CORPORATE)	15.9%	13.9%	14.7%	15.2%	14.9%

FISCAL 2006

	Q1	Q2	Q3	Q4	TOTAL
SALES					
TOOLS & SUPPLIES SEGMENT	\$181,306	\$174,577			\$355,883
ENGINEERED SOLUTIONS SEGMENT	102,570	101,442			204,012
TOTAL	\$283,876	\$276,019	\$-	\$-	\$559,895

% SALES GROWTH					
TOOLS & SUPPLIES SEGMENT	61.1%	26.0%			41.7%
ENGINEERED SOLUTIONS SEGMENT	17.7%	4.9%			11.0%
TOTAL	42.2%	17.3%			28.7%

OPERATING PROFIT					
TOOLS & SUPPLIES SEGMENT	\$30,416	\$27,355			\$57,771
ENGINEERED SOLUTIONS SEGMENT	11,762	11,131			22,893
CORPORATE / GENERAL	(3,967)	(3,632)			(7,599)
TOTAL	\$38,211	\$34,854	\$-	\$-	\$73,065

OPERATING PROFIT %					
TOOLS & SUPPLIES SEGMENT	16.8%	15.7%			16.2%
ENGINEERED SOLUTIONS SEGMENT	11.5%	11.0%			11.2%
TOTAL (INCLUDING CORPORATE)	13.5%	12.6%			13.0%

EBITDA					
TOOLS & SUPPLIES SEGMENT	\$33,530	\$30,868			\$64,398
ENGINEERED SOLUTIONS					

SEGMENT	14,105	13,968			28,073
CORPORATE / GENERAL	(3,601)	(3,586)			(7,187)
TOTAL	\$44,034	\$41,250	\$-	\$-	\$85,284

EBITDA %					
TOOLS & SUPPLIES					
SEGMENT	18.5%	17.7%			18.1%
ENGINEERED SOLUTIONS					
SEGMENT	13.8%	13.8%			13.8%
TOTAL (INCLUDING					
CORPORATE)	15.5%	14.9%			15.2%

ACTUANT CORPORATION

Reconciliation of GAAP measures to non-GAAP measures

(Dollars in thousands)

FISCAL 2005

	Q1	Q2	Q3	Q4	TOTAL
EBITDA (1)					
NET EARNINGS	\$16,941	\$15,198	\$19,997	\$19,115	\$71,251
FINANCING COSTS, NET	1,938	3,907	4,936	6,146	16,927
INCOME TAX EXPENSE	8,806	8,022	8,744	9,440	35,012
DEPRECIATION & AMORTIZATION	4,098	5,699	6,448	6,176	22,421
MINORITY INTEREST, NET OF					
INCOME TAX	(56)	(229)	(234)	(36)	(555)
EBITDA (NON-GAAP MEASURE)	\$31,727	\$32,597	\$39,891	\$40,841	\$145,056

FISCAL 2006

	Q1	Q2	Q3	Q4	TOTAL
EBITDA (1)					
NET EARNINGS	\$21,268	19,298			\$40,566
FINANCING COSTS, NET	6,067	6,084			12,151
INCOME TAX EXPENSE	10,220	9,159			19,379
DEPRECIATION & AMORTIZATION	6,521	6,721			13,242
MINORITY INTEREST, NET OF					
INCOME TAX	(42)	(12)			(54)
EBITDA (NON-GAAP MEASURE)	\$44,034	\$41,250	\$-	\$-	\$85,284

(1) EBITDA represents net earnings before financing costs, net, income tax expense, depreciation & amortization and minority interest. 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.

CONTACT: Actuant Corporation
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