

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): June 20, 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 June 20, 2006, Actuant Corporation (the "Company") announced its results of operations for the third quarter ended May 31, 2006. A copy of the press release announcing the Company's results for the third quarter ended May 31, 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 June 20, 2006.

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: June 20, 2006

By: /s/ Andrew G. Lampereur

Andrew G. Lampereur
Executive Vice President and
Chief Financial Officer

Actuant Announces Record Third Quarter Sales and Earnings

MILWAUKEE--(BUSINESS WIRE)--June 20, 2006--Actuant Corporation (NYSE:ATU) today announced record sales and earnings for its third quarter ended May 31, 2006. Third quarter fiscal 2006 net earnings and diluted earnings per share ("EPS") were \$26.8 million and \$0.86, respectively, compared to net earnings and EPS of \$20.0 million and \$0.66, respectively, for the third quarter of fiscal 2005. Third quarter 2005 and 2006 EPS includes \$0.02 and \$0.08 per diluted share of favorable tax reserve adjustments, respectively. Excluding these tax adjustments, third quarter EPS increased 22% year-over-year. Net earnings for the nine months ended May 31, 2006 were \$67.4 million, or \$2.19 per diluted share, compared to \$52.1 million, or \$1.79 per diluted share for the comparable prior year period, representing increases of 29% and 22%, respectively.

Third quarter sales increased approximately 17% to \$316.7 million compared to \$271.7 million in the prior year, driven by strong base business growth and revenues from acquired businesses. Excluding foreign currency exchange rate changes and sales from acquired businesses, third quarter sales increased approximately 11% from the comparable prior year period. Sales for the nine-months ended May 31, 2006 were \$876.6 million, approximately 24% higher than the \$706.7 million in the comparable prior year period, reflecting sales volume added through business acquisitions and strong base business growth. Excluding the impact of foreign currency rate changes and sales from acquired businesses, sales increased 7% for the nine-month period.

Net debt at May 31, 2006 was approximately \$460 million (gross debt of \$479 million less approximately \$19 million of cash), compared to \$417 million at the beginning of the quarter. The increase in debt during the quarter was attributable to the \$95 million of borrowings to fund the D.L. Ricci and Precision Sure-Lock acquisitions, partially offset by approximately \$52 million of third quarter cash flow. Availability under the Company's revolving credit facility remained strong at approximately \$171 million as of May 31, 2006.

Third quarter Tools & Supplies segment sales were \$193 million, an approximate 22% increase over fiscal 2005. Excluding foreign currency exchange rate changes and sales from acquired businesses, segment sales increased approximately 10% from the comparable prior year period, driven by continued growth in shipments to the industrial tools and electrical markets. Fiscal 2006 third quarter Engineered Solutions segment sales increased approximately 9% year-over-year to \$124 million. Excluding foreign currency exchange rate changes, Engineered Solutions sales increased 11%, a significant improvement from the -1% year-over-year sales change in the second quarter, driven primarily by the substantial increase in automotive convertible top system sales.

Robert C. Arzbaecher, President and CEO of Actuant, commented, "We are pleased with third quarter results, especially the 11% sales growth (excluding currency and acquisitions) and the \$52 million of cash flow. We continued to see strong demand from a number of our end markets during the quarter, including industrial tools and electrical products, as well as the acceleration in automotive convertible top sales growth. The acquisitions of D.L. Ricci and Precision Sure-Lock in April also added a combined \$5.3 million to third quarter revenues. These two businesses complement our existing industrial tools platforms by providing us new products and services that can be combined with our existing offerings to deliver more value to customers."

"Actuant's third quarter operating profit margins improved approximately 100 basis points year-over-year, the combined result of favorable sales and acquisition mix, increased fixed cost absorption, cost reductions and increased low cost country sourcing. While we were pleased with these improvements, certain of our businesses are not meeting our margin expectations. This includes automotive due to start-up inefficiencies, European electrical due to a high cost structure, and recreational vehicle due to current industry shipment levels. In addition, a number of businesses experienced sharp increases in the cost of commodities such as electrical steel, plastic resins and copper during the quarter. While we are working hard to manage all of these issues, we expect them to reduce the year-over-year margin growth in the fourth quarter and into 2007."

"We made progress during the quarter on restructuring plans for the European electrical business, and expect to begin a multi-faceted program in the next quarter to reduce costs and streamline the business, including shifting labor intensive work out of high-cost regions, outsourcing certain functions to third parties, reducing or eliminating low-margin product lines, and consolidating facilities. While the details of all actions have yet to be finalized, we expect the aggregate pre-tax restructuring costs to be in the range of \$17-20 million (approximately \$0.49-0.58 per diluted share), to be recognized starting in the fourth quarter and continuing through the end of fiscal 2007. We anticipate annual pre-tax savings from the restructuring of approximately \$7-8 million when fully completed,

which we expect in the beginning of fiscal 2008."

Arzbaeher concluded, "This brings us to our outlook for the final quarter of fiscal 2006 and our initial view on fiscal 2007. We are expecting fourth quarter results to be similar to those generated in the third quarter (excluding the third quarter tax adjustments), with sales in the range of \$310-320 million and EPS of \$0.73-0.78 per share, excluding European electrical restructuring costs. Fourth quarter year-over-year sales and EPS growth are forecasted to be in the 15-19% and 16-24% ranges, respectively. Based on these estimates, our fiscal 2006 full year outlook for sales is \$1.187-1.196 billion and EPS is \$2.92-2.97, again excluding European electrical restructuring costs. Based on an assessment of our markets and the broader economy, as well as a full year's benefit of this year's acquisitions, we anticipate continued sales and EPS growth in 2007. We anticipate fiscal 2007 sales in the range of \$1.29-1.31 billion and EPS of \$3.15-3.35 per diluted share, excluding European electrical restructuring costs and future acquisitions. We are optimistic about Actuant's future and believe the ongoing execution of our business model will continue to reward shareholders."

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, 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, June 20, 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 more than 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)

	May 31, 2006	August 31, 2005
	-----	-----
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$19,212	\$10,356
Accounts receivable, net	164,835	131,185
Inventories, net	151,571	135,960
Deferred income taxes	15,428	14,974
Other current assets	8,830	6,838
	-----	-----
Total current assets	359,876	299,313
Property, plant and equipment, net	95,595	83,879
Goodwill	491,886	428,285
Other intangible assets, net	203,802	175,001
Other long-term assets	13,114	9,857
	-----	-----
Total assets	\$1,164,273	\$996,335
	=====	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities		
Short-term borrowings	\$66	\$21
Trade accounts payable	113,502	89,506
Accrued compensation and benefits	41,436	32,663
Income taxes payable	19,111	15,049
Current maturities of long-term debt	9,523	136
Other current liabilities	50,658	51,360
	-----	-----
Total current liabilities	234,296	188,735
Long-term debt, less current maturities	469,649	442,661
Deferred income taxes	68,009	58,783
Pension and postretirement benefit accruals	42,344	41,192
Other long-term liabilities	17,305	20,131
Shareholders' equity		
Capital stock	5,456	5,410
Additional paid-in capital	(359,299)	(370,875)
Accumulated other comprehensive income (loss)	(10,173)	(20,282)
Restricted stock awards	(2,699)	(1,452)
Stock held in trust	(1,314)	(1,166)
Deferred compensation liability	1,314	1,166
Retained earnings	699,385	632,032
	-----	-----
Total shareholders' equity	332,670	244,833
	-----	-----
Total liabilities and shareholders' equity	\$1,164,273	\$996,335
	=====	=====

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

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2006	2005	2006	2005
	(Unaudited)		(Unaudited)	
Net sales	\$316,662	\$271,733	\$876,557	\$706,677
Cost of products sold	210,767	185,071	580,123	481,824
	-----	-----	-----	-----
Gross profit	105,895	86,662	296,434	224,853
Selling, administrative and engineering expenses	61,171	51,174	175,086	134,151
Amortization of intangible assets	1,884	1,610	5,443	3,476
	-----	-----	-----	-----
Operating profit	42,840	33,878	115,905	87,226
Financing costs, net	6,785	4,936	18,936	10,781
Other (income) expense, net	659	435	1,682	(744)
	-----	-----	-----	-----
Earnings from operations before income tax expense and minority interest	35,396	28,507	95,287	77,189
Income tax expense	8,636	8,744	28,015	25,572
Minority interest, net of income taxes	(27)	(234)	(81)	(519)
	-----	-----	-----	-----
Net earnings	\$26,787	\$19,997	\$67,353	\$52,136
	=====	=====	=====	=====
Earnings per share				
Basic	\$0.99	\$0.74	\$2.49	\$2.03
Diluted	0.86	0.66	2.19	1.79

Weighted average common shares outstanding				
Basic	27,150	26,956	27,091	25,663
Diluted	31,717	31,438	31,591	30,165

Actuant Corporation
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2006	2005	2006	2005
Operating Activities				
Net earnings	\$26,787	\$19,997	\$67,353	\$52,136
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation and amortization	6,681	6,448	19,923	16,245
Amortization of debt discount and debt issuance costs	368	359	1,089	936
Stock-based compensation expense	1,476	1,228	3,648	3,168
Provision for deferred income taxes	(1,305)	316	(802)	(475)
Loss/(gain) on disposal of assets	(345)	145	(275)	(151)
Changes in operating assets and liabilities, excluding the effects of the business acquisitions:				
Accounts receivable	(5,724)	(4,509)	(22,375)	(11,753)
Increase in AR securitization program	3,808	1,790	4,250	21,070
Inventories	(2,885)	4,525	(8,198)	(5,513)
Prepaid expenses and other assets	(497)	349	(1,727)	3,085
Trade accounts payable	15,509	4,304	18,022	(1,548)
Income taxes payable	4,181	(3,321)	5,831	(448)
Reimbursement of tax refund to former subsidiary	-	-	-	(15,837)
Other accrued liabilities	6,822	(2,395)	3,138	(8,889)
Net cash provided by operating activities	54,876	29,236	89,877	52,026
Investing Activities				
Proceeds from sale of property, plant and equipment	474	-	589	2,839
Capital expenditures	(5,566)	(3,558)	(15,465)	(11,505)
Cash paid for business acquisitions, net of cash acquired	(95,539)	(94,808)	(104,876)	(381,955)
Net cash used in investing activities	(100,631)	(98,366)	(119,752)	(390,621)
Financing Activities				
Net borrowings (repayments) on revolving credit facilities and short-term borrowings	51,566	72,077	36,481	17,881
Proceeds from issuance of term loans	-	-	-	250,000
Proceeds from euro-denominated acquisition loan	-	-	-	19,602
Principal payments on term loans	-	(827)	-	(3,045)
Retirement of KCI 10.5% bonds	-	-	-	(82,800)
Debt issuance costs	-	-	-	(2,300)
Net proceeds from Class A common stock offering	-	-	-	134,360
Payment of Cash Dividend	-	-	(2,165)	-
Tax benefit from stock-based				

compensation	1,489	401	2,149	3,548
Stock option exercises and other	514	500	1,991	2,056
Net cash provided by financing activities	53,569	72,151	38,456	339,302
Effect of exchange rate changes on cash	419	(206)	275	144
Net increase in cash and cash equivalents	8,233	2,815	8,856	851
Cash and cash equivalents - beginning of period	10,979	4,069	10,356	6,033
Cash and cash equivalents - end of period	\$19,212	\$6,884	\$19,212	\$6,884

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	\$192,580		\$548,463
ENGINEERED SOLUTIONS SEGMENT	102,570	101,442	124,082		328,094
TOTAL	\$283,876	\$276,019	\$316,662	\$ -	\$876,557

% SALES GROWTH					
TOOLS & SUPPLIES SEGMENT	61.1%	26.0%	21.7%		34.0%
ENGINEERED SOLUTIONS SEGMENT	17.7%	4.9%	9.3%		10.3%
TOTAL	42.2%	17.3%	16.5%		24.0%

OPERATING PROFIT					
TOOLS & SUPPLIES SEGMENT	\$30,416	\$27,355	\$32,479		\$90,250
ENGINEERED SOLUTIONS SEGMENT	11,762	11,131	14,342		37,235
CORPORATE / GENERAL	(3,967)	(3,632)	(3,981)		(11,580)
TOTAL	\$38,211	\$34,854	\$42,840	\$ -	\$115,905

OPERATING PROFIT %					
TOOLS & SUPPLIES SEGMENT	16.8%	15.7%	16.9%		16.5%
ENGINEERED SOLUTIONS SEGMENT	11.5%	11.0%	11.6%		11.3%
TOTAL (INCLUDING CORPORATE)	13.5%	12.6%	13.5%		13.2%

EBITDA					
TOOLS & SUPPLIES SEGMENT	\$33,530	\$30,868	\$35,395		\$99,793
ENGINEERED SOLUTIONS SEGMENT	14,105	13,968	17,348		45,421
CORPORATE / GENERAL	(3,601)	(3,586)	(3,881)		(11,068)
TOTAL	\$44,034	\$41,250	\$48,862	\$ -	\$134,146

EBITDA %					
TOOLS & SUPPLIES SEGMENT	18.5%	17.7%	18.4%		18.2%
ENGINEERED SOLUTIONS SEGMENT	13.8%	13.8%	14.0%		13.8%
TOTAL (INCLUDING CORPORATE)	15.5%	14.9%	15.4%		15.3%

ACTUANT CORPORATION
Reconciliation of GAAP measures to non-GAAP measures
(Dollars in thousands)

FISCAL 2005

	Q1	Q2	Q3	Q4	TOTAL
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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	26,787		\$67,353
FINANCING COSTS,					
NET	6,067	6,084	6,785		18,936
INCOME TAX EXPENSE	10,220	9,159	8,636		28,015
DEPRECIATION &					
AMORTIZATION	6,521	6,721	6,681		19,923
MINORITY INTEREST,					
NET OF INCOME TAX	(42)	(12)	(27)		(81)

EBITDA (NON-GAAP MEASURE)	\$44,034	\$41,250	\$48,862	\$ -	\$134,146
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(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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