SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Mark One
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED MAY 31, 1994

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NO. 1-11288

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

WISCONSIN	39-0168610
(State of incorporation)	(I.R.S. Employer Id. No.)

13000 WEST SILVER SPRING DRIVE
BUTLER, WISCONSIN 53007
MAILING ADDRESS: P. O. BOX 325, MILWAUKEE, WISCONSIN 53201
(Address of principal executive offices) (Zip Code)

(414) 781-6600
(Registrant's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

Number of outstanding shares of Class A Common Stock: 13,121,591 as of June 30, 1994.

The Exhibit Index appears on Page 12.

INDEX

APPLIED POWER INC. AND SUBSIDIARIES

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS
<TABLE>

APPLIED POWER INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF EARNINGS
(In thousands except per share amounts)
(unaudited)

<CAPTION>

	Three Months Ended May 31, 1994	Three Months Ended May 31, 1993	Nine Months Ended May 31, 1994	Nine Months Ended May 31, 1993
<S>	<C>	<C>	<C>	<C>
Net sales	$111,328	$102,453	$316,801	$299,640
Cost of products sold	68,796	62,914	198,004	186,022
Gross profit	42,532	39,539	118,797	113,618
Operating Expenses:				
Engineering	3,726	2,744	9,992	8,202
Selling & administrative	26,612	26,759	79,147	79,989
Total	30,338	29,503	89,139	88,191
Operating profit	12,194	10,036	29,658	25,427
Other expense (income):				
Interest expense	2,959	2,948	8,478	9,591
Amortization of intangible assets	1,235	1,232	3,770	3,666
Other, net	95	48	246	(886)
Earnings before income taxes	7,905	5,808	17,164	13,056
Income tax expense	2,562	1,955	5,596	4,153
Net earnings from continuing operations before cumulative effect of accounting change . . .	5,343	3,853	11,568	8,903
Cumulative effect of accounting change - postretirement benefits	-	-	-	(4,355)
Earnings from continuing operations	5,343	3,853	11,568	4,548
Discontinued operations, net of taxes - (Earnings) loss from operations previously offset against reserve for estimated loss on disposition	-	30	(348)	833
Net earnings	$ 5,343	$ 3,883	$11,220	$ 5,381
Net earnings (loss) per share:				
Continuing operations	$ 0.40	$ 0.29	$ 0.87	$ 0.68
Cumulative effect of accounting change . .	-	-	-	(0.33)
Discontinued operations	-	-	(0.03)	0.06
Net earnings	$ 0.40	$ 0.30	$ 0.85	$ 0.41
Weighted average shares outstanding.	13,375	13,130	13,233	13,097
Cash dividends paid per share	$ 0.03	$ 0.03	$ 0.09	$ 0.09

<FN>

See accompanying Notes to Condensed Consolidated Financial Statements

</TABLE>
<TABLE>

APPLIED POWER INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

<CAPTION>

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	May 31, 1994	August 31, 1993
ASSETS		
Current Assets		
Cash and cash equivalents	$ 2,865	$ 1,320
Net accounts receivable	58,887	49,463
Net inventories	93,680	85,730
Prepaid expenses	15,020	14,743
Net assets held for sale	-	12,035
Total Current Assets	170,452	163,291
Other assets	6,181	8,181
Net property, plant and equipment	67,134	61,988
Goodwill and intangible assets	69,625	72,457
Total Assets	$313,392	$305,917
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 15,250	$ 20,401
Trade accounts payable	29,809	26,176
Accrued compensation and benefits	14,233	12,551
Income taxes payable	6,649	6,500
Other current liabilities	23,505	25,454
Current maturities of long-term debt	29,485	10,745
Total Current Liabilities	118,931	101,827
Long-term debt, less current maturities	64,700	86,785
Deferred income taxes	18,171	17,649
Other deferred liabilities	11,475	11,646
Shareholders' Equity		
Class A common stock, $0.20 par value, authorized 40,000 shares, issued and outstanding 13,088 and 13,005 shares, respectively	2,617	2,601
Additional paid-in capital	22,685	21,654
Retained earnings	70,869	60,823
Cumulative translation adjustments	3,944	2,932
Total Shareholders' Equity	100,115	88,010
Total Liabilities and Shareholders' Equity	$313,392	$305,917

<FN>

See accompanying Notes to Condensed Consolidated Financial Statements

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APPLIED POWER INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

<CAPTION>

<S> <C> <C>

	Nine Months Ended May 31, 1994	1993
Operating Activities		
Net earnings from continuing operations	$11,568	$4,548
Adjustments to reconcile net earnings from continuing operations to net cash provided by operating activities:		
Depreciation and amortization	14,733	14,191
Non-cash charge - adoption SFAS 106	-	4,355
Changes in operating assets and liabilities, excluding effect of business acquisitions:		
Net receivables	(8,846)	(5,191)
Net inventories	(7,085)	(8,258)
Prepaid expenses	(270)	(962)
Other assets	1,800	111
Trade accounts payable	3,504	2,501
Income taxes payable	68	1,130
Other liabilities	(947)	(5,488)
Net Cash Provided by Operating Activities	14,525	6,937
Investing Activities		
Proceeds on sale of property, plant and equipment	449	1,441
Acquisition of Palmer Industries	(1,534)	-
Acquisition of Applied Power Korea	(912)	-
Other investing activities	97	775
Net Cash Used in Investing Activities	(10,968)	(5,589)

Financing Activities		
Net short-term borrowings (repayments)	(4,976)	403
Net repayments of long-term debt	(8,801)	(2,731)
Net borrowings of commercial paper	4,969	-
Capital stock transactions	1,047	200
Dividends paid on common stock	(1,174)	(1,168)
Net Cash Used in Financing Activities	(8,935)	(3,296)
Effect of Exchange Rate Changes on Cash	38	(382)
Net Cash Used in Continuing Operations	(5,340)	(2,330)
Discontinued Operation Activities		
Proceeds from sale of Datafile	6,222	-
Other	663	(475)
Net Cash Provided by (Used In) Discontinued Operations	6,885	(475)
Net Increase/(Decrease) in Cash and Cash Equivalents	1,545	(2,805)
Cash and Cash Equivalents at Beginning of Period	1,320	3,447
Cash and Cash Equivalents at End of Period	$2,865	$ 642

<FN>
See accompanying Notes to Condensed Consolidated Financial Statements
</TABLE>

APPLIED POWER INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Applied Power Inc. and Subsidiaries (the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with the instructions of Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For additional information, refer to the consolidated financial statements and footnotes thereto in the Company's 1993 Annual Report.

Operating results for the three and nine months ended May 31, 1993 have been restated to reflect the adoption of Statement of Financial Accounting Standards ("SFAS") No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions", and SFAS No. 109, "Accounting for Income Taxes", both effective September 1, 1992. The condensed consolidated financial statements have also been adjusted to reflect the retention of certain Wright Line operations, as described in Note B - Discontinued Operations.

In the opinion of management, all adjustments considered necessary for a fair presentation have been made. Such adjustments consist of only those of a recurring nature. Operating results for the three and nine months ended May 31, 1994 are not necessarily indicative of the results that may be expected for the fiscal year ending August 31, 1994.

NOTE B - DISCONTINUED OPERATIONS

During the third quarter of fiscal 1992, a formal plan was authorized to offer for sale the Company's Wright Line business ("Wright Line").

On October 8, 1993, the Company completed the sale of Wright Line's Datafile business for approximately $6,222 of cash, plus future compensation. Proceeds from this transaction were used to reduce debt. Also during the first quarter of fiscal 1994, an agreement was reached to sell the real estate (the "Worcester Real Estate") at Wright Line's headquarters and manufacturing operations in Worcester, Massachusetts.

During the second quarter of fiscal 1994, the Company announced its decision to return the remainder of the Wright Line business to continuing operations. The retained business, whose sales are primarily in North America, has refocused its business strategy on technical furniture solutions for the information technology environment. The introduction of the new Local Area Network Management System in early 1993, and the benefits of restructuring in 1993 have contributed to Wright Line's improved operating performance. The retained Wright Line business' net assets and results of operations for all periods have been reclassified from discontinued operations to continuing operations in the accompanying financial statements.

The contract to sell the Worcester Real Estate was terminated in the third quarter, as it was determined that the sale would not be in the best interest of the Company. The Company intends to retain the Worcester Real Estate, and accordingly, has reclassified it from Net assets held for sale to Net property, plant and equipment.

The following represents the impact of the retained Wright Line operations on reported results:

<TABLE>
<CAPTION>

	Three Months Ended May 31,	Nine Months Ended May 31,

<S>	1994 <C>	1993 <C>	1994 <C>	1993 <C>
Sales				
Sales from continuing operations excluding Wright Line	$99,776	$92,577	$281,339	$270,705
Sales from retained Wright Line operations .	11,552	9,876	35,462	28,935
Adjusted sales from continuing operations. .	$111,328	$102,453	$316,801	$299,640

Earnings	Three Months Ended May 31, 1994	1993	Nine Months Ended May 31, 1994	1993
Net income from continuing operations before cumulative effect of accounting change, excluding Wright Line.	$4,592	$3,883	$10,044	$9,736
Net income (loss) from retained Wright Line operations	751	(30)	1,524	(833)
Adjusted net income from continuing operations before cumulative effect of accounting change.	$5,343	$3,853	$11,568	$8,903
Earnings Per Share				
Earnings per share from continuing operations before cumulative effect of accounting change, excluding Wright Line.	$ 0.34	$ 0.30	$ 0.76	$ 0.74
Earnings per share from retained Wright Line operations.	0.06	(0.00)	0.12	(0.06)
Adjusted earnings per share from continuing operations before cumulative effect of accounting change	$ 0.40	$ 0.29	$ 0.87	$ 0.68

</TABLE>

NOTE C - ACQUISITIONS

Effective October 1, 1993, the Company completed the acquisition of certain assets of Palmer Industries, Inc. ("Palmer") for approximately $1,534 in cash and a $350 note. Approximately $490 of the purchase price was assigned to goodwill. Palmer, based in Alexandria, Minnesota, is a leading manufacturer of plastic and metal staples, fasteners and straps. The operating results of Palmer subsequent to October 1, 1993 are included in the Condensed Consolidated Statement of Earnings.

On March 21, 1994, the Company increased its ownership interest in Applied Power Korea to 90%. Cash of $912 was used in the acquisition which generated goodwill of $572. The results of operations of this subsidiary have historically been included in the accompanying condensed consolidated financial statements.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

RESULTS OF OPERATIONS

Net earnings from continuing operations before accounting change for the third quarter of 1994 were $5,343, or $.40 per share, compared to $3,853, or $.29 per share in the comparable prior year period. For the first nine months of 1994, net earnings from continuing operations before accounting change were $11,568, or $.87 per share, compared to $8,903, or $.68 per share, for the comparable period last year. The benefits of prior restructuring at Barry Controls, Wright Line and Power-Packer, coupled with significant sales gains at APITECH, Wright Line, Power-Packer and GB were primary reasons for the improved results.

Third quarter sales of $111,328 were 8.7% higher than that recorded in the comparable prior year period. All units posted year-over-year third quarter sales gains. Sales for the first nine months of 1994 were $316,801, up 5.7% over last year.

The Company's gross profit margins for the three and nine month periods ended May 31, 1994 were slightly lower than comparable prior year periods due to a shift in product mix.

Consistent with its emphasis on technological advancement, the Company has increased engineering expenditures on development projects and prototypes. As a result, engineering expense has increased 22% from the first nine months of last year. The reduction in selling and administrative expenses resulted from cost containment programs and the benefits of restructuring initiatives.

Interest expense for the nine months ended May 31, 1994 declined from the comparable prior year period due to reductions in outstanding indebtedness and lower market interest rates.

Other - net operating expenses incurred during the first nine months of fiscal 1993 included certain non-recurring gains.

A $4,355 net charge was recorded in the quarter ended November 30, 1992 to reflect the Company's adoption of SFAS No. 106 - "Employers' Accounting for Postretirement Benefits Other Than Pensions".

In the second quarter of fiscal 1994, the Company announced its decision to return the non-divested portion of the Wright Line business to continuing operations. Included under the caption "Discontinued Operations, net of tax" in the Condensed Consolidated Statement of Earnings is (income)/loss generated by the retained Wright Line operations which had previously been charged against the discontinued operations reserve. Refer to Note B - Discontinued Operations in the Notes to Condensed Consolidated Financial Statements for further discussion.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents totalled $2,865 at May 31, 1994 and $1,320 at August 31, 1993. In order to minimize interest expense, the Company intentionally maintains low cash balances and uses available cash to reduce short-term bank borrowings. Funds available under unused credit lines totalled $84,565 as of May 31, 1994.

Cash generated from operations, after considering non-cash items and changes in operating assets and liabilities, totalled $14,525 for the nine month period ended May 31, 1994. Earnings from continuing operations of $11,568, coupled with non-cash charges of $14,733, generated $26,301 of cash during the first nine months of 1994. Increased sales volume and seasonal demands resulted in higher receivable and inventory levels which used $8,846 and $7,085 of cash, respectively.

Cash used in investing activities totalled $10,968 for the first nine months of 1994, of which $9,068 was used for capital expenditures. Cash of $1,534 and $912 was used for the acquisitions of Palmer Industries and Applied Power Korea, respectively.

The Company reduced debt from $117,931 at August 31, 1993 to $109,435 at May 31, 1994, its lowest level since 1989. Dividends of $1,174 were paid during the first nine months of 1994.

The Company's two revolving credit agreements expire in the first quarter of fiscal 1995. Accordingly, all outstanding indebtedness under such agreements, totalling approximately $18,560, has been included in "Current maturities of long-term debt" in the Condensed Consolidated Balance Sheet. The Company anticipates entering into a new facility prior to the expiration of the agreements.

The Company's first installment payment on its Senior Unsecured Notes is due August 15, 1994. This $10,650 cash requirement will be funded by operating cash flow and funds available under other credit facilities.

The Company generated $6,885 of cash from discontinued operations in the current year, of which $6,222 was received in conjunction with the sale of Datafile.

In the fourth quarter of fiscal 1993, the Company recorded a $6,700 ($.33 per share) pre-tax charge, primarily related to consolidating certain manufacturing, distribution and administrative functions at its European operations as well as idle facility costs at Barry Controls.

Approximately $3,194 of such costs had been incurred as of May 31, 1994. The majority of the remaining $3,506 will be incurred during the next six months on severance and consolidation expenditures.

The Company anticipates that funds generated from operations and available under credit facilities will be adequate to meet anticipated operating, restructuring, debt service and capital expenditure requirements for the foreseeable future.

ACCOUNTING PRONOUNCEMENTS

In December 1992, the Financial Accounting Standards Board issued Statement No. 112, "Employers' Accounting for Postemployment Benefits", which requires accrual of postemployment benefits during the years an employee provides services. Management has determined that the adoption of this pronouncement will not have a material impact on the Company's financial position and results of operations.

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) See Index to Exhibits on page 12, which is incorporated herein by reference.

(b) There were no reports on Form 8-K filed during the three months ended May 31, 1994 or thereafter through the date of this report.

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 15, 1994   By: /s/ David L. Harbert

David L. Harbert
Senior Vice President and Chief
Financial Officer
(Principal Financial Officer)

INDEX TO EXHIBITS

<TABLE>
EXHIBIT 11

APPLIED POWER INC. AND SUBSIDIARIES
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)
<CAPTION>

	Three Months Ended May 31,		Nine Months Endeed May 31,	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
PRIMARY:				
Average shares outstanding	13,075	12,980	13,034	12,971
Net effect of dilutive options based on the treasury stock method using average market price	300	150	199	126
Total	13,375	13,130	13,233	13,097
Net earnings (loss):				
Earnings from continuing operations before cumulative effect of accounting change	$ 5,343	$ 3,853	$ 11,568	$ 8,903
Cumulative effect of accounting change .	-	-	-	(4,355)
Discontinued operations	-	30	(348)	833
Net earnings	$ 5,343	$ 3,883	$ 11,220	$ 5,381
Primary earnings (loss) per share:				
Earnings from continuing operations before cumulative effect of accounting change	$ 0.40	$ 0.29	$ 0.87	$ 0.68
Cumulative effect of accounting change .	-	-	-	(0.33)
Discontinued operations	-	-	(0.03)	0.06
Total	$ 0.40	$ 0.30	$ 0.85	$ 0.41
FULLY DILUTED: (A)				
Average shares outstanding	13,075	12,980	13,034	12,971
Net effect of dilutive options based on the treasury stock method using average market price	300	156	269	129
Total	13,375	13,136	13,303	13,100
Net earnings (loss):				
Earnings from continuing operations before cumulative effect of accounting change	$ 5,343	$ 3,853	$ 11,568	$ 8,903
Cumulative effect of accounting change .	-	-	-	(4,355)
Discontinued operations	-	30	(348)	833
Net earnings	$ 5,343	$ 3,883	$ 11,220	$ 5,381
Fully diluted earnings (loss) per share:				
Earnings from continuing operations before cumulative effect of accounting change	$ 0.40	$ 0.29	$ 0.87	$ 0.68
Cumulative effect of accounting change .	-	-	-	(0.33)
Discontinued operations	-	-	(0.03)	0.06
Total	$ 0.40	$ 0.30	$ 0.84	$ 0.41

<FN>
</TABLE>