UNITED STATES
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 FEBRUARY 28, 1995

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: 13,306,880 as of March 31, 1995.

The Index to Exhibits appears on Page 13.

APPLIED POWER INC.

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PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

APPLIED POWER INC.
CONDENSED CONSOLIDATED STATEMENT OF EARNINGS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

<TABLE>
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	Three Months Ended February 28,		Six Months Ended February 28,	
	1995	1994	1995	1994
<S>	<C>	<C>	<C>	<C>
Net Sales	$124,501	$101,869	$250,300	$205,473
Cost of Products Sold	77,209	64,196	154,836	129,208
Gross Profit	47,292	37,673	95,464	76,265
Engineering, Selling and Administrative Expenses	35,128	28,692	70,821	58,801
Operating Earnings from Continuing Operations	12,164	8,981	24,643	17,464
Other Expense (Income)				
Net interest expense	2,916	2,681	5,654	5,519
Amortization of intangible assets	884	1,280	2,045	2,535
Other - net	1,213	90	1,414	151
Earnings from Continuing Operations Before Income Tax Expense	7,151	4,930	15,530	9,259
Income Tax Expense	2,513	1,633	5,451	3,034
Earnings from Continuing Operations	4,638	3,297	10,079	6,225
Discontinued Operations, net of income taxes				
Earnings from operations previously credited to reserve for estimated loss on disposition	-	-	-	(348)
Extraordinary Loss from Early Extinguishment of Debt, net of income taxes of $2,423	(4,920)	-	(4,920)	-
Net Earnings (Loss)	$ (282)	$ 3,297	$ 5,159	$ 5,877
Earnings (Loss) Per Share				
Continuing Operations	$ 0.34	$ 0.25	$ 0.74	$ 0.47
Discontinued Operations	-	-	-	(0.03)
Extraordinary Loss	(0.36)	-	(0.36)	-
Net Earnings (Loss) Per Share	$ (0.02)	$ 0.25	$ 0.38	$ 0.45
Weighted Average Shares Outstanding (In Thousands)	13,662	13,169	13,642	13,154
Cash dividends paid per share	$ 0.03	$ 0.03	$ 0.06	$ 0.06

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNT)

<TABLE>
<CAPTION>

	February 28, 1995	August 31, 1994
	(Unaudited)	
ASSETS		
<S>	<C>	<C>
Current Assets		
Cash and cash equivalents	$ 1,159	$ 1,907
Net accounts receivable	65,606	64,259
Net inventories	98,626	94,949
Prepaid expenses	12,706	13,694
Total Current Assets	178,097	174,809
Other Assets	6,466	6,390
Goodwill	55,941	56,708
Other Intangibles	10,923	11,750
Net Property, Plant and Equipment	66,093	67,745
Total Assets	$ 317,520	$ 317,402
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 17,490	$ 14,707
Trade accounts payable	33,466	35,219
Accrued compensation and benefits	14,499	16,335
Income taxes payable	5,836	8,190
Current maturities of long-term debt	41,231	10,792
Other current liabilities	20,231	16,722
Total Current Liabilities	132,753	101,965
Long-Term Debt, less current maturities	40,350	77,956
Deferred Income Taxes	15,697	16,768
Other Deferred Liabilities	14,482	13,402
Shareholders' Equity		
Common stock, $.20 par value, authorized 40,000,000 shares, issued and outstanding 13,278,780 and 13,152,454 shares, respectively	2,683	2,630
Additional paid-in capital	25,513	23,648
Retained earnings	80,165	75,802
Cumulative translation adjustments	5,877	5,231
Total Shareholders' Equity	114,238	107,311
Total Liabilities and Shareholders' Equity	$ 317,520	$ 317,402

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

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

<TABLE>
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	Six Months Ended February 28,	
	1995	1994
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net Earnings	$ 5,159	$ 5,877
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Non-cash charge - Extraordinary loss on debt extinguishment	4,920	-
Depreciation and amortization	9,409	9,825
Provision for deferred taxes	(1,071)	(1,331)
Changes in operating assets and liabilities, excluding the effects of business acquisitions and disposals:		
Accounts receivable	(5,564)	(7,015)

Inventories	(3,554)	(3,892)
Prepaid expenses and other assets	119	693
Trade accounts payable	(1,946)	2,729
Other liabilities	(1,781)	(4,121)
Income taxes payable	(2,434)	(1,555)
Net Cash Provided by Operating Activities	3,257	1,210
INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	51	892
Additions to property, plant and equipment	(5,761)	(6,071)
Cash used for business acquisitions	(699)	(1,534)
Other	158	3
Net Cash Used in Investing Activities	(6,251)	(6,710)
FINANCING ACTIVITIES		
Net repayments of long-term debt	(650)	(8,266)
Net borrowings under short-term credit facilities	3,738	1,572
Net commercial paper (repayments) borrowings	(7,038)	4,781
Addition to accounts receivable financed	5,000	-
Dividends paid on common stock	(796)	(782)
Exercise of stock options	1,918	316
Net Cash Provided by (Used in) Financing Activities	2,172	(2,379)
Effect of Exchange Rate Changes on Cash	74	6
Net Cash Used in Continuing Operations	(748)	(7,873)
DISCONTINUED OPERATIONS ACTIVITIES		
Proceeds from sale of Datafile	-	6,222
Other	-	1,011
Net Cash Provided by Discontinued Operations	-	7,233
Net Decrease in Cash and Cash Equivalents	(748)	(640)
Cash and Cash Equivalents - Beginning of Period	1,907	1,320
Cash and Cash Equivalents - End of Period	$ 1,159	$ 680

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

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

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Applied Power Inc. (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 1994 Annual Report on Form 10-K.

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, other than the extraordinary charge discussed in Note D - "Extraordinary Charge" and the foreign currency exchange loss discussed in Note E - "Foreign Currency Exchange Loss". Operating results for the three and six months ended February 28, 1995 are not necessarily indicative of the results that may be expected for the fiscal year ending August 31, 1995.

NOTE B - DISCONTINUED OPERATIONS

The Company completed the sale of certain assets of Wright Line's Datafile business in October, 1993. A short time later, Wright Line sold its Tapeseal product line to a third party. In the second quarter of fiscal 1994, the Company announced its decision to retain the remaining Wright Line business, which had been included in discontinued operations since the third quarter of 1992. For further information, refer to Note B - "Discontinued Operations" in Notes to Consolidated Financial Statements in the Company's 1994 Annual Report on Form 10-K.

NOTE C - ACQUISITIONS
On September 2, 1994, the Company acquired the assets of its master distributor in Brazil for $699 in cash (the "Brazil Acquisition"). Approximately $365 of the purchase price was assigned to goodwill. The operating results of the new entity, subsequent to its acquisition, are included in the Condensed Consolidated Statement of Earnings.

On March 21, 1994, the Company increased its ownership interest in Applied Power Korea from approximately 50% 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 Condensed Consolidated Statement of Earnings.

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.

NOTE D - EXTRAORDINARY CHARGE
During the quarter ended February 28, 1995, the Company recorded an extraordinary loss of $4,920 ($.36 per share) in anticipation of the March 30, 1995 extinguishment of $64,350 of 9.92% Senior Unsecured Notes. The pre-tax extraordinary loss of $7,343 is comprised of a make whole provision of $4,050, costs associated with the cancellation of underlying interest rate swap agreements of $3,047, and the write-off of deferred finance costs of $246.

The funds used to retire the debt and pay the make whole obligation were obtained from new borrowings under a temporary $40,000 expansion of an existing revolving credit facility. The new borrowings are subject to the same terms, rates and covenants as the existing $40,000 multicurrency revolver, except that the new $40,000 credit expansion expires August 31, 1995. In conjunction with the refinancing, the Company entered into interest rate caps on a notional $60,000 in borrowings that limits the maximum applicable base rate (three month LIBOR) to 8.0%. Currently the Company incurs interest at .3% - .45% above three month LIBOR. The interest rate caps expire in March, 1997. The Company anticipates securing permanent financing prior to the end of the current fiscal year, August 31, 1995.

NOTE E - FOREIGN CURRENCY EXCHANGE LOSS
Earnings from continuing operations for the three and six months ended February 28, 1995 include a $1.3 million foreign currency exchange loss ($.06 per share, after tax) for the recent devaluation of the Mexican peso. Applied Power S.A. de C.V., the Company's Mexican subsidiary, had certain U.S. dollar denominated liabilities which were impacted by the devaluation. During the second quarter, the Company restructured various financial obligations of its Mexican subsidiary to reduce the earnings impact of any potential further devaluation of the peso.

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

RESULTS OF OPERATIONS
Earnings from continuing operations before extraordinary charges for the second quarter of fiscal 1995 were $4,638, or $.34 per share, compared to $3,297, or $.25 per share recorded in the comparable prior year period. For the first six months of fiscal 1995, earnings from continuing operations before extraordinary charges were $10,079, or $.74 per share, a 62% improvement over comparable prior year earnings of $6,225, or $.47 per share. Excluding a $.06 per share foreign exchange loss related to the devaluation of the Mexican peso (discussed below), net earnings before extraordinary charges for the three and six months ended February 28, 1995 were $5,503 ($.40 per share) and $10,944 ($.80 per share).

<TABLE>
<CAPTION>

SALES BY SEGMENT	Three Months Ended	Six Months Ended

	February 28,			February 28,		
	1995	1994	CHANGE	1995	1994	CHANGE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Distributed Products Group	$ 62,112	$ 52,696	18%	$124,852	$106,285	17%
Engineered Solutions Group	46,570	37,770	23%	92,277	75,278	23%
Wright Line	15,819	11,403	39%	33,171	23,910	39%
Total	$124,501	$101,869	22%	$250,300	$205,473	22%

</TABLE>

All of the Company's businesses reported sales increases over the prior year for the three and six month periods ended February 28, 1995. Sales from the Distributed Products Group, which consists of Enerpac and GB Electrical, increased 18% and 17% for the three and six month periods ended February 28, 1995, respectively, 4% of which was the result of favorable foreign currency translation due to the weaker U.S. dollar. The sales increases resulted from improving worldwide economies, new product introductions, the impact of the Brazil Acquisition, and continued geographic expansion into developing markets.

The Engineered Solutions Group, consisting of Barry Controls, Power-Packer and APITECH, reported second quarter and year-to-date sales gains of 23% over the comparable prior year, 4% of which was attributable to favorable foreign currency translation. Strong European cab-tilt and convertible top system sales by Power-Packer, as well as overall improvement in the North American and European transportation and industrial markets were the key contributors.

Wright Line's 39% sales growth was primarily due to the strength of its product offering and distribution effectiveness into the fast growing local area computer network market with its LAN Management System. Also contributing to the increase were new products introduced in the last twelve months, including the Addendum laboratory furniture and Multimedia product lines.

<TABLE>
<CAPTION>

GROSS PROFIT BY SEGMENT	Three Months Ended			Six Months Ended		
	February 28,			February 28,		
	1995	1994	CHANGE	1995	1994	CHANGE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Distributed Products Group	$ 26,287	$ 22,802	15%	$ 52,726	$ 46,461	13%
Engineered Solutions Group	13,084	10,487	25%	26,284	20,677	27%
Wright Line	7,921	4,384	81%	16,454	9,127	80%
Total	$ 47,292	$ 37,673	26%	$ 95,464	$ 76,265	25%

</TABLE>

The Company's second quarter and year-to-date gross profit increased 26% and 25%, respectively over the comparable prior year periods, primarily attributable to increased sales volume. Favorable manufacturing efficiencies, volume, and product mix at Wright Line and within the Engineered Solutions Group were partially offset by the impact of unfavorable product mix within the Distributed Products Group businesses. The overall impact is an increase in the Company's six month gross profit percentage from 37.1% to 38.1%.

<TABLE>
<CAPTION>

OPERATING EXPENSES	Three Months Ended			Six Months Ended		
	February 28,			February 28,		
	1995	1994	CHANGE	1995	1994	CHANGE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Engineering	$ 3,883	$ 3,181	22%	$ 7,605	$ 6,266	21%
Selling & Marketing	20,677	16,971	22%	41,996	35,117	20%
Administration	10,568	8,540	24%	21,220	17,418	22%
Total	$ 35,128	$ 28,692	22%	$ 70,821	$ 58,801	20%

</TABLE>

Second quarter and year-to-date operating expenses were 22% and 20% higher than that reported in the comparable prior year periods, respectively. Approximately $751 and $1,493 of the three and six months increases, respectively, were attributable to favorable foreign currency translation. Engineering expenses increased 22%, reflecting higher new product development expenditures, mostly within the Engineered Solutions Group. The increase in selling and marketing expense was primarily sales volume driven, consisting of incremental commissions, advertising and general selling costs. Administration expense increased due to additional employee benefit, legal, information technology and geographic expansion expenditures. Operating expenses have remained at approximately 28% of sales during the periods presented.

Interest expense for the three and six months ended February 28, 1995 increased over comparable prior year periods due primarily to higher market interest rates.

Amortization expense for the quarter and six months ended February 28, 1995 was $396 and $490 lower than that reported in comparable prior year periods, respectively, due to certain GB Electrical intangible assets becoming fully amortized during the second quarter.

Included under other operating expense - net for both the three and six months ended February 28, 1995, is a $1,331 loss attributable to the recent Mexican peso devaluation. The Company's Mexican subsidiary had certain U.S. dollar denominated liabilities which were impacted by the devaluation. During the second quarter, the Company restructured various financial obligations of its Mexican subsidiary to reduce the earnings impact of any potential further devaluation of the peso.

Included under the caption "Discontinued Operations, net of income taxes" in the Condensed Consolidated Statement of Earnings for the six months ended February 28, 1994 are the earnings of the retained Wright Line operations, which had previously been credited to the discontinued operations reserve. For further information, see Note B - "Discontinued Operations" in Notes to Condensed Consolidated Financial Statements.

The Company recorded an extraordinary loss of $4,920 ($.36 per share) in February, 1995 in anticipation of the March 30, 1995 extinguishment of $64,350 of 9.92% Senior Unsecured Notes. The pre-tax extraordinary loss of $7,343 is comprised of a make whole provision of $4,050, costs associated with the cancellation of underlying interest rate swap agreements of $3,047, and the write-off of deferred finance costs of $246. The refinancing will provide the Company more flexibility as to prepayment and geographic placement of debt, as well as lower interest costs. At February 28, 1995 interest rates and debt levels, the refinancing would benefit the Company's earnings per share by approximately $.12 per year. For further information, refer to Liquidity and Capital Resources below.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents totaled $1,159 at February 28, 1995 and $1,907 at August 31, 1994. In order to minimize interest expense, the Company intentionally maintains low cash balances by using available cash to reduce short-term bank borrowings.

Cash generated from operations, after considering non-cash items and changes in operating assets and liabilities, totaled $3,257 for the six months ended February 28, 1995, compared to $1,210 for the comparable prior year period. Higher earnings from continuing operations accounted for the majority of the year-over-year operating cash flow increase.

Cash used in investing activities totaled $6,251 for the first six months of 1995, of which $5,761 was used for capital expenditures, and $699 for the Brazil Acquisition.

<TABLE>
<CAPTION>

TOTAL CAPITALIZATION	February 28, 1995		August 31, 1994	
<S>	<C>	<C>	<C>	<C>
Shareholders' Equity	$ 114,238	50%	$ 107,311	47%
Total Debt	99,071	43%	103,455	45%
Deferred Taxes	15,697	7%	16,768	8%
Total	$ 229,006	100%	$ 227,534	100%

</TABLE>

During the six months ended February 28, 1995, outstanding debt decreased by $4,384, due in part to cash generated from the sale of an additional $5,000 of accounts receivable under the Company's accounts receivable financing program. Debt as a percentage of total capitalization was 43% at February 28, 1995, compared to 45% at August 31, 1994. Dividends of $796 were paid, while the exercise of stock options generated $1,918 of cash.

The Company extinguished all $64,350 of its 9.92% Senior Unsecured Notes on March 30, 1995. The funds used to retire the $64,350 principal amount of debt and disburse make whole payments totaling approximately $4,050, were obtained from new borrowings under a temporary $40,000 expansion of the Company's existing $40,000 multicurrency revolving credit agreement. The new borrowings are subject to the same terms, rates and covenants as the existing $40,000 multicurrency revolver, except that the new $40,000 credit expansion expires August 31, 1995. In conjunction with the refinancing, the Company entered into interest rate caps on a notional $60,000 in borrowings that limits the maximum applicable base rate (three month LIBOR) to 8.0%. Currently the Company incurs interest at .3% - .45% above three month LIBOR. The interest rate caps expire in March, 1997. The Company expects to replace this temporary variable rate financing with a permanent variable rate facility prior to August 31, 1995.

Actual outstanding borrowings under long-term facilities at February 28, 1995 totaled $16,881. The $64,350 of 9.92% Senior Unsecured Notes outstanding at that date were reclassified to "Current maturities of long-term debt" in the Condensed Consolidated Balance Sheet due to the anticipated March 30, 1995 refinancing, with the exception of $23,119 which remained in long-term debt due to the ability to refinance this amount on a long-term basis under the existing $40,000 facility.

In the fourth quarter of fiscal 1993, the Company recorded a $4,355 ($.38 per share) net restructuring charge. Substantially all of such costs had been incurred as of February 28, 1995.

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

PART II - OTHER INFORMATION

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Annual Meeting of Shareholders was held on January 9, 1995. The only matter voted on by shareholders at the meeting was the election of directors. Each director nominee was elected. The number of votes for each nominee is set forth below:

<TABLE>
<CAPTION>

	Votes For	Votes Withheld
<S>	<C>	<C>
Jack L. Heckel	10,960,671 shares	226,124 shares
Richard M. Jones	10,960,018 shares	226,777 shares
Richard A. Kashnow	10,960,671 shares	226,124 shares
L. Dennis Kozlowski	10,954,084 shares	232,711 shares
Richard G. Sim	10,934,731 shares	252,064 shares
Raymond S. Troubh	10,960,211 shares	226,584 shares

</TABLE>

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) See Index to Exhibits on page 13, which is incorporated herein by reference.

(b) While the Company did not file a Current Report on Form 8-K for the quarter ended February 28, 1995, the Company filed a Current Report on Form 8-K dated March 3, 1995, announcing the refinancing of all $64 million of its 9.92% Senior Unsecured Notes on March 30, 1995, and the recognition of a foreign currency exchange loss due to the recent devaluation of the Mexican peso.

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: April 13, 1995

By: /s/Robert C. Arzbaecher

Robert C. Arzbaecher
Vice President and
Chief Financial Officer
(Principal Financial Officer
and duly authorized to sign
on behalf of the registrant)

APPLIED POWER INC.

INDEX TO EXHIBITS

FISCAL 1995 SECOND QUARTER 10-Q

Exhibit Number	Description	Page No.
4	First Amendment to Revolving Credit Agreement, dated February 28, 1995, between Applied Power Inc., Applied Power Finance S.A., and Bank of America Illinois (f/k/a Continental Bank), ABN AMRO Bank N.V. and PNC Bank, National Association (as Lenders) and Bank of America Illinois (as administrative agent for the lenders)	14
11	Computation of Earnings Per Share	19
27	Financial Data Schedule	20

Exhibit 4

FIRST AMENDMENT TO CREDIT AGREEMENT

This First Amendment to Credit Agreement (this "Amendment"), dated as of February 28, 1995 is among APPLIED POWER INC., a Wisconsin corporation (the "Company"), APPLIED POWER FINANCE S.A., a French corporation ("APSA"), BANK OF AMERICA ILLINOIS, ABN AMRO BANK N.V., and PNC BANK, NATIONAL ASSOCIATION, as Lenders and BANK OF AMERICA ILLINOIS (f/k/a Continental Bank), as administrative agent for the Lenders (the "Agent").

W I T N E S S E T H :

WHEREAS, the Company, APSA, the Lenders and the Agent entered into that certain Credit Agreement dated as of August 22, 1994 (the "Original Credit Agreement"); and

WHEREAS, the Company and APSA have requested the Lenders to amend the Original Credit Agreement to increase the Aggregate Commitment;

NOW, THEREFORE, the parties hereto, in consideration of the premises and mutual agreements herein contained, hereby agree as follows:

1. Definitions. Capitalized terms used herein that are defined in the Original Credit Agreement shall have the same meaning when used herein unless otherwise defined herein.

2. Amendments to Original Credit Agreement. From and after the Effective Date (as hereinafter defined), the Original Credit Agreement is hereby amended as follows:

(a) Section 1.1 - "Defined Terms" of the Original Credit Agreement is amended as follows:

(i) The definition of "Agent" is amended in its entirety to read as follows:

Agent means Bank of America Illinois (f/k/a/ Continental Bank), together with its successors and assigns.

(ii) The definition of "Aggregate Commitment" is amended in its entirety to read as follows:

Aggregate Commitment at any time means (a) on or before March 1, 1995, $40,000,000, (b) during the period commencing on March 1, 1995 and ending on August 31, 1995, $80,000,000, and (c) from and after September 1, 1995, $40,000,000, as such amounts may be reduced from time to time pursuant to Section 5.1.

(iii) The definition of "Continental" is amended in its entirety to read as follows:

Continental means Bank of America Illinois (f/k/a Continental Bank)

(b) Section 2.1.1 of the Original Credit Agreement is amended by adding the following at the end of the first sentence thereof:

"; provided, however, that in no event shall the aggregate principal Dollar Amount of all outstanding Bid Loans of APSA plus the aggregate principal Dollar Amount of all outstanding Committed Loans of APSA exceed the lesser of (x) $40,000,000 and (y) the Aggregate Commitment."

(c) Section 3.1 of the Original Credit Agreement is amended by inserting the following at the end of the first sentence thereof:

"provided, further, that the aggregate principal Dollar Amount of all outstanding Bid Loans of APSA plus the aggregate principal Dollar Amount of all outstanding Committed Loans of APSA shall not at any time exceed the lesser of (x) $40,000,000 and (y) the Aggregate Commitment.

(d) Section 5.2 of the Original Credit Agreement is amended by adding the following new subsection (c) thereto:

(c) If on September 1, 1995, the Dollar Amount of the aggregate outstanding principal amount of all Loans exceeds (as a result of fluctuations in applicable foreign exchange rates, the reduction of the Commitments or otherwise) the Aggregate Commitment, the Borrowers shall make a mandatory prepayment of the Loans in an amount equal to such excess. Such payment shall be applied (and, to the extent necessary, made in the applicable Available Currencies) to repay first, Floating Rate Loans, second, Committed Eurocurrency Loans, and third, Bid Loans. Any prepayment of a Fixed Rate Loan shall be subject to the provisions of Section 7.4.

(e) Schedule I of the Original Credit Agreement is deleted and Schedule I to this Amendment is substituted therefor.

3. Representations and Warranties of each Borrower. In order to induce the Lender and the Agent to execute and deliver this Amendment, each Borrower hereby represents and warrants to each Lender and to the Agent that:

(a) The representations and warranties of such Borrower contained in the Credit Agreement are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof.

(b) No Event of Default or Unmatured Event of Default has occurred and is continuing on and as of the date hereof or will result from the execution and delivery of this Amendment or the consummation of the transactions contemplated herein.

4. Conditions to Effectiveness of this Amendment. This Amendment shall become effective March 1, 1995 (the "Effective Date") provided that on or before such date the Agent shall have received:

(a) from each Borrower, five originally executed counterparts of a certificate of its Secretary or Assistant Secretary as to

(i) the resolutions of its Board of Directors authorizing such Borrower's execution, delivery and performance of this Amendment and all other documents, instruments and agreements related hereto, and

(ii) the incumbency and signatures of those of its officers authorized to act with respect to this Amendment and the Credit Agreement and each other document, instrument or agreement to be executed by it in connection with this Amendment;

(b) Counterparts of this Agreement executed by each Borrower, the Agent and each Lender.

(c) Five originally executed counterparts of a certificate of each Borrower dated the Effective Date certifying that the matters set forth in Section 3.1 hereof are true and correct with the same effect as if then made.

(d) Five signed opinions dated the Effective Date and addressed to the Agent and all Lenders, each substantially in the form of Exhibits F and G to the Original Credit Agreement, as applicable, covering the Amendment and the Original Credit Agreement, as amended from:

(i) Quarles & Brady, counsel for the Company;

(ii) Salens Hertzfeld & Herlbronn, counsel for APSA; and

(iii) Mayer, Brown & Platt, counsel for the Agent.

(e) Satisfactory Legal Form. All documents executed or submitted pursuant hereto by or on behalf of each Borrower shall be satisfactory in form and substance to the Agent and its counsel; the Agent and its counsel shall have received all information, and such counterpart originals or such certified or other copies of such documents, instruments and agreements as the Agent or its counsel may reasonably request; and all legal matters incident to the transactions contemplated by this Amendment shall be satisfactory to counsel to the Agent.

5. Miscellaneous.

(a) From and after the date hereof, each reference to the Original Credit Agreement shall be deemed to be a reference to the Original Credit Agreement as amended hereby. As amended hereby, the Original Credit Agreement is hereby reaffirmed, approved and confirmed in every respect, and shall remain in full force and effect including, without limitation, the guaranty in Section 13 of the Original Credit Agreement.

(b) This Amendment may be executed by the parties hereto in any number of counterparts and by the different parties on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amendment.

(c) THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

APPLIED POWER, INC.

By: /s/ Douglas R. Dorszynski

Title: Vice President Tax and Treasurer

APPLIED POWER FINANCE S.A.

By: /s/ Douglas R. Dorszynski

Title: Designated Attorney in fact

BANK OF AMERICA ILLINOIS (f/k/a Continental Bank) in its individual capacity and as Agent

By: /s/ Meg Klaggett

Title: Vice President

ABN AMRO BANK N.V.

By: /s/ R. Michael Schwartz

Title: Vice President

By: /s/ William Heissenbuttel

Title: Vice President

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Richard T. Jander

Title: Vice President

Schedule I

Lender	Commitment prior to 3/1/95	Commitment from 3/1/95 to 8/31/95	Commitment from and after 9/1/95	Percentage
Bank of America Illinois	$ 20,000,000	$ 40,000,000	$ 20,000,000	50%
ABN AMRO N.V.	10,000,000	20,000,000	10,000,000	25%
PNC Bank, National Association	10,000,000	20,000,000	10,000,000	25%
TOTAL	$ 40,000,000	$ 80,000,000	$ 40,000,000	100%

Exhibit 11

APPLIED POWER INC.
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

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	Three Months Ended February 28,		Six Months Ended February 28,	
	1995	1994	1995	1994
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PRIMARY:				
Average shares outstanding	13,255	13,016	13,223	13,013
Net effect of dilutive options based on the treasury stock method using average market price	407	153	419	141
Total	13,662	13,169	13,642	13,154
Net earnings (loss):				
Continuing operations	$ 4,638	$ 3,297	$ 10,079	$ 6,225
Discontinued operations	-	-	-	(348)
Extraordinary loss on debt extinguishment	(4,920)	-	(4,920)	-
Net Earnings	$ (282)	$ 3,297	$ 5,159	$ 5,877
Primary earnings (loss) per share:				
Continuing operations	$ 0.34	$ 0.25	$ 0.74	$ 0.47
Discontinued operations	-	-	-	(0.02)
Extraordinary loss on debt extinguishment	(0.36)	-	(0.36)	-
Net Earnings	$ (0.02)	$ 0.25	$ 0.38	$ 0.45
FULLY DILUTED: (A)				
Average shares outstanding	13,255	13,016	13,223	13,013
Net effect of dilutive options based on the treasury stock method using the greater of average or period-end market price	407	235	420	238
Total	13,662	13,251	13,643	13,251
Net earnings (loss):				
Continuing operations	$ 4,638	$ 3,297	$ 10,079	$ 6,225
Discontinued operations	-	-	-	(348)
Extraordinary loss on debt extinguishment	(4,920)	-	(4,920)	-
Net Earnings	$ (282)	$ 3,297	$ 5,159	$ 5,877
Fully diluted earnings (loss) per share:				
Continuing operations	$ 0.34	$ 0.25	$ 0.74	$ 0.47
Discontinued operations	-	-	-	(0.03)
Extraordinary loss on debt extinguishment	(0.36)	-	(0.36)	-
Net Earnings	$ (0.02)	$ 0.25	$ 0.38	$ 0.44

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(A) Dilution of less than 3%; therefore not presented in Condensed Consolidated Statement of Earnings.

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Power Inc.'s Form 10-Q for the quarter ended February 28, 1995 and is qualified
in its entirety by reference to such financial statements.
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