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 November 30, 2000

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.)

6100 NORTH BAKER ROAD
MILWAUKEE, WISCONSIN 53209
Mailing address: P.O. Box 325, Milwaukee, Wisconsin 53201
(Address of principal executive offices)

(414) 352-4160
(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 _____

The number of shares outstanding of the Registrant's Class A Common Stock as of December 29, 2000 was 39,642,501.

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
Form 10-Q
For the quarter ended November 30, 2000

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PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share amounts)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended November 30,	
	2000	1999
Net Sales	$ 117,520	$ 173,041
Cost of Products Sold	75,690	110,923
Gross Profit	41,830	62,118
Engineering, Selling and Administrative Expenses	21,570	33,638
Amortization of Intangible Assets	1,499	1,979
Contract Termination Recovery	--	(1,446)
Operating Earnings	18,761	27,947
Other Expense (Income):		
Net financing costs	12,971	10,450
Other-- net	(1,462)	(410)
Earnings Before Income Tax Expense	7,252	17,907
Income Tax Expense	2,968	6,916
Net Earnings from Continuing Operations	4,284	10,991
Earnings from Discontinued Operations, net of Income Taxes	--	12,691
Net Earnings	$ 4,284	$ 23,682

Basic Earnings Per Share:		
Continuing Operations	$ 0.11	$ 0.28
Discontinued Operations	--	0.33
Total	$ 0.11	$ 0.61
Diluted Earnings Per Share:		
Continuing Operations	$ 0.10	$ 0.27
Discontinued Operations	--	0.32
Total	$ 0.10	$ 0.59
Weighted Average Common Shares Outstanding:		
Basic	39,636	38,992
Diluted	41,812	40,312

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

<TABLE>
<CAPTION>

<S>	November 30, 2000 (Unaudited) <C>	August 31, 2000 <C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 3,152	$ 9,896
Net accounts receivable	83,784	83,553
Net inventories	66,263	67,599
Receivable from APW Ltd.	--	32,894
Prepaid expenses	5,024	5,230
Deferred income taxes	4,463	4,542
Total Current Assets	162,686	203,714
Net Property, Plant and Equipment	48,569	49,168
Net Goodwill	115,367	116,348
Net Other Intangibles	20,456	21,040
Other Assets	28,598	26,711
Total Assets	$ 375,676	$ 416,981

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Short-term borrowings	$ 633	$ 1,259
Trade accounts payable	40,537	43,455
Accrued compensation and benefits	13,383	16,365
Income taxes payable	15,140	39,852
Other current liabilities	22,975	25,312
Total Current Liabilities	92,668	126,243
Long-Term Debt	421,097	431,215
Deferred Income Taxes	4,458	4,486
Other Deferred Liabilities	17,389	17,992
Shareholders' Equity (Deficit):		
Class A common stock, $0.20 par value, authorized 80,000,000 shares, issued and outstanding 39,642,501 and 39,614,551 shares, respectively	7,929	7,923
Additional paid-in capital	(631,805)	(632,050)
Accumulated other comprehensive loss	(18,507)	(16,991)
Retained earnings	482,447	478,163
Total Shareholders' Equity (Deficit)	(159,936)	(162,955)
Total Liabilities and Shareholders' Equity (Deficit)	$ 375,676	$ 416,981

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended November 30,	
	2000	1999
<S>	<C>	<C>
Operating Activities		
Net earnings from continuing operations	$ 4,284	$ 10,991
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	4,193	5,968
Other non-cash items	(863)	--
Changes in operating assets and liabilities, excluding the effects of business acquisitions:		
Accounts receivable	(1,017)	(5,127)
Inventories	873	(3,912)
Prepaid expenses and other assets	237	(690)

Trade accounts payable	(2,621)	187
Other accrued liabilities	(6,667)	(401)
Receivable from APW Ltd.	30,894	--
Income taxes payable	(24,613)	11,291
Cash provided by operating activities of continuing operations	4,700	18,307
Cash used in operating activities of discontinued operations	--	(12,925)
Total cash provided by operating activities	4,700	5,382
Investing Activities		
Proceeds from sale of property, plant and equipment	--	2,987
Additions to property, plant and equipment	(1,761)	(2,264)
Net investing activities of discontinued operations	--	(11,247)
Net cash used in investing activities	(1,761)	(10,524)
Financing Activities		
Net repayments on debt	(9,900)	(9,660)
Debt financing costs	--	(88)
Decrease in receivables financing facility	--	(10,813)
Dividends paid on common stock	--	(585)
Proceeds from stock option exercises	251	371
Net financing activities of discontinued operations	--	20,813
Net cash (used in) provided by financing activities	(9,649)	38
Effect of exchange rate changes on cash	(34)	(107)
Net (decrease) increase in cash and cash equivalents	(6,744)	(5,211)
Effect of change in cash of discontinued operations	--	6,031
Cash and cash equivalents - beginning of period	9,896	7,256
Cash and cash equivalents - end of period	$ 3,152	$ 8,076

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note A - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Applied Power Inc. d/b/a Actuant Corporation ("Applied Power," "Actuant," or 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. The condensed consolidated balance sheet data as of August 31, 2000 was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. For additional information, refer to the consolidated financial statements and footnotes thereto in the Company's fiscal 2000 Annual Report on Form 10-K.

In the opinion of management, all adjustments considered necessary for a fair presentation of financial results have been made. Such adjustments consist of only those of a normal recurring nature. Operating results for the three months ended November 30, 2000 are not necessarily indicative of the results that may be expected for the entire fiscal year ending August 31, 2001.

Note B - Distribution and Discontinued Operations

On January 27, 2000, Applied Power's board of directors authorized various actions intended to enable Applied Power to distribute its Electronics segment ("APW Ltd.") to its shareholders (the "Distribution"). In the July 2000 Distribution, Applied Power shareholders received, in the form of a special dividend, one share of APW Ltd. common stock for each Applied Power common share. As a result, APW Ltd. became a separately traded, publicly held company. The Distribution was approved by the board of directors on July 7, 2000 and shares of APW Ltd. were distributed to Applied Power shareholders of record at July 21, 2000, effective July 31, 2000.

Accordingly, the Condensed Consolidated Statement of Earnings and the Condensed Consolidated Statement of Cash Flows for the three months ended November 30, 1999 have been reclassified to reflect the Company's former Electronics segment as a discontinued operation. Thus, the revenues, costs and expenses, and cash flows of the former Electronics segment have been excluded from the respective captions in the accompanying condensed consolidated financial statements. The net operating results of the former Electronics segment have been reported, net of applicable taxes, as "Earnings from Discontinued Operations, net of Income Taxes." The net operating results of the discontinued operations include financing costs related to the debt allocated to the Electronics segment.

Note C - Divestitures and Product Line Dispositions

During fiscal 2000, the Company divested several of its businesses and discontinued certain product lines, which significantly impacts the comparability of financial information presented. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further discussion.

Note D - Earnings Per Share

The reconciliations between basic and diluted earnings per share are as follows (in thousands, except per share amounts):

<TABLE>
<CAPTION>

	Three Months Ended November 30, November 30,	
	2000	1999
Numerator:		
Earnings from continuing operations	$ 4,284	$ 10,991
Earnings from discontinued operations	-	12,691
Net earnings for basic and diluted earnings per share	$ 4,284	$ 23,682
Denominator:		
Weighted average common shares outstanding for basic earnings per share	39,636	38,992
Net effect of dilutive stock options based on the treasury stock method using average market price	2,176	1,320
Weighted average common and equivalent shares outstanding for diluted earnings per share	41,812	40,312

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</TABLE>

	Three Months Ended November 30, 2000	1999
Basic Earnings Per Share:		
Earnings from continuing operations	$ 0.11	$ 0.28
Earnings from discontinued operations	-	0.33
Basic earnings per share	$ 0.11	$ 0.61
Diluted Earnings Per Share:		
Earnings from continuing operations	$ 0.10	$ 0.27
Earnings from discontinued operations	-	0.32
Diluted earnings per share	$ 0.10	$ 0.59

Note E - Comprehensive Income

The components of comprehensive income are as follows (in thousands):

	Three Months Ended November 30, 2000	1999
Net earnings	$ $4,284	$ 23,682
Foreign currency translation adjustments	(1,516)	2,183
Comprehensive income	$ 2,768	$ 25,865

Note F - Net Inventories

The nature of the Company's products is such that they generally have a very short production cycle. Consequently, the amount of work-in-process at any point in time is minimal. In addition, many parts or components are ultimately either sold individually or assembled with other parts making a distinction between raw materials and finished goods impractical to determine. Several other locations maintain and manage their inventories using a job cost system where the distinction of categories of inventory by state of completion is also not available.

As a result of these factors, it is neither practical nor cost effective to segregate the amounts of raw materials, work-in-process or finished goods inventories at the respective balance sheet dates, as segregation would only be possible as the result of physical inventories which are taken at dates different from the balance sheet dates.

Note G - Segment Information

The Company is organized and managed along the lines of its two business segments: Tools & Supplies and Engineered Solutions. Tools & Supplies products include high-force hydraulic tools, electrical tools and consumables, which are sold to end-user markets including general industrial, construction, production automation, retail do-it-yourself ("DIY"), retail marine and retail automotive aftermarkets. Engineered Solutions works with customers to provide customized solutions in the recreational vehicle ("RV"), truck, automotive, medical, and other markets. Products include RV slide-out and leveling systems, hydraulic cab-tilt systems for heavy-duty trucks primarily sold in Europe and Asia, electro-hydraulic automotive convertible top actuation systems and extruded and molded silicone products for the medical market. "General corporate and other" as indicated below primarily includes general corporate expenses, interest expense on outside debt and foreign currency exchange adjustments.

The following table summarizes financial information by reportable segment (in thousands):

<TABLE>
<CAPTION>

	Three Months Ended November 30,	
	2000	1999
Net Sales:		
Tools & Supplies	$ 69,773	$ 71,059
Engineered Solutions	47,747	101,982
Total	$ 117,520	$ 173,041
Earnings Before Income Tax Expense:		
Tools & Supplies	$ 11,495	$ 10,902
Engineered Solutions	8,414	20,506
General corporate and other	(12,657)	(13,501)
Total	$ 7,252	$ 17,907

</TABLE>

Results for the three months ended November 30, 1999 for the Engineered Solutions segment include a $1.4 million recovery related to the resolution of a contract termination originally recorded in fiscal 1999.

Note H - Guarantor Condensed Financial Statements

In connection with the Distribution, Actuant issued 13% Senior Subordinated Notes due 2009 (the "13% Notes"). Certain of the Company's U.S. subsidiaries (the "Guarantors") are guarantors of the 13% Notes. The following tables present the results of operations, financial position and cash flows of Applied Power Inc. and its subsidiaries, the Guarantors and non-guarantor entities, and the eliminations necessary to arrive at the information for the Company on a condensed consolidated basis.

CONDENSED CONSOLIDATING STATEMENTS OF EARNINGS

<TABLE>
<CAPTION>

	Three Months Ended November 30, 2000				
	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
Net sales..	$ 19,482	$ 58,226	$ 39,812	--	$ 117,520
Cost of products sold..............................	11,886	38,265	25,539	--	75,690
Gross profit.................................	7,596	19,961	14,273	--	41,830
Operating expenses.................................	5,198	9,566	6,806		21,570
Amortization of intangible assets..................	2	1,431	66	--	1,499
Operating earnings.........................	2,396	8,964	7,401	--	18,761
Other (income) expense:					
Intercompany activity, net.........................	(1,525)	817	708	--	--
Net financing costs................................	12,852	--	119	--	12,971

	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
Other (income) expense--net	(1,837)	4	371	--	(1,462)
(Loss) Earnings before income tax (benefit) expense	(7,094)	8,143	6,203	--	7,252
Income tax (benefit) expense	(3,051)	2,929	3,090	--	2,968
Net (loss) earnings	$ (4,043)	$ 5,214	$ 3,113	--	$ 4,284

<CAPTION>

Three Months Ended November 30, 1999

	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Net sales	$ 20,378	$ 62,365	$ 90,298	--	$ 173,041
Cost of products sold	11,847	41,468	57,608	--	110,923
Gross profit	8,531	20,897	32,690	--	62,118
Operating expenses	5,684	9,380	17,128		32,192
Amortization of intangible assets	2	1,473	504	--	1,979
Operating earnings	2,845	10,044	15,058	--	27,947
Other (income) expense:					
Intercompany activity, net	(45)	(9,693)	1,200	8,538	--
Net financing costs	8,286	1,706	458	--	10,450
Other (income) expense--net	(373)	13	(50)	--	(410)
(Loss) Earnings from continuing operations before income tax (benefit) expense	(5,023)	18,018	13,450	(8,538)	17,907
Income tax (benefit) expense	(2,366)	7,358	4,136	(2,212)	6,916
(Loss) Earnings from continuing operations	(2,657)	10,660	9,314	(6,326)	10,991
Earnings from discontinued operations	--	--	12,691	--	12,691
Net (loss) earnings	$ (2,657)	$ 10,660	$ 22,005	$ (6,326)	$ 23,682

</TABLE>

CONDENSED CONSOLIDATING BALANCE SHEET

<TABLE>
<CAPTION>

November 30, 2000

	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated

<S> <C> <C> <C> <C>
<C>

ASSETS					
Current assets					
Cash and cash equivalents	$ 699	$ 91	$ 2,362	--	$ 3,152
Net accounts receivable	10,679	38,897	34,208	--	83,784
Net inventories	10,211	44,309	11,743	--	66,263
Prepaid expenses	1,529	624	2,871	--	5,024
Deferred income taxes	3,165	6	1,292	--	4,463
Total current assets	26,283	83,927	52,476	--	162,686
Net property, plant and equipment	4,879	34,968	8,722	--	48,569
Net goodwill	--	110,382	4,985	--	115,367
Net other intangibles	17	20,345	94	--	20,456
Other assets	27,903	140	555	--	28,598
Total assets	$ 59,082	$ 249,762	$ 66,832	--	$ 375,676
LIABILITIES AND EQUITY					
Current liabilities					
Short-term borrowings	$ --	$ --	$ 633	--	$ 633
Trade accounts payable	5,650	20,836	14,051	--	40,537
Accrued compensation and benefits	5,424	3,476	4,483	--	13,383
Income taxes payable	8,627	2,659	3,854	--	15,140
Other current liabilities	6,664	7,991	8,320	--	22,975
Total current liabilities	26,365	34,962	31,341	--	92,668
Long-term debt	407,475	540	13,082	--	421,097
Deferred income taxes	2,969	(741)	2,230	--	4,458
Other deferred liabilities	17,480	(463)	372	--	17,389
Intercompany balances, net	667,016	(13,324)	(653,692)	--	--
Total shareholders' (deficit) equity	(1,062,223)	228,788	673,499	--	(159,936)
Total liabilities and shareholders' equity (deficit)	$ 59,082	$ 249,762	$ 66,832	--	$ 375,676

</TABLE>

CONDENSED CONSOLIDATING BALANCE SHEET

<TABLE>
<CAPTION>

	August 31, 2000				
	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated

<S> <C> <C> <C> <C>
<C>

	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
ASSETS					
Current assets					
Cash and cash equivalents	$ 5,076	$ 721	$ 4,099	--	$ 9,896
Net accounts receivable	13,837	36,870	32,846	--	83,553
Net inventories	10,528	45,317	11,754	--	67,599
Receivable from APW Ltd	32,894	--	--	--	32,894
Prepaid expenses	699	567	3,964	--	5,230
Deferred income taxes	3,965	6	571	--	4,542
Total current assets	66,999	83,481	53,234	--	203,714
Net property, plant and equipment	5,010	35,473	8,685	--	49,168
Net goodwill	--	111,246	5,102	--	116,348
Net other intangibles	19	20,911	110	--	21,040
Other assets	26,098	133	480	--	26,711
Total assets	$ 98,126	$251,244	$ 67,611	--	$ 416,981
LIABILITIES AND EQUITY					
Current liabilities					
Short-term borrowings	$ --	$ --	$ 1,259	--	$ 1,259
Trade accounts payable	6,602	25,210	11,643	--	43,455
Accrued compensation and benefits	7,405	4,164	4,796	--	16,365
Income taxes payable	(23,518)	30,660	32,710	--	39,852
Other current liabilities	7,671	8,534	9,107	--	25,312
Total current liabilities	(1,840)	68,568	59,515	--	126,243
Long-term debt	430,675	540	--	--	431,215
Deferred income taxes	5,769	(741)	(542)	--	4,486
Other deferred liabilities	17,818	(462)	636	--	17,992
Intercompany balances, net	687,060	(51,241)	(635,819)	--	--
Total shareholders' (deficit) equity	(1,041,356)	234,580	643,821	--	(162,955)
Total liabilities and shareholders' equity (deficit)	$ 98,126	$251,244	$ 67,611	--	$ 416,981

</TABLE>

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

<TABLE>
<CAPTION>

	Three Months Ended November 30, 2000				
	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>

	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
Operating activities					
Net (Loss) Earnings	$ (4,043)	$ 5,214	$ 3,113	--	$ 4,284
Adjustments to reconcile net (loss) earnings to cash provided by operating activities:					
Depreciation and amortization	516	3,026	651	--	4,193
Other non-cash items	(863)	--	--	--	(863)
Changes in operating assets and liabilities - net	61,601	(34,690)	(29,825)	--	(2,914)
Cash provided by (used in) operating activities	57,211	(26,450)	(26,061)		4,700
Investing activities					
Additions to property, plant and equipment	(223)	(919)	(619)	--	(1,761)
Cash used in investing activities	(223)	(919)	(619)		(1,761)
Financing activities					
Net principal repayments on long-term debt	(9,900)	--	--	--	(9,900)
Stock option exercises and other	251	--	--	--	251
Intercompany (receivables) payables	(51,716)	26,739	24,977	--	--
Cash (used in) provided by financing activities	(61,365)	26,739	24,977	--	(9,649)
Effect of exchange rate changes on cash	--	--	(34)	--	(34)
Net decrease in cash and cash equivalents	(4,377)	(630)	(1,737)	--	(6,744)
Cash and cash equivalents--beginning of period	5,076	721	4,099		9,896
Cash and cash equivalents--end of period	$ 699	$ 91	$ 2,362	--	$ 3,152

</TABLE>

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

<TABLE>
<CAPTION>

	Three Months Ended November 30, 1999				
	Applied Power Inc.	Guarantors	Non Guarantors	Eliminations	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
Operating activities					
(Loss) Earnings from continuing operations	$ (2,657)	$ 10,660	$ 9,314	$ (6,326)	$ 10,991
Adjustments to reconcile (loss) earnings from continuing operations to cash provided by operating activities of continuing operations:					
Depreciation and amortization	853	2,950	2,165	--	5,968
Changes in operating assets and liabilities - net	17,434	(2,181)	(20,231)	6,326	1,348
Cash provided by (used in) operating activities of continuing operations	15,630	11,429	(8,752)	--	18,307

Discontinued operations	--	--	(12,925)	--	(12,925)
Total cash provided by (used in) operating activities	15,630	11,429	(21,677)	--	5,382
Investing activities					
Proceeds from sale of property, plant and equipment	--	--	2,987	--	2,987
Additions to property, plant and equipment	(228)	(1,750)	(286)	--	(2,264)
Discontinued operations	--	--	(11,247)	--	(11,247)
Cash used in investing activities	(228)	(1,750)	(8,546)		(10,524)
Financing activities					
Net principal repayments on long-term debt	(9,660)	--	--	--	(9,660)
Debt financing costs	(88)	--	--	--	(88)
Additions to (decreases in) receivables financing facility	1,059	(549)	(11,323)	--	(10,813)
Dividends paid on common stock	(585)	--	--	--	(585)
Stock option exercises and other	371	--	--	--	371
Intercompany (receivables) payables	(8,685)	(10,596)	19,281	--	--
Discontinued operations	--	--	20,813	--	20,813
Cash (used in) provided by financing activities	(17,588)	(11,145)	28,771	--	38
Effect of exchange rate changes on cash	--	--	(107)	--	(107)
Net (decrease) increase in cash and cash equivalents	(2,186)	(1,466)	(1,559)	--	(5,211)
Effect of change in cash of discontinued operations	--	--	6,031	--	6,031
Cash and cash equivalents--beginning of period	(734)	(591)	8,581	--	7,256
Cash and cash equivalents--end of period	$ (2,920)	$ (2,057)	$ 13,053	$ --	$ $ 8,076

</TABLE>

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements contained in the following Management's Discussion and Analysis of Financial Condition and Results of Operations, as well as statements in other Company communications, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. The terms "anticipate," "believe," "estimate," "expect," "objective," "plan," "project" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are subject to inherent risks and uncertainties that may cause actual results or events to differ materially from those contemplated by such forward-looking statements. In addition to the assumptions and other factors referred to specifically in connection with such statements, factors that may cause actual results or events to differ materially from those contemplated by such forward-looking statements include, without limitation, general economic conditions and market conditions in the recreational vehicle, trucking, automotive, industrial production, and construction industries in North America, Europe and, to a lesser extent, Asia, market acceptance of existing and new products, successful integration of acquisitions, competitive pricing, foreign currency risk, interest rate risk, the Company's ability to access capital markets, the high debt leverage of the Company which results in less financial flexibility in terms of debt covenants and debt availability, and other factors that may be referred to in the Company's reports filed with the Securities and Exchange Commission from time to time.

The Distribution

On January 27, 2000, Applied Power's board of directors authorized various actions intended to position Applied Power to spin-off the Electronics Segment ("APW Ltd") to its shareholders (the "Distribution") in the form of a special dividend. On July 7, 2000, Applied Power's board of directors approved the Distribution. The Distribution occurred on July 31, 2000 with shareholders of Applied Power common stock as of the July 21, 2000 record date receiving one share of APW Ltd. common stock for every Applied Power share owned. Applied Power now trades separately on The New York Stock Exchange ("NYSE") under the ticker symbol "ATU." APW Ltd. trades on the NYSE under the ticker symbol "APW."

Divestitures

During the past year, we divested several businesses and discontinued certain product lines that were no longer considered integral to our business strategy, collectively referred to as the Non-continuing Businesses. The following table summarizes the significant divestitures that were completed over the last year:

<TABLE>
<CAPTION>

<S>	Segment <C>	Date <C>	Approximate Annual Sales (1) (in millions) <C>
Divestitures:			
Norelem	Tools & Supplies	August 2000	$ 8
Barry Controls	Engineered Solutions	June 2000	120
Air Cargo	Engineered Solutions	May 2000	22
Samuel Groves	Engineered Solutions	October 1999	9

</TABLE>

- --------
(1) At time of transaction.

The comparability of operating results from period to period is impacted by these Non-continuing Businesses. The following tables included in "-Results of Operations" show the effect, by segment, of the non-continuing businesses on reported results.

Results of Operations

Net earnings for the first quarter of fiscal 2001 were $4.3 million, or $0.10 per share on a diluted basis, compared with $23.7 million, or $0.59 per share on a diluted basis, for the comparable prior year quarter. Prior year first quarter net earnings, pro forma for the Distribution, the removal of operating results of the Non-continuing Businesses, a one-time contract cancellation recovery, and our current capitalization were $5.4 million, or $0.13 per share on a diluted basis. This 20% decrease for the first quarter was primarily attributable to economic weakening in a few of our key markets, most notably the recreational vehicle ("RV") market.

<TABLE>
<CAPTION>

NET SALES BY SEGMENT <S>	Three Months Ended November 30, 2000 (in thousands) <C>	1999 <C>	Change <C>
Tools & Supplies	$ 69,773	$ 71,059	(1.8)%
Less: Non-continuing T&S Businesses (1)	-	4,396	
Adjusted Tools & Supplies	69,773	66,663	4.7%
Engineered Solutions	47,747	101,982	(53.2)%
Less: Non-continuing ES Businesses (2)	-	41,221	
Adjusted Engineered Solutions	47,747	60,761	(21.4)%
Total net sales	117,520	173,041	(32.1)%

Less: Non-continuing Businesses	-	45,617	
Total adjusted net sales	$117,520	$127,424	(7.8)%

</TABLE>

- --------

(1) The "Non-continuing T&S Businesses" are Norelem, Enerpac's automotive line of business and Gardner Bender's TAM product line.

(2) The "Non-continuing ES Businesses" are Barry Controls, Air Cargo, Samuel Groves and Magnets.

Total net sales decreased by $55.5 million, or 32.1%, from $173.0 million for the three months ended November 30, 1999 to $117.5 million for the three months ended November 30, 2000. Approximately $45.6 million of the decrease was attributable to Non-continuing Businesses. The strengthening U.S. dollar further negatively impacted translated sales of our foreign units by approximately $6.4 million. Excluding foreign currency translation, adjusted net sales declined 3%. The remaining decline was due to the softening experienced in some of our key markets, mostly the RV market.

Net sales for Tools & Supplies decreased by $1.3 million or 1.8% from $71.1 million for the prior fiscal year first quarter to $69.8 million for the current fiscal year first quarter. Excluding the effect of the Non-continuing T&S Businesses and unfavorable currency translation, this segment's sales increased approximately 8%. This increase primarily reflects gains in hydraulic tool market shares, particularly in the European and Asian regions, and a 10% increase in sales of electrical tools and consumables. The prior year first quarter for Tools & Supplies was also negatively impacted by a system conversion within the Gardner Bender business which caused some delays in shipping customer orders. Such system conversion issues were resolved in the second fiscal quarter of 2000, and all backlog at such time was current.

Engineered Solutions net sales decreased by $54.2 million or 53.2% from $102.0 million in the first quarter of last fiscal year to $47.7 million for the first quarter of the current fiscal year. Approximately $41.2 million of the decline was attributable to the Non-continuing ES Businesses, while the remainder was due to foreign currency translation and softening markets. Net sales for Engineered Solutions, excluding the Non-continuing ES Businesses, decreased by $13.0 million or 21.4%, from $60.8 million for the three months ended November 30, 1999 to $47.7 million for the comparable current year period. This segment's sales were negatively impacted by approximately $4.2 million due to the stronger U.S. dollar in translation. Additionally, the RV market showed significant weakening over the prior year's first quarter due to reduced demand from RV OEMs, resulting in a $5.5 million, or 33%, decline in sales into the RV market. The remaining decrease is primarily attributable to the automotive convertible top product line, which was anticipated to have a slower quarter due to the timing in the changeover of certain customer programs.

<TABLE>
<CAPTION>

GROSS PROFIT BY SEGMENT	Three Months Ended November 30,		
	2000	1999	Change
-			
	(in thousands)		
<S>	<C>	<C>	<C>
Tools & Supplies	$ 28,165	$ 28,091	0.3%
Less: Non-continuing T&S Businesses	-	1,530	
Adjusted Tools & Supplies	28,165	26,561	6.0%
Engineered Solutions	13,665	34,027	(59.8)%
Less: Non-continuing ES Businesses	-	15,908	
Adjusted Engineered Solutions	13,665	18,119	(24.6)%
Total gross profit	41,830	62,118	(32.7)%
Less: Non-continuing Businesses	-	17,438	
Total adjusted gross profit	$ 41,830	$ 44,680	(6.4)%

</TABLE>

GROSS PROFIT MARGINS BY SEGMENT	Three Months Ended November 30,	
	2000	1999
Tools & Supplies	40.4%	39.5%
Adjusted Tools & Supplies	40.4%	39.8%

Engineered Solutions	28.6%	33.4%
Adjusted Engineered Solutions	28.6%	29.8%
Total gross profit margin	35.6%	35.9%
Total adjusted gross profit margin	35.6%	35.1%

Total gross profit for the first quarter of the current fiscal year was $41.8 million, a $20.3 million decline from the $62.1 million reported in the first quarter of the prior fiscal year. Approximately $17.4 million of this decline was attributable to the Non-continuing Businesses. Total adjusted gross profit decreased $2.9 million, or 6.4%, due to the comparable sales decline. Total adjusted gross profit margin improved to 35.6% for the three months ended November 30, 2000 from 35.1% for the comparable prior year period. This increase was generated primarily by the Tools & Supplies segment.

Tools & Supplies' modest gross profit increase of $0.1 million, from $28.1 million to $28.2 million for the three months ended November 30, 1999 and 2000, respectively, was obtained despite a reduction due to the Non-continuing T&S Businesses of $1.5 million. As a result, adjusted gross profit in Tools & Supplies increased $1.6 million, which resulted from incremental sales and improved margins. Tools & Supplies' gross profit margin expanded to 40.4% from 39.8% in the prior year, resulting from the elimination of low-profit margin and unprofitable SKUs, the closure of one manufacturing location and two small warehouses, and the impact of increased production over certain fixed manufacturing costs.

Engineered Solutions gross profit decreased from $34.0 million for the three months ended November 30, 1999 to $13.7 million for the comparable current year period due primarily to the divested businesses, which accounted for $15.9 million of the decrease. Adjusted Engineered Solutions' gross profit declined 24.6% to $13.7 million for the three months ended November 30, 2000 from $18.1 million for the three months ended November 30, 1999. The sales declines in the RV and automotive markets caused the majority of this decrease. Adjusted gross profit margins within this segment were also negatively impacted by the sales declines, reflecting lower production levels over the fixed manufacturing costs of our RV plants.

ENGINEERING, SELLING AND ADMINISTRATIVE EXPENSES BY SEGMENT

<TABLE>
<CAPTION>

	Three Months Ended November 30,		
	2000	1999	Change
-	(in thousands)		
<S>	<C>	<C>	<C>
Tools & Supplies	$ 15,805	$ 16,258	(2.8)%
Less: Non-continuing T&S Businesses	-	1,118	
Adjusted Tools & Supplies	15,805	15,140	4.4%
Engineered Solutions	4,618	13,916	(66.8)%
Less: Non-continuing ES Businesses	-	9,623	
Adjusted Engineered Solutions	4,618	4,293	7.6%
General corporate expenses	1,147	3,464	(66.9)%
Total engineering, selling and administrative expenses	21,570	33,638	(35.9)%
Less: Non-continuing Businesses	-	10,741	
Total adjusted engineering, selling and administrative expenses	$ 21,570	$ 22,897	(5.8)%

</TABLE>

Total engineering, selling and administrative ("ESA") expenses decreased $12.1 million from $33.6 million for the three months ended November 30, 1999 to $21.6 million for the three months ended November 30, 2000. The Non-continuing Businesses accounted for $10.7 million in ESA expenses during the first quarter of fiscal 2000. Fiscal 2001 first quarter total adjusted ESA expenses were 5.8% percent lower than that reported in the first quarter of fiscal 2000. This reduction in

corporate expenses included all costs to support both the former Industrial and Electronics businesses, and after the Distribution, the Company was able to streamline expenses. As a percentage of sales, total adjusted ESA expenses held relatively steady at 18.4%, compared to 18.0% in the prior year quarter.

Tools & Supplies ESA expenses decreased $0.5 million, from $16.3 million for the three months ended November 30, 1999, and ended the first quarter of fiscal 2001 at $15.8 million. A total of $1.1 million was associated with the Non-continuing T&S Businesses. The marginal increase in adjusted Tools & Supplies ESA expenses from $15.1 million for the three months ended November 30, 1999 to $15.8 million for the three months ended November 30, 2000 reflects incremental costs associated with higher sales volumes as well as costs attributable to the new computer system in 2001.

Engineered Solutions ESA expenses decreased from $13.9 million for the first quarter of fiscal 1999 to $4.6 million for the first quarter of fiscal 2000. The Non-continuing ES Businesses accounted for $9.6 million in reductions. Adjusted Engineered Solutions ESA expenses increased 7.6% to $4.6 million for the three months ended November 30, 2000 from $4.3 million for the comparable prior year quarter. This increase is primarily attributable to increased engineering and selling expenses associated with securing new RV and convertible top platforms within the Power Packer and Power Gear businesses.

General corporate expenses for the three month period ended November 30, 1999 include all of the general corporate expenses incurred by Applied Power Inc. for that period, supporting both the former Industrial and Electronics business segments. No portion of such expenses has been allocated to the discontinued operation's financial results, which are included in the Condensed Consolidated Statement of Earnings for that period. General corporate expenses for the three-month period ended November 30, 2000 reflect only those expenses incurred to support the Company after the Distribution. Management believes general corporate expenses will approximate $5.0 million for the fiscal year 2001.

AMORTIZATION EXPENSE

Amortization expense for the first quarter of fiscal 2001 was $1.5 million compared with $2.0 million for the comparable prior year period. This decrease was due to the Non-continuing Businesses, which accounted for $0.5 million of the prior year total.

CONTRACT TERMINATION RECOVERY

During the first quarter of fiscal 2000, the Company recovered approximately $1.4 million, a portion of a contract termination charge originally recorded in fiscal 1999 by the Engineered Solutions segment.

NET FINANCING COSTS

Net financing costs for the three months ended November 30, 2000 increased $2.5 million from $10.5 million for the three months ended November 30, 1999 to $13.0 million for the three months ended November 30, 2000. The increase is primarily the result of the realignment of debt in the Distribution. The current credit facilities have higher interest rates than had been incurred by the Company historically. The new borrowings consist of those under a senior secured credit agreement (the "Senior Credit Agreement") and new Senior Subordinated Notes issued at 13%.

OTHER-NET

Other-net income increased to $1.5 million for the three months ended November 30, 2000 from $0.4 million in the comparable prior year period due primarily to foreign currency gains recorded during the first quarter of fiscal 2001.

Liquidity and Capital Resources
- -------------------------------

Cash and cash equivalents totaled $3.2 million at November 30, 2000 and $9.9 million at August 31, 2000. In order to minimize net financing costs, the Company intentionally maintains low cash balances by using available cash to reduce borrowings.

Net cash generated from operations, after considering non-cash items and changes in operating assets and liabilities, totaled $4.7 million and $5.4 million for the three month periods ended November 30, 2000 and 1999, respectively. Net cash used in investing activities totaled $1.8 million for the first quarter of fiscal 2001, all representing cash used for capital expenditures. During the first quarter of fiscal 2001, the Company reduced its book cash balance, and used the cash generated from operations and the cash liquidated from foreign bank accounts to make principal repayments on debt of $9.9 million. In addition, the Company received $0.3 million in proceeds from stock option exercises.

TOTAL CAPITALIZATION	November 30, 2000		August 31, 2000	
	(in thousands)			
Shareholders' Equity	$ (159,936)	(60)%	$ (162,955)	(60)%
Total Debt	421,730	158%	432,474	158%
Deferred Taxes	4,458	2%	4,486	2%
Total	$ 266,252	100%	$ 274,005	100%

During the first quarter of fiscal 2001, a European subsidiary of the Company completed a bank term loan financing of 15.0 million EURO. Amortization of the loan begins on January 31, 2003 with semi-annual repayments thereafter and a final maturity of July 31, 2007. The loan interest rate is based on three month EURIBOR with a spread of 1.10%. Proceeds from the borrowing were used to prepay 15.0 million EURO of the Term A Euro denominated borrowings under the Company's Senior Credit Agreement, which carried a higher rate of interest.

No dividend payments were made during the first quarter of fiscal 2001, nor does the Company expect to pay dividends in the near future, but rather use cash flow from operations to reduce its debt. At November 30, 2000, the Company had approximately $68.0 million of availability under its credit facilities. The Company believes that availability under its credit facilities, plus funds generated from operations, will be adequate to meet operating, debt service and capital expenditure requirements for the foreseeable future.

New Accounting Pronouncements

In December 1999, the Securities and Exchange Commission ("SEC") released Staff Accounting Bulletin No. 101 ("SAB 101"), "Revenue Recognition in Financial Statements." This bulletin summarizes certain views of the SEC staff on applying generally accepted accounting principles to revenue recognition in financial statements. The SEC staff expressed its view that revenue is realized or realizable and earned when all of the following criteria are met: persuasive evidence of an arrangement exists; delivery has occurred or services have been rendered; the seller's price to the buyer is fixed or determinable; and collectability is reasonably assured. The Company expects that SAB 101 will not have a material effect on its financial statements.

Recent Events

The Company's annual meeting of shareholders will be held on Tuesday, January 9, 2001. At the meeting, shareholders will be voting on proposals to 1) elect a board of seven directors, 2) adopt the Actuant Corporation 2001 Stock Plan, 3) adopt the Actuant Corporation 2001 Outside Directors' Stock Option Plan, 4) approve a change in the name of the Company from Applied Power Inc. to Actuant Corporation, 5) approve proposed Articles of Amendment to effect a five-for-one reverse stock split, 6) approve proposed Articles of Amendment to reduce the authorized common stock of Actuant Corporation, if the reverse stock split is approved, and 7) vote on a proposal submitted by a shareholder. For further information regarding business to be conducted at the meeting, see the Company's 2001 Proxy Statement.

Effective September 1, 2000, the Company adopted Statement of Financial Accounting Standard No. 133, 'Accounting for Derivative Instruments and Hedging Activities' ('SFAS No. 133'). This statement requires all derivative instruments to be recorded in the balance sheet at fair value. The initial adoption of this statement did not have a material effect on the Companies earnings or financial position.

Item 3 - Quantitative and Qualitative Disclosures about Market Risk

The Company is exposed to market risk from changes in foreign exchange and interest rates and, to a lesser extent, commodities. To reduce such risks, the Company selectively uses financial instruments. All hedging transactions are authorized and executed pursuant to clearly defined policies and procedures, which strictly prohibit the use of financial instruments for trading purposes.

A discussion of the Company's accounting policies for derivative financial instruments is included in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 2000 within Note A - 'Summary of Significant Accounting Policies' in Notes to Consolidated Financial Statements.

Currency Risk - The Company has significant international operations. In most instances, the Company's products are produced at manufacturing facilities located near the customer. As a result, significant volumes of finished goods are manufactured in countries for sale into those markets. For goods purchased from other Company affiliates, the Company denominates the transaction in the functional currency of the producing operation.

The Company has adopted the following guidelines to manage its foreign exchange exposures:

(i) increase the predictability of costs associated with goods whose purchase price is not denominated in the functional currency of the buyer;
(ii) minimize the cost of hedging through the use of naturally offsetting positions (borrowing in local currency), netting, pooling; and
(iii) where possible, sell product in the functional currency of the producing operation.

The Company's identifiable foreign exchange exposures result primarily from the anticipated purchase of product from affiliates and third-party suppliers along with the repayment of intercompany loans with foreign subsidiaries denominated in foreign currencies. The Company periodically identifies naturally occurring offsetting positions and then purchases hedging instruments to protect against anticipated exposures. The Company's financial position is not materially sensitive to fluctuations in exchange rates as any gains or losses on foreign currency exposures are generally offset by gains and

losses on underlying payables, receivables and net investments in foreign subsidiaries.

Interest Rate Risk - Given our leverage, we are exposed to interest rate risk from changes in interest rates. We have periodically utilized interest rate swap agreements historically to manage overall financing costs and interest rate risk. We had no such agreements in place either at November 30, 2000 or through the date of this filing. Our Senior Credit Agreement stipulates that the lower of 50% of our total debt or $200.0 million be fixed interest rate obligations. We are in compliance with this requirement.

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(a) Exhibits

See "Index to Exhibits" on page 20, which is incorporated herein by reference.

(b) Reports on Form 8-K

The Company filed no reports on Form 8-K during the quarter ended November 30, 2000.

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: January 5, 2001

By: /s/ Andrew G. Lampereur
Andrew G. Lampereur
Chief Financial Officer

(Principal Financial and Accounting Officer and duly authorized to sign on behalf of the registrant)

APPLIED POWER INC. (d/b/a ACTUANT CORPORATION)
(the "Registrant")
(Commission File No. 1-11288)

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED NOVEMBER 30, 2000
INDEX TO EXHIBITS

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith
	None		