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, 1997

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: 13,790,256 as of March 31, 1997.

The Index to Exhibits appears on Page 11.

APPLIED POWER INC.

INDEX

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>
<CAPTION>

<S>	Three Months Ended <C> FEBRUARY 28, 1997	<C> February 29, 1996	Six Months Ended <C> FEBRUARY 28, 1997	<C> February 29, 1996
Net Sales	$ 157,170	$ 137,080	$ 310,266	$ 276,350
Cost of Products Sold	96,737	85,414	189,195	170,604
Gross Profit	60,433	51,666	121,071	105,746
Engineering, Selling and Administrative Expenses	41,812	37,802	84,047	77,658
Operating Earnings	18,621	13,864	37,024	28,088
Other Expense(Income):				
Net financing costs	3,195	2,047	5,820	4,114
Amortization of intangible assets	1,799	988	3,297	1,707
Other - net	(612)	(421)	(678)	(321)
Earnings Before Income Tax Expense	14,239	11,250	28,585	22,588
Income Tax Expense	4,770	3,600	9,576	7,228
Net Earnings	$ 9,469	$ 7,650	$ 19,009	$ 15,360
Primary Earnings Per Share:				
Earnings Per Share	$ 0.66	$ 0.55	$ 1.33	$ 1.10
Weighted Average Common and Equivalent Shares	14,346	13,922	14,263	13,959
Fully Diluted Earnings Per Share:				
Earnings Per Share	$ 0.66	$ 0.55	$ 1.33	$ 1.10

Weighted Average Common and Equivalent Shares	14,346	13,947	14,310	13,959
	===========	===========	===========	============

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

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

<TABLE>
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<S>	FEBRUARY 28, 1997 <C> (UNAUDITED)	August 31, 1996 <C>
ASSETS		
Current Assets		
Cash and cash equivalents	$ 84	$ 1,001
Net accounts receivable	70,328	68,747
Net inventories	124,663	120,648
Prepaid expenses	16,658	16,509
Total Current Assets	211,733	206,905
Other Assets	6,330	6,370
Goodwill	105,941	58,266
Other Intangibles	31,977	33,464
Net Property, Plant and Equipment	84,842	76,236
Total Assets	$440,823	$381,241
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 24,595	$ 16,068
Trade accounts payable	39,927	41,397
Accrued compensation and benefits	17,683	20,805
Income taxes payable	4,016	7,081
Other current liabilities	21,673	22,378
Total Current Liabilities	107,894	107,729
Long-Term Debt, less current maturities	120,349	76,548
Deferred Income Taxes	13,834	15,395
Other Deferred Liabilities	14,530	13,114
Shareholders' Equity		
Common stock, $0.20 par value per share, authorized 40,000,000 shares, issued and outstanding 13,789,356 and 13,652,349 shares, respectively	2,758	2,730
Additional paid-in capital	37,754	34,383
Retained earnings	144,575	126,392
Cumulative translation adjustments	(871)	4,950
Total Shareholders' Equity	184,216	168,455
Total Liabilities and Shareholders' Equity	$440,823	$381,241

</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, 1997	February 29, 1996
Operating Activities		
Net Earnings	$ 19,009	$ 15,360
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	11,989	10,405
Provision for deferred taxes	-	(1,285)
Changes in operating assets and liabilities, excluding the effects of business acquisitions and disposals:		
Accounts receivable	276	2,912
Inventories	(4,999)	(6,363)
Prepaid expenses and other assets	(2,495)	693
Trade accounts payable	(3,182)	56
Other liabilities	(2,894)	(6,298)
Income taxes payable	(3,589)	2,418
Net Cash Provided By Operating Activities	14,115	17,898
Investing Activities		
Proceeds on the sale of property, plant and equipment	2,969	7
Additions to property, plant and equipment	(10,862)	(11,457)
Cash used for business acquisitions	(63,312)	(23,481)
Proceeds from sale of product lines	-	5,181
Other	(15)	(21)
Net Cash Used In Investing Activities	(71,220)	(29,771)
Financing Activities		
Net borrowings under long-term credit agreements	45,351	7,619
Net borrowings on short-term credit facilities	9,421	3,151
Net commercial paper repayments	-	(3,276)
Additional receivables financed	525	7,500
Dividends paid on common stock	(826)	(804)
Stock options exercised	2,346	267
Other	-	(47)
Net Cash Provided By Financing Activities	56,817	14,410
Effect of Exchange Rate Changes on Cash	(629)	(77)
Net (Decrease) Increase in Cash and Cash Equivalents	(917)	2,460
Cash and Cash Equivalents - Beginning of Period	1,001	911
Cash and Cash Equivalents - End of Period	$ 84	$ 3,371

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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 1996 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. Operating results for the three and six months ended February 28, 1997 are not necessarily indicative of the results that may be expected for the fiscal year ending August 31, 1997.

NOTE B - ACQUISITIONS
On January 13, 1997, the Company, through its Wright Line subsidiary, acquired C Fab Group Limited ("C Fab") for approximately $11,300 in net cash plus future consideration based on financial performance. The transaction generated goodwill of approximately $5,600, and was funded through borrowings under existing credit facilities. C Fab, headquartered in Dublin, Ireland, manufactures electronic enclosures used by the computer, telecom, datacom and other industries. The results of operations for C Fab subsequent to the acquisition date are included in the Condensed Consolidated Statement of Earnings.

The Company, through its Wright Line subsidiary, purchased the net assets of Everest Electronic Equipment, Inc. ("Everest") on September 26, 1996 for cash consideration of $52,000, which was funded through borrowings under existing credit facilities. Approximately $43,000 of the purchase price was assigned to goodwill. Everest is a manufacturer of custom and standard electronic enclosures used by the computer, telecom, datacom and other industries and is headquartered in Anaheim, California. The results of Everest subsequent to September 26, 1996 are included in the Condensed Consolidated Statement of Earnings.

On May 15, 1996, CalTerm, Inc. ("CalTerm") was merged with a wholly-owned subsidiary of the Company. Consideration included 122,810 shares of Applied Power Inc. Class A common stock (valued at approximately $3,930) and approximately $1,038 in cash. In addition, the Company assumed approximately $6,000 of outstanding debt which was extinguished by the Company shortly after the merger. In conjunction with the acquisition, a warehouse operated by CalTerm in Reno, Nevada was purchased for approximately $2,300 and there were payments of $1,000 for non-compete agreements. Three individuals received employment agreements and related stock options. Cash payments required were funded through borrowings under existing credit facilities. Goodwill of approximately $2,000 was recorded as a result of this transaction. Headquartered in San Diego, California, CalTerm is a supplier of electrical consumables and tools primarily to the retail automotive aftermarket. The results of operations of CalTerm subsequent to the acquisition date are included in the Condensed Consolidated Statement of Earnings.

On February 23, 1996, the Company's Wright Line subsidiary acquired the European distribution rights for its products for cash of $1,250 plus forgiveness of accounts receivable outstanding of $723 from its European distributor. Goodwill of approximately $1,900 was generated in conjunction with the transaction.

On December 8, 1995, the Company acquired the remaining 10% minority interest in Applied Power Korea. Cash of $388 was used in the acquisition, which generated goodwill of approximately $340. The results of operations of this subsidiary have historically been included in the Condensed Consolidated Statement of Earnings.

The Company acquired the assets of Designed Fluid-Air Systems, Inc. ("DFAS") on October 26, 1995 for $298 in cash plus future royalties. The royalties are to be paid over the next five years and are not to exceed $500 in the aggregate. Approximately $100 of the purchase price was assigned to goodwill. DFAS, located in Oswego, Illinois,

designs, fabricates and assembles customized quick die change systems utilizing hydraulic, pneumatic and electrical components. The results of operations of DFAS after October 26, 1995 are included in the Condensed Consolidated Statement of Earnings.

On September 29, 1995, the Company completed the acquisition of substantially all of the assets and certain liabilities of Vision Plastics Manufacturing Company ("Vision") for $3,557 in cash. Included in the liabilities assumed was $1,357 of outstanding mortgage debt, which was subsequently extinguished by the Company during the first quarter of 1996. Certain proprietary technology rights and patents related to the business were acquired in a separate transaction in January, 1996. Total consideration for the two transactions was approximately $21,500, and was funded by proceeds from borrowings under existing credit facilities. Vision, based in San Diego, California, manufactures plastic cable ties which are sold through electrical wholesale, retail and OEM channels. The results of operations for Vision subsequent to the acquisition date are included in the Condensed Consolidated Statement of Earnings.

All acquisitions were accounted for using the purchase method.

NOTE C - SALES OF PRODUCT LINES

On January 24, 1996, the Company sold substantially all of the assets and liabilities of its APITECH mobile equipment product line. Total consideration from the transaction, which included future collection of retained accounts receivable, is approximately $5,200, which approximated the book value of the product line.

On December 13, 1995, the Company's GB Electrical subsidiary sold its HIT spring steel product line for approximately $2,400 in cash. Proceeds from the sale approximated the book value of the product line.

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

RESULTS OF OPERATIONS

The Company reported record sales and earnings for the second quarter ended February 28, 1997. Net earnings for the quarter were $9,469, or $0.66 per share, compared to $7,650, or $0.55 per share, for the second quarter of the prior year. For the first six months of fiscal 1997, earnings were $19,009, or $1.33 per share, a 21 percent improvement over the earnings from the comparable period last year of $15,360, or $1.10 per share. Increased sales resulted in greater leverage on manufacturing and operating costs and generated the improved earnings. Foreign currency translation negatively impacted sales by approximately 2 percent for the quarter and on a year-to-date basis.

<TABLE>
<CAPTION>

SALES BY SEGMENT

	Three Months Ended			Six Months Ended		
	FEBRUARY 28, 1997	February 29, 1996	Change	FEBRUARY 28, 1997	February 29, 1996	Change
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Distributed Products	$ 70,845	$ 69,644	2%	$ 143,702	$ 136,670	5%
Engineered Solutions	45,351	46,364	(2)%	89,979	94,288	(5)%
Technical Environments and Enclosures	40,974	21,071	94%	76,585	45,392	69%
Total	$ 157,170	$ 137,080	15%	$ 310,266	$ 276,350	12%

</TABLE>

Sales from Distributed Products grew by 2 percent and 5 percent for the three and six month periods ended February 28, 1997, respectively. Ignoring the impact of the strengthening US Dollar, the segment's sales increased 5 percent and 7 percent, respectively. Approximately $10,100 of the sales growth was generated through business acquisitions net of product line dispositions on a year-to-date basis.

Engineered Solutions reported decreases in sales of 2 percent for the quarter and 5 percent year-to-date. Foreign

currency translation had the effect of reducing reported sales 3 percent and 2 percent in the three and six month periods ended February 28, 1997, respectively. Excluding the disposition of the mobile equipment product line and the effect of the Cadillac valve contract which ended last fiscal year, sales in Engineered Solutions grew 6 percent for the quarter.

Technical Environments and Enclosures continued its impressive growth in sales with increases of 94 percent and 69 percent for the quarter and year-to-date periods ended February 28, 1997, respectively. Approximately $18,600 of the sales growth for the year has come from the acquisitions of Everest and C Fab. Another factor driving the sales increases is the continued expansion of the direct sales force nationally and internationally.

<TABLE>
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GROSS PROFIT BY SEGMENT

	Three Months Ended			Six Months Ended		
	FEBRUARY 28, 1997	February 29, 1996	Change	FEBRUARY 28, 1997	February 29, 1996	Change
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Distributed Products	$ 27,816	$ 28,141	(1)%	$ 57,398	$ 56,704	1%
Engineered Solutions	15,167	13,873	9 %	29,558	27,698	7%
Technical Environments and Enclosures	17,450	9,652	81 %	34,115	21,344	60%
Total	$ 60,433	$ 51,666	17 %	$ 121,071	$ 105,746	14%

</TABLE>

The Company's second quarter and year-to-date gross profit increased 17 percent and 14 percent, respectively, over the comparable prior year periods. The improvement is primarily due to favorable product mix, specifically the increase of Technical Environments and Enclosures as a greater portion of the total Company's business.

<TABLE>
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OPERATING EXPENSES

	Three Months Ended			Six Months Ended		
	FEBRUARY 28, 1997	February 29, 1996	Change	FEBRUARY 28, 1997	February 29, 1996	Change
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Distributed Products	$ 18,253	$ 19,537	(7)%	$ 38,151	$ 38,963	(2)%
Engineered Solutions	10,136	9,791	4 %	20,453	20,281	1 %
Technical Environments and Enclosures	11,839	7,097	67 %	22,640	15,485	46 %
General Corporate	1,584	1,377	15 %	2,803	2,929	(4)%
Total	$ 41,812	$ 37,802	11 %	$ 84,047	$ 77,658	8 %

</TABLE>

Operating expenses increased 11 percent for the quarter and 8 percent on a year-to-date basis, reflecting the impact of acquisitions, which contributed approximately $1,500 and $3,000, respectively, and higher sales levels. The majority of the Company's growth and current year acquisitions are within Technical Environments and Enclosures, which explains the large operating expense increases noted within this segment. Overall, the Company continues to reduce operating expenses as a percent of net sales by aggressively managing spending levels. On a year-to-date basis, operating expenses were 27 percent of sales, down from 28 percent over the same period last year.

The increase in gross profits and the reduction of operating expenses as a percentage of sales combined to substantially improve operating profit margins to 11.9 percent from 10.2 percent over the comparable six month period.

NEW ACCOUNTING PRONOUNCEMENTS

In February 1997, the Financial Accounting Standards Board issued SFAS No. 128, "Earnings Per Share." The Company is currently in the process of evaluating the accounting and disclosure effects of the Statement, which is required to be adopted in the second quarter of fiscal 1998.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents totaled $84 and $1,001 at February 28, 1997 and August 31, 1996, respectively. In order to minimize net financing costs, the Company intentionally maintains low cash balances by using available cash to reduce short-term bank borrowings.

Net cash generated from operations, after considering non-cash items and changes in operating assets and liabilities, totaled $14,115 for the six months ended February 28, 1997, compared to $17,898 for the comparable prior year period. The decrease is the result of increased working capital coupled with increased tax payments.

Net cash used in investing activities totaled $71,220 for the first six months of fiscal 1997, of which $63,312 was used for the acquisitions of Everest and C-Fab. In addition, $10,862 was used for capital expenditures, which was offset by approximately $3,000 in proceeds from sales of property, plant and equipment. Proceeds included approximately $1,050 related to a sale and leaseback transaction completed on certain machinery during the first quarter of fiscal 1997.

<TABLE>
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TOTAL CAPITALIZATION	FEBRUARY 28, 1997		August 31, 1996	
<S>	<C>	<C>	<C>	<C>
Shareholders' Equity	$ 184,216	54%	$ 168,455	61%
Total Debt	144,944	42%	92,616	33%
Deferred Taxes	13,834	4%	15,395	6%
Total	$ 342,994	100%	$ 276,466	100%

</TABLE>

Outstanding debt at February 28, 1997 totaled $144,944, an increase of approximately $52,300 since the beginning of the year. The increase reflects additional borrowings for acquisitions. Despite the additional acquisition of C Fab completed during the second quarter of the current year, the Company was able to maintain the debt to total capitalization ratio of 42%, consistent with that reported at November 30, 1996. This is up from 33 percent at the beginning of the year. Dividends of $826 were paid, while the exercise of stock options generated an additional $2,346 of cash in the six month period ended February 28, 1997.

The Company anticipates that the funds generated from operations and available under credit facilities 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 8, 1997. Two matters were voted on by shareholders at the meeting. Each director nominee was elected. The number of votes for each nominee is set forth below:

<TABLE>
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	Share Votes For	Share Votes Withheld
<S>	<C>	<C>
H. Richard Crowther	10,471,766	162,386
Jack L. Heckel	10,471,595	162,557
Richard A. Kashnow	10,471,491	162,661
L. Dennis Kozlowski	10,471,933	162,219
John J. McDonough	10,471,768	162,384
Richard G. Sim	10,468,290	165,862

</TABLE>

In addition, shareholders voted to approve the Applied Power Inc. 1996 Stock Plan (the "1996 Plan"). Shares voted for approval of the 1996 Plan totaled 6,877,825; the holders of 2,771,262 shares voted against such approval, the holders of 72,473 shares abstained, and the broker non vote was 912,592.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) See Index to Exhibits on page 11, which is incorporated herein by reference.

(b) A Form 8-K/A was filed on December 10, 1996 to provide the required financial statements and pro forma disclosures related to the acquisition of the net assets of Everest Electronic Equipment, Inc.

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 11, 1997

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 1997 SECOND QUARTER 10-Q

EXHIBIT 11

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

	Three Months Ended		Six Months Ended	
	FEBRUARY 28, 1997	February 29, 1996	FEBRUARY 28, 1997	February 29, 1996
PRIMARY:				
Average shares outstanding	13,768	13,420	13,731	13,415
Net effect of dilutive options based on the treasury stock method using average market price	578	502	532	544
Total	14,346	13,922	14,263	13,959
Net earnings	$ 9,469	$ 7,650	$ 19,009	$ 15,360
Primary earnings per share	$ 0.66	$ 0.55	$ 1.33	$ 1.10
FULLY DILUTED:				
Average shares outstanding	13,768	13,420	13,731	13,415
Net effect of dilutive options based on the treasury stock method using the greater of average or period-end market price	578	527	579	544
Total	14,346	13,947	14,310	13,959
Net earnings	$ 9,469	$ 7,650	$ 19,009	$ 15,360
Fully diluted earnings per share	$ 0.66	$ 0.55	$ 1.33	$ 1.10

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE UNAUDITED FINANCIAL STATEMENTS OF APPLIED POWER INC. FOR THE SIX MONTH PERIOD ENDED FEBRUARY 28, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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