



Fiscal 2011 Second Quarter Earnings Call

March 17, 2011

Bob Arzbaecher, Chairman and CEO

Mark Goldstein, COO

Andy Lampereur, CFO

Karen Bauer, Investor Relations



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Statements in this presentation that are not historical are considered “forward-looking statements” and are subject to change based on various factors and uncertainties that may cause actual results to differ significantly from expectations. Those factors are contained in Actuant’s Securities and Exchange Commission filings.

All estimates of future performance are as of March 17, 2011.

In this presentation certain non-GAAP financial measures may be used. Please see the supplemental financial schedules at the end of this presentation, accompanying the Q2 Fiscal 2011 earnings press release, or refer to the Investors section of Actuant’s website (www.actuant.com) for a reconciliation to the appropriate GAAP measure.

Second Quarter Highlights



- Continued robust year-over-year core sales growth pace, with +13% for Q2
- Operating profit margins increased 90 basis points compared to last year (excluding prior year restructuring costs) - the 5th consecutive quarter of year-over-year increases
- EPS from continuing operations increased 43% to \$0.30 from \$0.21 last year, excluding prior year restructuring costs.
- Completed Mastervolt acquisition and sale of European Electrical
- Expanded and extended credit facility providing ample liquidity to fund growth initiatives

Second Quarter Operating Results



(US\$ in millions except EPS)

	F' 2010	F' 2011	Change
Sales	\$267	\$331	24%
Operating Profit ⁽¹⁾	\$27	\$37	35%
	10.3%	11.2%	90 bps
Adjusted EPS ⁽¹⁾	\$0.21	\$0.30	43%

43% Year-over-Year EPS Growth

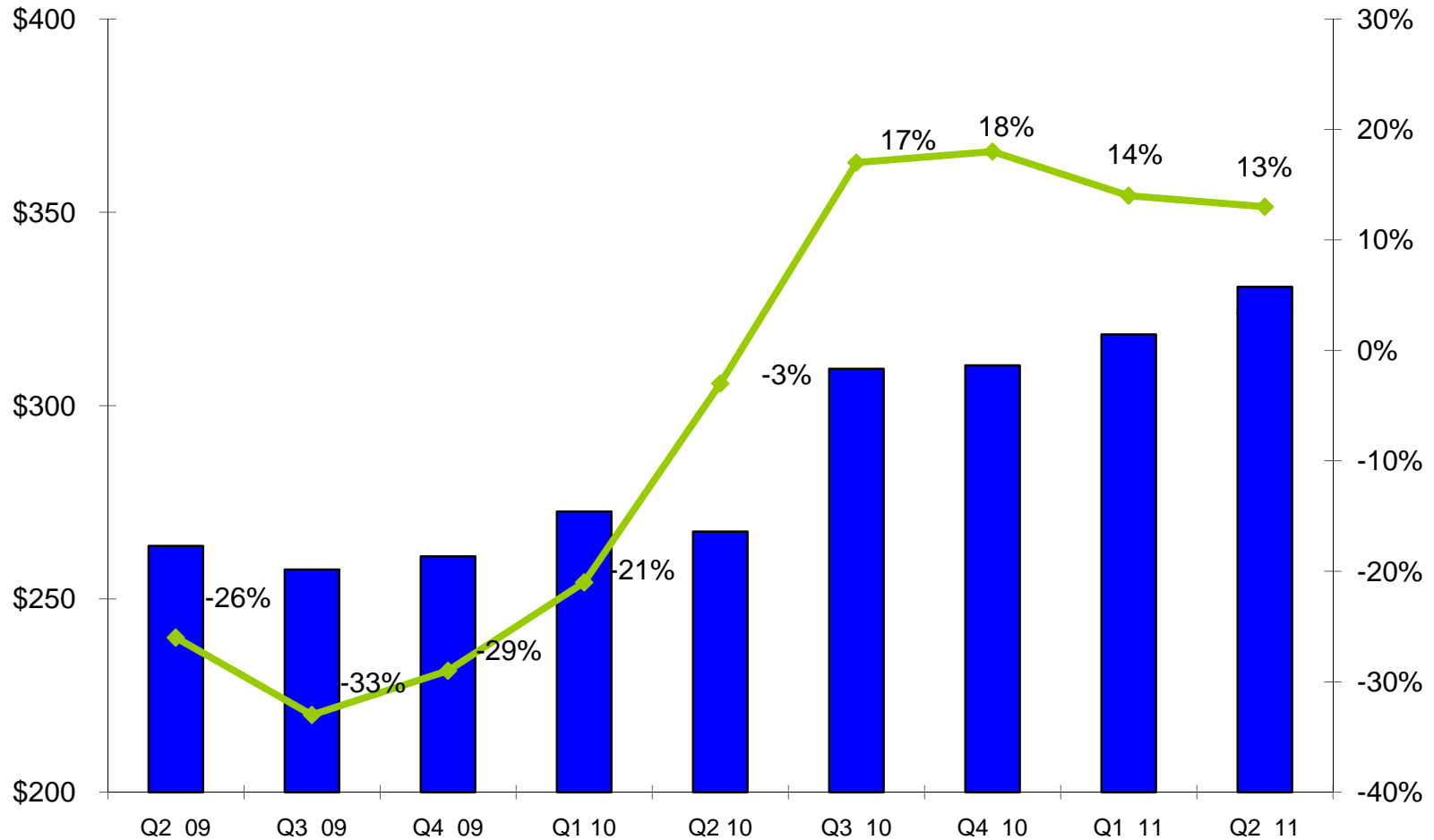
(1) From continuing operations, excluding prior year restructuring costs

Consolidated Sales Trend



Sales (US\$ in millions)

Year-over-Year
Core Sales Rate of Change



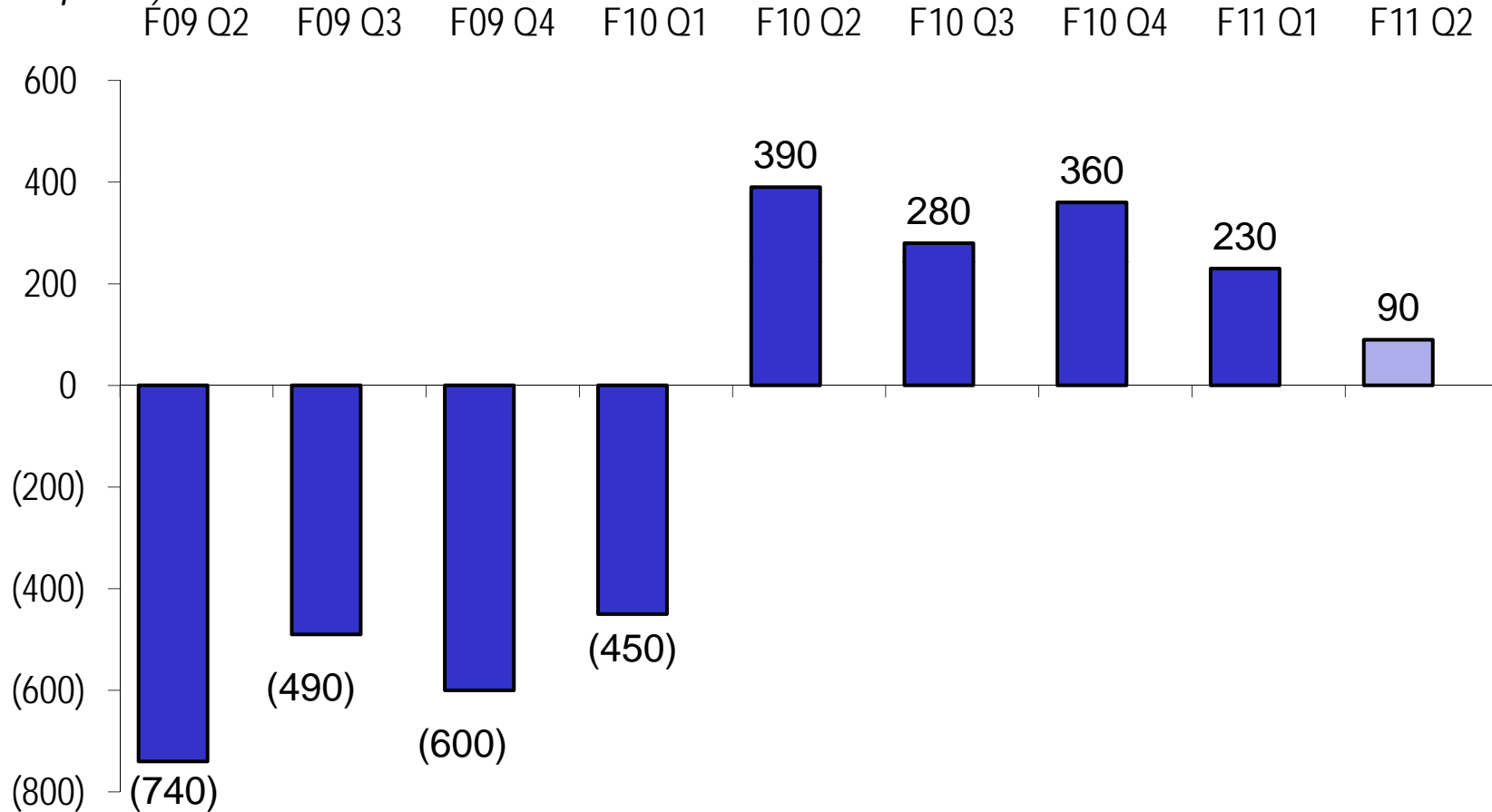
Continued Strong Core Sales Growth Rate

Y-O-Y Operating Profit Margin Change



Operating profit margin excluding restructuring and impairment charges for all periods presented

(basis points)



Five Consecutive Quarters of Year-Over-Year Improvement

Industrial Segment



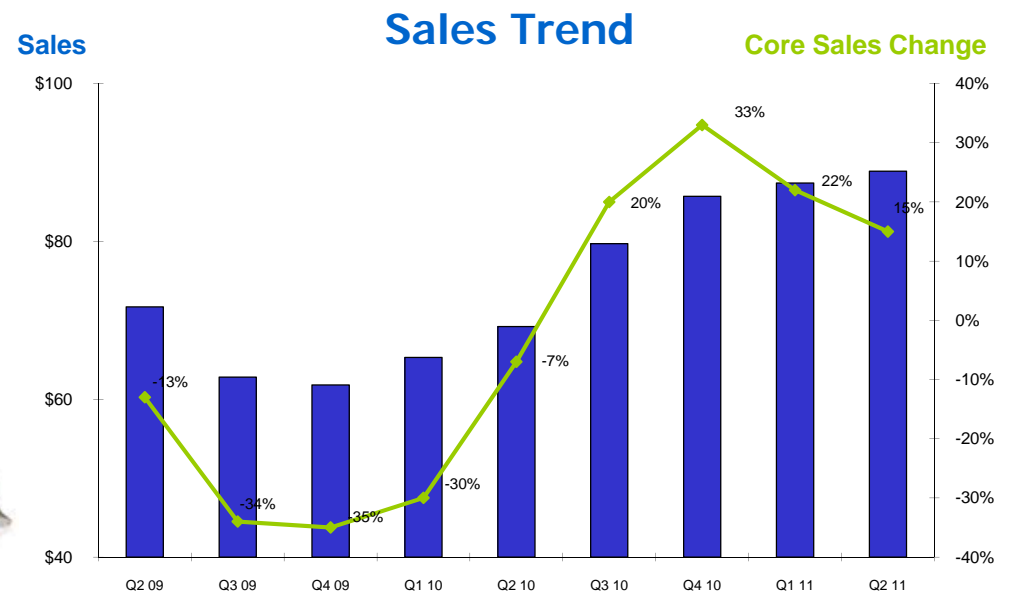
- Continued year-over-year core growth across essentially all geographies and markets
- Year-over year operating margins essentially in line with last year as higher volumes are partially offset by higher IS sales mix.

Financial Snapshot

(US\$ in millions)

	2nd Quarter		y-o-y change	1st Quarter	
	2011	2010		2011	sequential change
Sales	\$89	\$69	28%	\$87	2%
Op Income ⁽¹⁾	\$20.1	\$15.8	27%	\$20.2	0%
Op Margin ⁽¹⁾	22.7%	22.9%	(20) bps	23.1%	(40) bps

(1) Excludes restructuring charges of \$4.9 million in Q2 of fiscal 2010.



Energy Segment



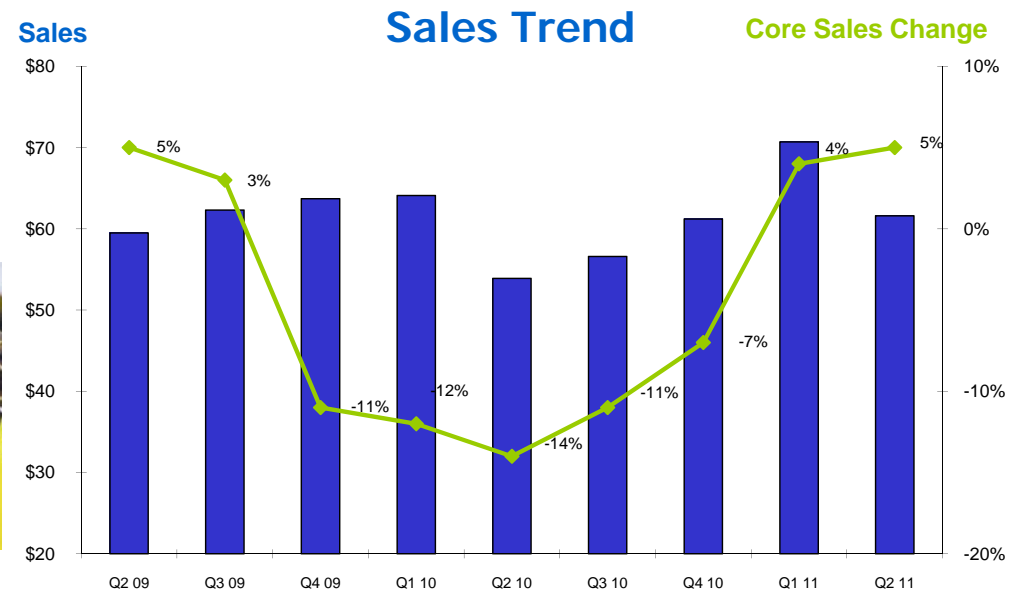
- Normal seasonal sequential decline in sales while the core sales rate of change continued positive at 5%.
- Emerging / new market growth and improved seismic activity were primary drivers
- Year-over-year margin improvement from the higher volumes

Financial Snapshot

(US\$ in millions)

	2nd Quarter		y-o-y change	1st Quarter	
	2011	2010		2011	sequential change
Sales	\$62	\$54	14%	\$71	-13%
Op Income ⁽¹⁾	\$6.8	\$5.6	21%	\$11.9	-43%
Op Margin ⁽¹⁾	11.0%	10.4%	60 bps	16.8%	(580) bps

(1) Excludes restructuring charges of \$1.7 million Q2 of fiscal 2010.



Electrical Segment



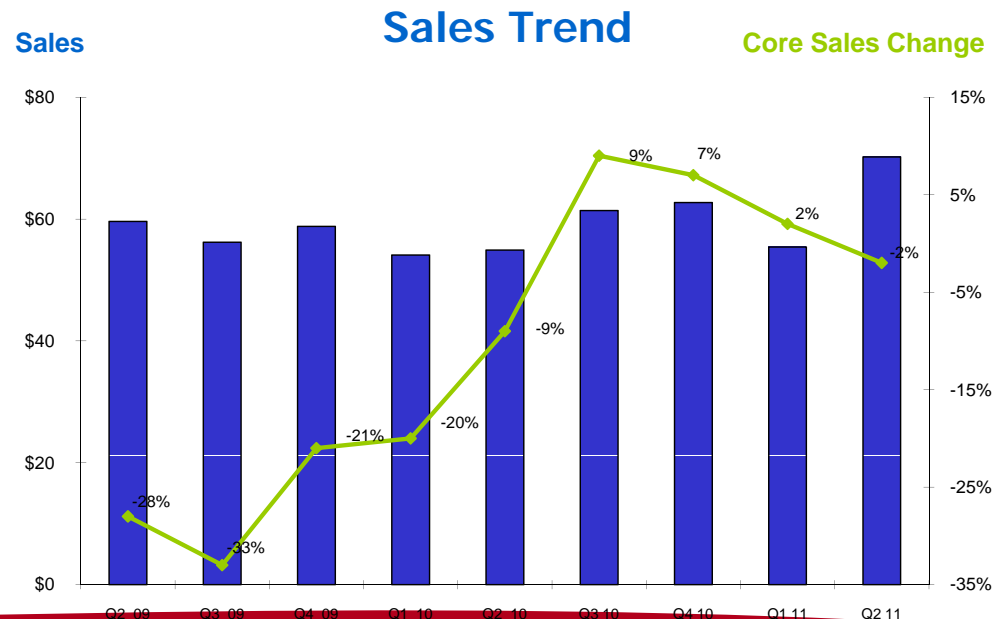
- Modest year-over-year decline in core sales
- Volumes impacted by lower DIY/retail and commercial construction activity
- Margins impacted by acquisition mix, higher input costs
- Mastervolt's results for the quarter reflect normal seasonal weakness

Financial Snapshot

(US\$ in millions)

	2nd Quarter		y-o-y change	1st Quarter	
	2011	2010		2010	sequential change
Sales	\$70	\$55	28%	\$55	27%
Op Income ⁽¹⁾	\$4.9	\$5.5	-11%	\$3.8	32%
Op Margin ⁽¹⁾	7.0%	10.1%	(310) bps	6.8%	20 bps

(1) Excludes restructuring charges of \$1.2 million in Q2 of fiscal 2010.



Engineered Solutions Segment



- Continued robust year-over-year core sales growth in global vehicle markets with particular strength in global heavy-duty truck, construction equipment and agriculture equipment
- Substantially improved operating margins reflect both higher volumes and restructuring benefits

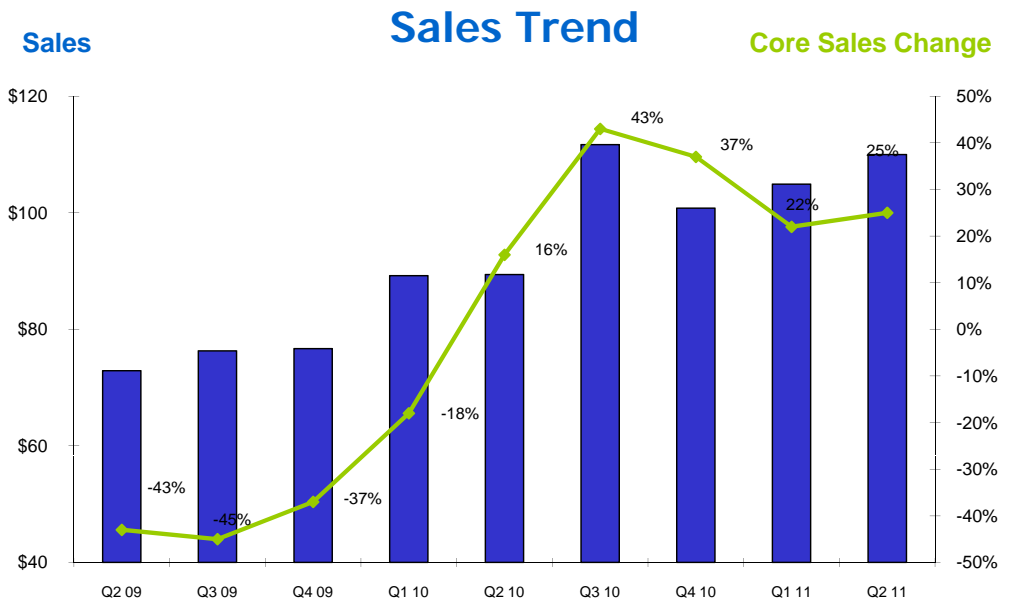
Financial Snapshot

(US\$ in millions)

	2nd Quarter		y-o-y change	1st Quarter	
	2011	2010		2010	sequential change
Sales	\$110	\$89	23%	\$105	5%
Op Income ⁽¹⁾	\$13.4	\$6.0	123%	\$13.8	-3%
Op Margin ⁽¹⁾	12.2%	6.7%	550 bps	13.2%	(100) bps

(1) Excludes restructuring charges of \$2.0 million in Q2 of fiscal 2010.

POWER-PACKER **GITS MFG. CO.**



Second Quarter Cash Flow / Net Debt



Free Cash Flow

EBITDA	\$49
Capital Expenditures	(4)
Cash Interest	(11)
Cash Taxes	(2)
Working Capital/Other	(21)
	<u>\$11</u>

Net Debt Reconciliation

Net Debt - November 30, 2010	\$323
Acquisitions	158
Divestiture Proceeds	(6)
Debt Issue Costs	5
Free Cash Flow	(11)
FX/Other	(1)
Net Debt - February 28, 2011	<u>\$468</u>

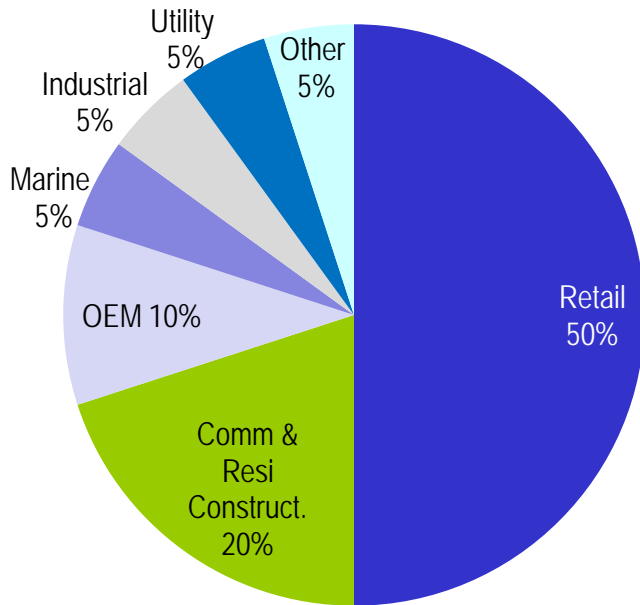
Over \$550 Million of Unused Revolver Capacity

Repositioning Electrical Segment



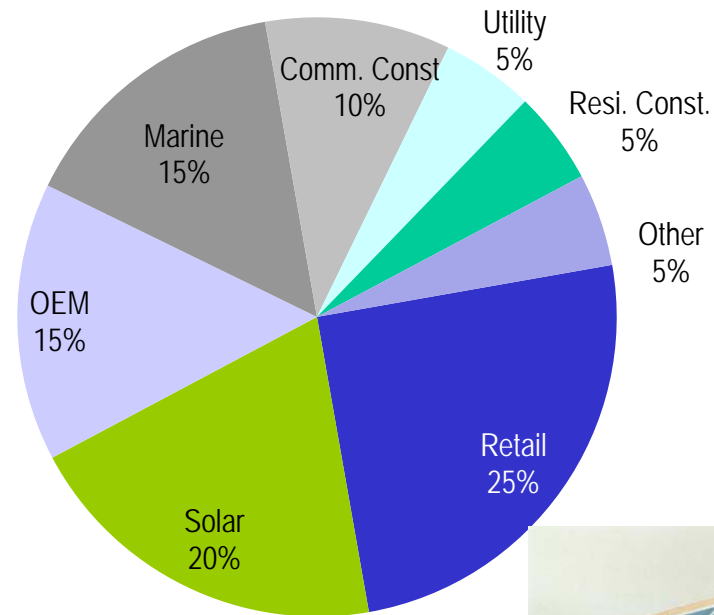
Electrical Segment – Before

(With European Electrical / No Mastervolt)



Electrical Segment – After

(Excluding European Electrical / With Full Year Pro-Forma Mastervolt)



Reduced Exposure to Retail DIY – Increased Exposure to Marine and Solar Markets

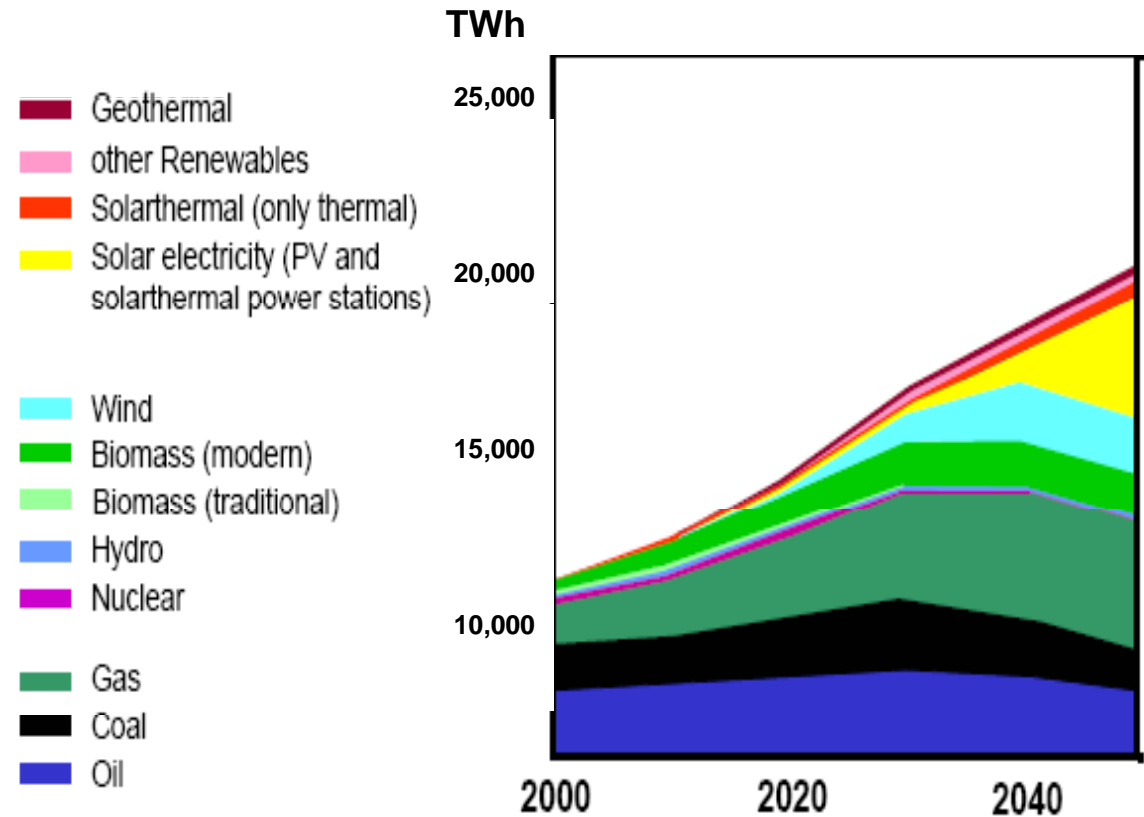
Energy Market Diversity



Actuant Key Energy End Markets

- Oil
- Gas
- Wind
- Nuclear
- Solar
- Electric Utilities
- Power Generation

World Energy Production



Source: IEA / VGB

Mastervolt Integration Update



- Mastervolt + Marinco = developing global marine growth strategy
- Excited about solar inverter market despite short term headwinds
- Developing and prioritizing geographic growth strategy and technology roadmap
- Leveraging strong technical resources to other Electrical businesses



Strong Fiscal 2011 First Half Results ⁽¹⁾



(US\$ in millions except EPS)

	F' 2010	F' 2011	Change
Sales	\$540	\$649	20%
Core Growth		13%	
Operating Profit	\$57	\$79	38%
	10.5%	12.1%	160 bps
EBITDA	\$81	\$103	28%
	14.9%	15.8%	90 bps
Adjusted EPS	\$0.42	\$0.66	57%

Robust Results Driven by Economic Recovery, Growth Initiatives, Operating Leverage and Acquisitions

(1) From continuing operations, excluding prior year restructuring costs. Core growth represents total year-over-year sales growth less the impact of foreign currency rate changes and acquisitions/divestitures.

Fiscal 2011 Outlook



(US\$ in millions except EPS)

Full Year Assumptions:

- Full year core sales growth of 9-11%
- EBITDA margin expansion of 75-125 basis points
- Full year effective tax rate approximately 22%
- Excludes future acquisitions

	3rd Quarter		
	2010	2011E	Change
Sales	\$310	\$375 - 385	21 - 24%
Diluted EPS (1)	\$0.35	\$0.42 - 0.47	20 - 34%

	Full Year		
	2010	2011E	Change
Sales	\$1,161	\$1,400-1,425	18 - 23%
Diluted EPS (1)	\$1.08	\$1.50 - 1.60	39 - 48%

2011 Free Cash Flow Forecast of \$140-150 Million

(1) 2010 results from continuing operations, excluding restructuring costs and income tax adjustments



Q & A

Future Key Dates: Third Quarter Fiscal 2011 Earnings – June 16, 2011



Appendix

Reconciliation of Non-GAAP Measures

(US\$ in millions except EPS)



Net Earnings Excluding Special Items

	Q2 2010	Q2 2011
Net earnings	\$7.2	\$7.9
Net of Tax Adjustments:		
Discontinued Operations	\$6.9	\$14.2
Restructuring Charge	\$0.7	-
Net earnings excluding special items	<u>\$14.8</u>	<u>\$22.1</u>

Diluted EPS Excluding Special Items

	Q2 2010	Q2 2011
Diluted Earnings per Share (EPS)	\$ 0.10	\$ 0.11
Net of Tax Adjustments:		
Discontinued Operations	0.01	0.19
Restructuring Charge	0.10	-
Diluted EPS excluding special items	<u>\$ 0.21</u>	<u>\$ 0.30</u>

EBITDA

	Q2 2010	Q2 2011
Net Earnings	\$7.2	\$7.9
Net Financing Costs	\$7.8	\$8.2
Income Tax Expense	\$2.0	\$6.2
Depreciation & Amortization	\$11.8	\$12.9
Discontinued Operations	\$0.7	\$14.2
EBITDA	<u>\$29.5</u>	<u>\$49.4</u>
Adjustments To EBITDA:		
Restructuring Charge	\$10.0	-
Adjusted EBITDA	<u>\$39.5</u>	<u>\$49.4</u>

Free Cash Flow

	Q2 2010	Q2 2011
Adjusted EBITDA	\$39.5	\$49.4
Cash Interest	(\$10.2)	(\$10.7)
Cash Taxes	(\$7.9)	(\$2.0)
Capital Expenditures	(\$3.6)	(\$4.2)
PWC/Other	\$1.3	(\$21.3)
Free Cash Flow	<u>\$19.1</u>	<u>\$11.2</u>