



Fiscal 2011 Fourth Quarter Earnings Call

September 28, 2011

Bob Arzbaecher, Chairman and CEO

Mark Goldstein, COO

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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.

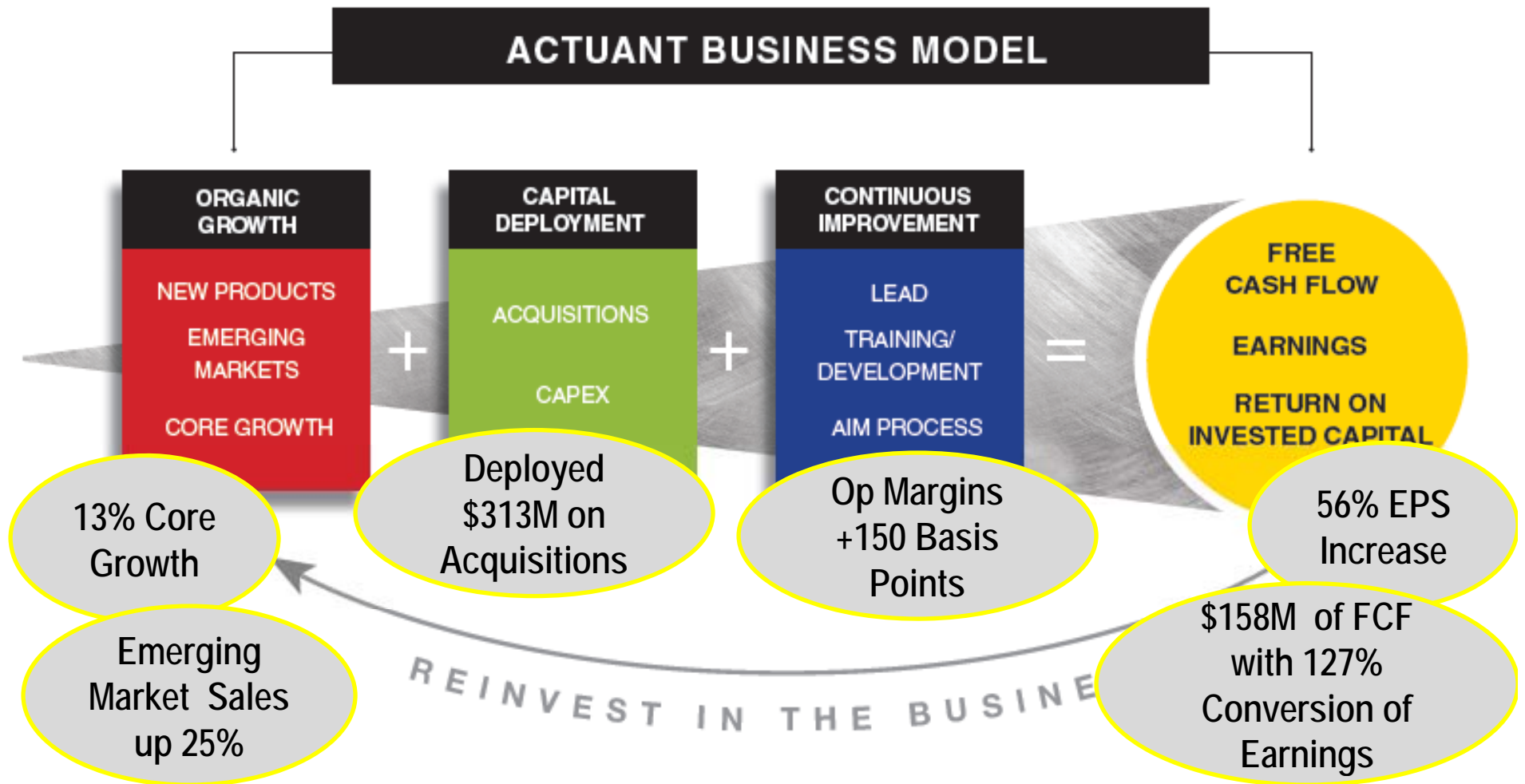
All estimates of future performance are as of September 28, 2011.

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 Q4 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.

Fourth Quarter Highlights



- Robust 10% year-over-year core sales growth led by Industrial and Energy
- Operating profit margins increased 120 basis points compared to last year (excluding prior year restructuring costs)
- EPS from continuing operations increased 61% to \$0.50 from \$0.31 last year, excluding prior year restructuring
- Strong free cash flow generation of \$71 million
- Completed acquisition of Weasler Engineering, Inc.
- Stock repurchase program adopted by Board of Directors subsequent to fiscal year end



By All Measures, A Great Performance in Fiscal 2011

Fourth Quarter Operating Results



(US\$ in millions except EPS)

	F' 2010	F' 2011	Change
Sales	\$310	\$403	30%
Operating Profit ⁽¹⁾	\$40	\$57	42%
	12.9%	14.1%	120 bps
Adjusted EPS ⁽¹⁾	\$0.31	\$0.50	61%

Strong Improvement on All Metrics

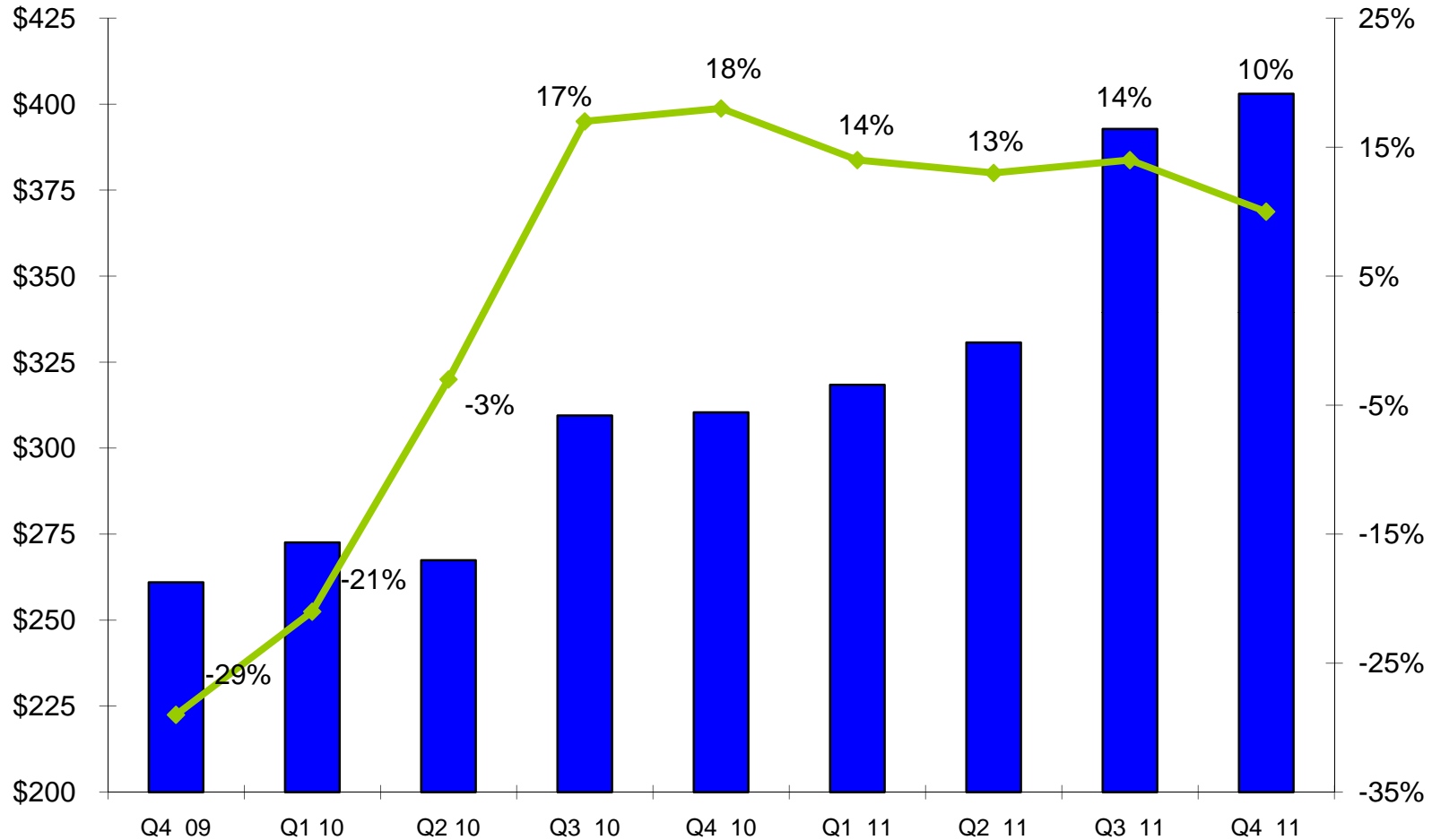
(1) From continuing operations, excluding prior year restructuring costs

Core Sales Growth



Sales (US\$ in millions)

Year-over-Year
Core Sales Rate of Change

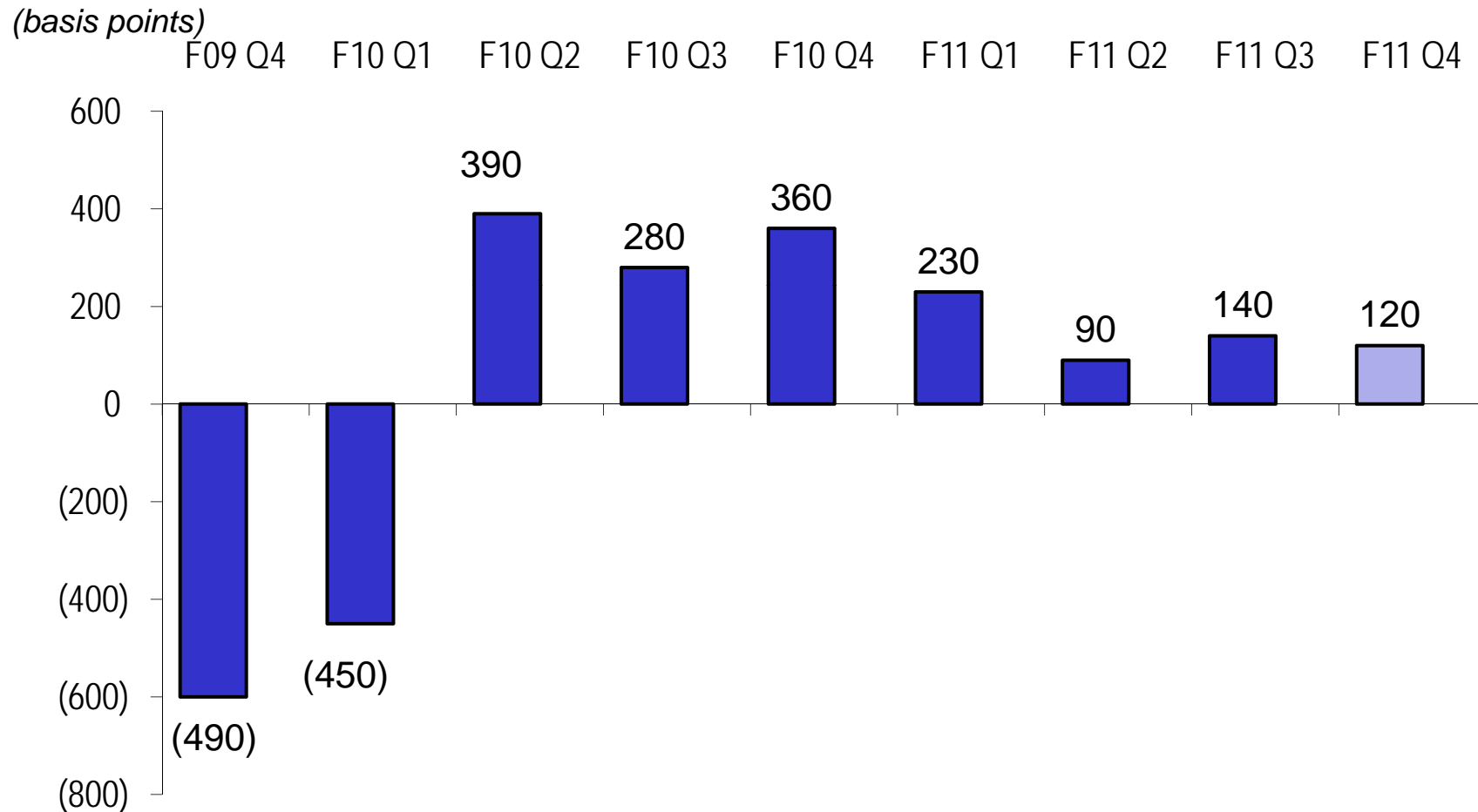


Despite More Difficult Comparisons, Strong Core Sales Growth Continues

Operating Profit Margin Trend



Operating profit margin excluding restructuring and impairment charges



Seven Consecutive Quarters of Year-Over-Year Improvement

Industrial Segment



- Broad based year-over-year core sales growth across essentially all geographies and markets
 - Integrated Solutions (IS) projects, new product launches and vertical market focus
- Year-over-year operating margins expanded reflecting higher volumes; modestly unfavorable IS mix

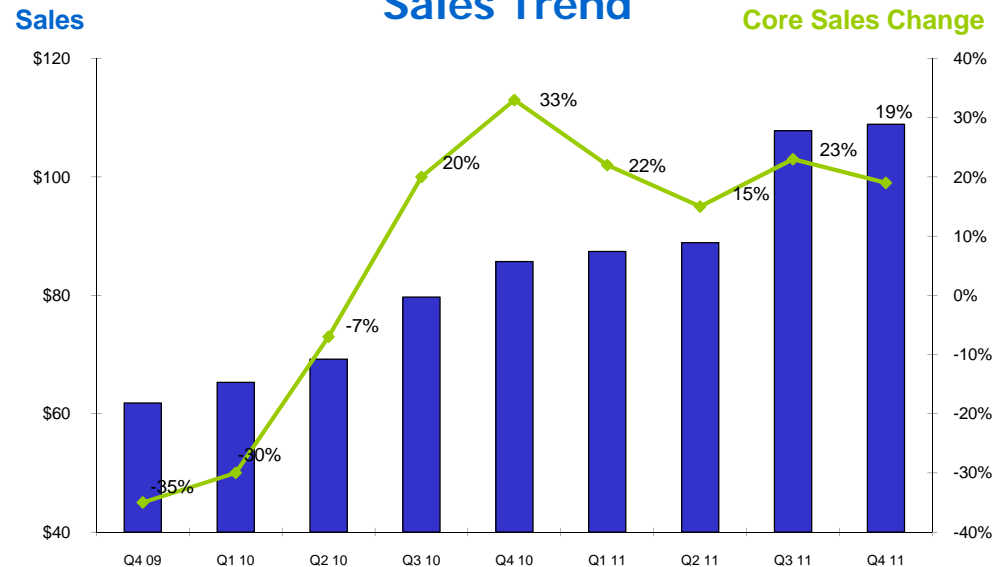
Financial Snapshot

(US\$ in millions)

	4th Quarter		y-o-y change	3rd Quarter	
	2011	2010		2011	sequential change
Sales	\$109	\$86	27%	\$108	1%
Op Income ⁽¹⁾	\$28.6	\$21.8	31%	\$29.5	-3%
Op Margin ⁽¹⁾	26.2%	25.4%	80 bps	27.4%	(120) bps

(1) Excludes restructuring charges of \$0.4 million in Q4 of fiscal 2010.

Sales Trend



Energy Segment



- Strong growth across nearly all end markets
- Maintenance, capital spending projects and higher nuclear activity were the primary drivers
- Year-over-year and sequential margin improvement due to the higher volumes

Financial Snapshot

(US\$ in millions)

	4th Quarter		y-o-y change	3rd Quarter	
	2011	2010		2011	sequential change
Sales	\$83	\$61	35%	\$78	6%
Op Income ⁽¹⁾	\$17.2	\$8.3	107%	\$13.5	27%
Op Margin ⁽¹⁾	20.7%	13.5%	720 bps	17.4%	330 bps

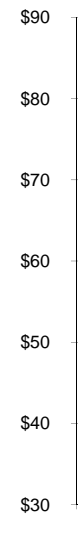
(1) Excludes restructuring charges of \$0.1 million Q4 of fiscal 2010.

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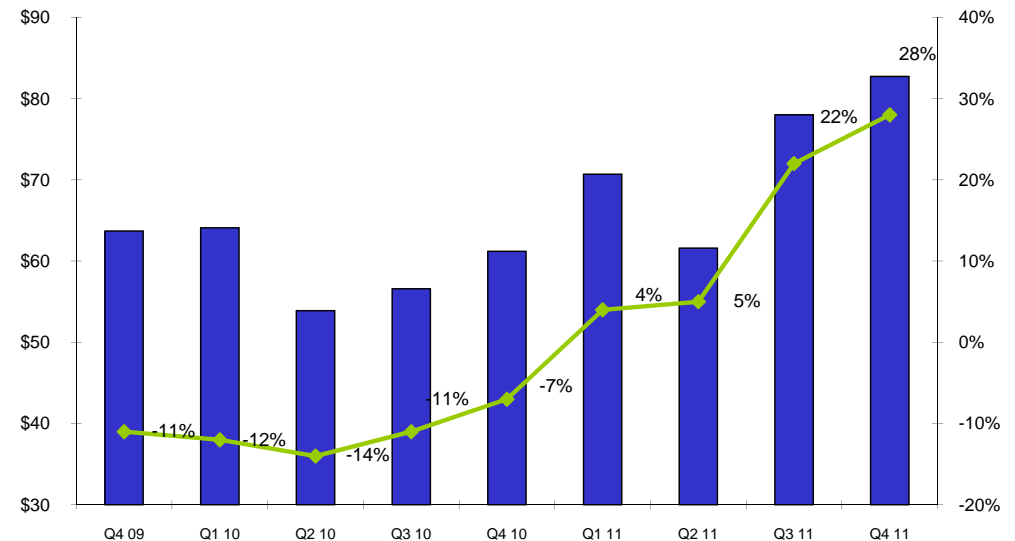
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Sales



Sales Trend



Electrical Segment



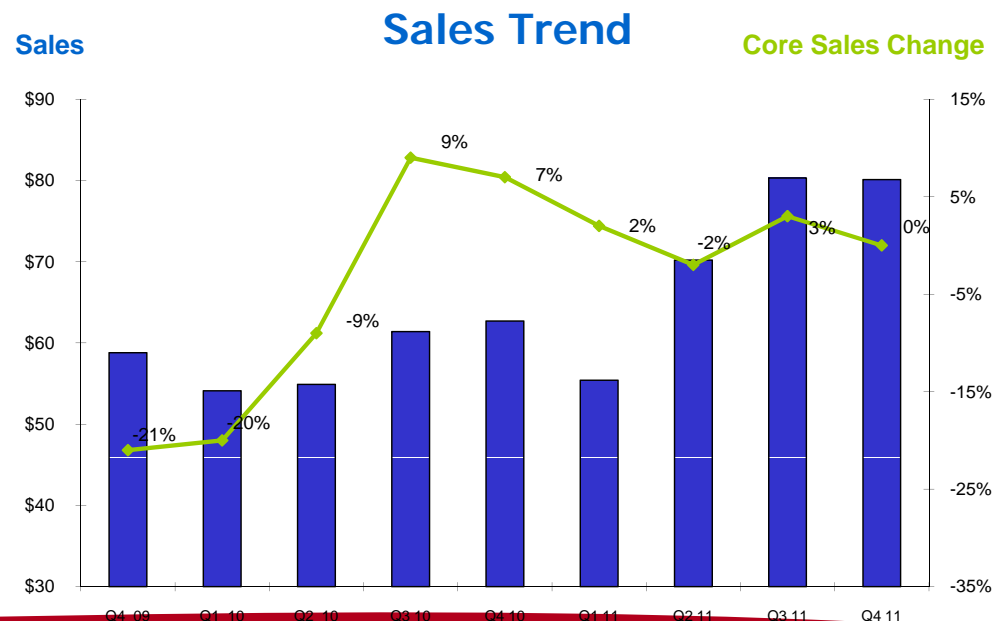
- Flat year-over-year core sales with sluggish demand in marine, retail and construction markets
- Solar market in Europe still weak, but modest improvement in channel inventory levels
- Margins up sequentially with pricing and cost actions

Financial Snapshot

(US\$ in millions)

	4th Quarter		y-o-y change	3rd Quarter	
	2011	2010		2011	sequential change
Sales	\$80	\$63	28%	\$80	0%
Op Income ⁽¹⁾	\$6.5	\$7.4	-13%	\$5.5	19%
Op Margin ⁽¹⁾	8.1%	11.9%	(380) bps	6.8%	130 bps

(1) Excludes restructuring charges of \$0.9 million in Q4 of fiscal 2010.



Engineered Solutions Segment



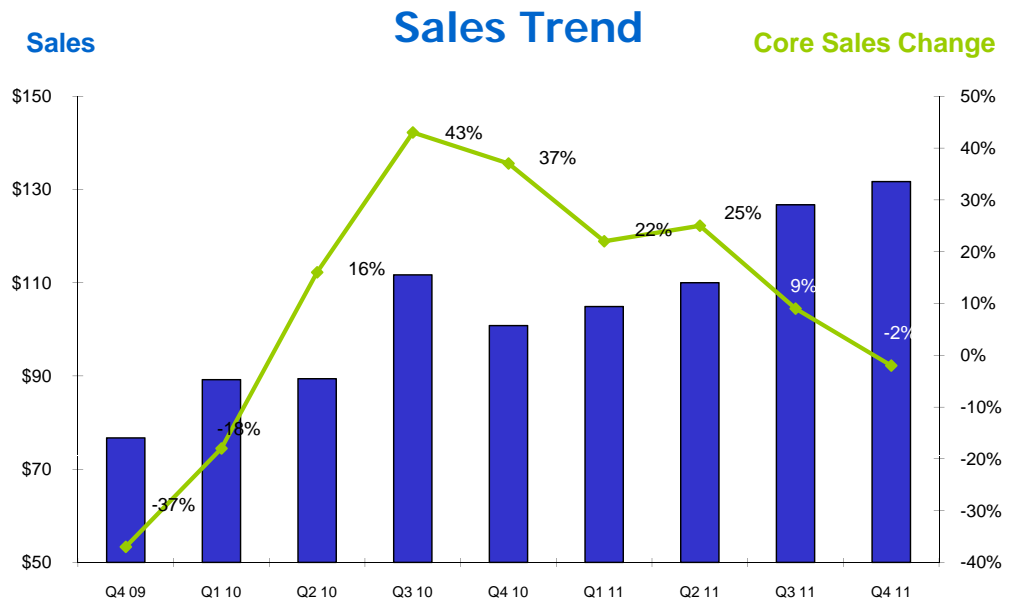
- Year-over-year core sales down modestly as expected with European OEM summer shutdowns, also lower RV and defense spending
- Global truck, construction & ag production remains solid
- Weasler off to a good start
- Margins reflect one-time acquisition costs

Financial Snapshot

(US\$ in millions)

	4th Quarter		y-o-y change	3rd Quarter	
	2011	2010		2011	sequential change
Sales	\$132	\$101	31%	\$127	4%
Op Income ⁽¹⁾	\$16.4	\$10.2	60%	\$20.0	-18%
Op Margin ⁽¹⁾	12.5%	10.2%	230 bps	15.8%	(330) bps

(1) Excludes restructuring charges of \$0.8 million in Q4 of fiscal 2010.



Fourth Quarter Cash Flow / Net Debt



(US\$ in millions)

Free Cash Flow

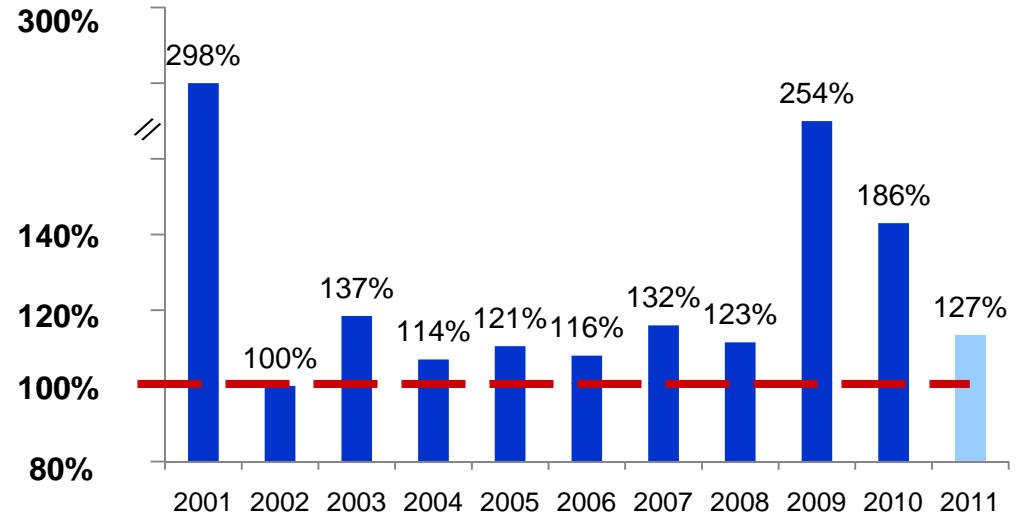
EBITDA	\$71
Capital Expenditures	(8)
Cash Interest	(11)
Cash Taxes	(6)
Working Capital/Other	25
Free Cash Flow	\$71

Net Debt Reconciliation

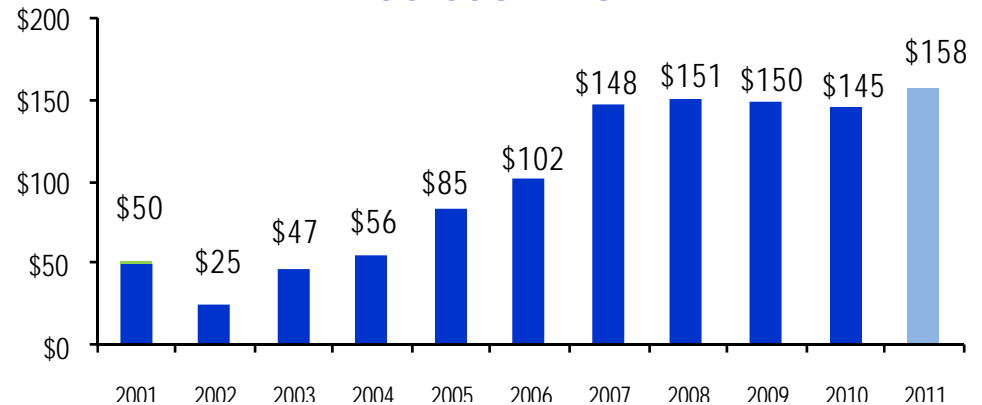
Net Debt - May 31, 2011	\$399
Weasler Acquisition	\$153
Free Cash Flow	(71)
FX/Other	-
Net Debt - Aug 31, 2011	\$481
Net Debt/EBITDA ⁽¹⁾	1.8X
Debt / Capitalization	34%

(1) Pro forma to include a full LTM of EBITDA for acquired businesses

Free Cash Flow Conversion Trend



Free Cash Flow



Exceptional Cash Flow Track Record Continues

Stock Repurchase Program



- Authorized up to seven million shares, or 10% of ATU Class A common stock
- Provides flexibility
 - Market dislocations in valuation
 - Equity compensation award dilution
- Does not change primary capital deployment priorities of acquisition and organic growth investments
- Committed to maintaining leverage in 1.5-2.5X Net Debt/EBITDA range

Shareholder Valuation Creation Opportunity

- Integration and financial results off to a strong start
- Accelerated visits / meetings with existing ATU businesses
 - Revenue synergies – Power-Packer Oldenzaal, Maxima Spain, Elliott
 - LEAD Immersion – Cortland, Maxima, Elliott
- Embracing Growth + Innovation processes & metrics
- Continuing new product development efforts
- LCC supply chain focus



Integration Off To a Good Start

Fiscal 2012 Outlook



(US\$ in millions except EPS)

	Full Year		
	2011	2012E	Change
Sales	\$1,445	\$1,600-1,650	11 - 14%
Diluted EPS	\$1.68	\$1.80-2.00	7 - 19%

	1st Quarter		
	2011	2012E	Change
Sales	\$318	\$365-375	15 - 18%
Diluted EPS	\$0.36	\$0.40-0.45	11 - 25%

Full Year Assumptions:

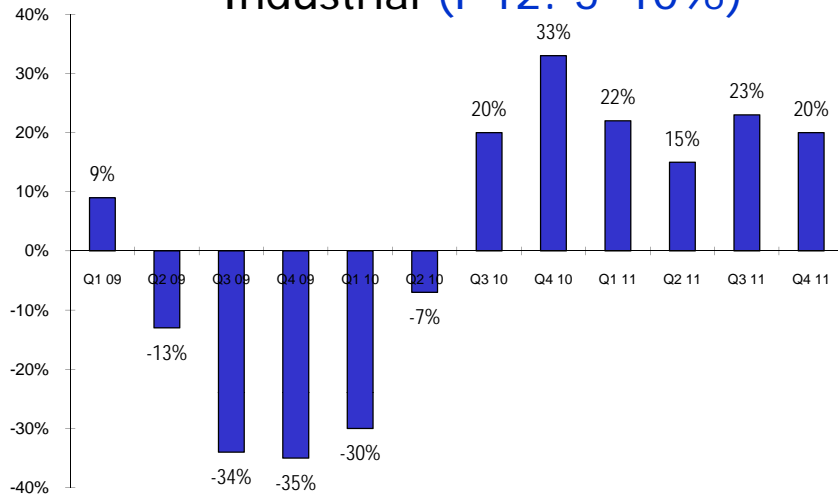
- Full year core sales growth of 5-8%
- Key FX rates – approximately \$1.4/1€ and \$1.6/1£
- Carryover acquisition revenue of approximately \$100 million
- Margin expansion of 50-100 basis points
- ~24% effective tax rate
- Shares outstanding 76-77 million
- Excludes future acquisitions, share repurchases

2012 Free Cash Flow Forecast of \$155-165 Million

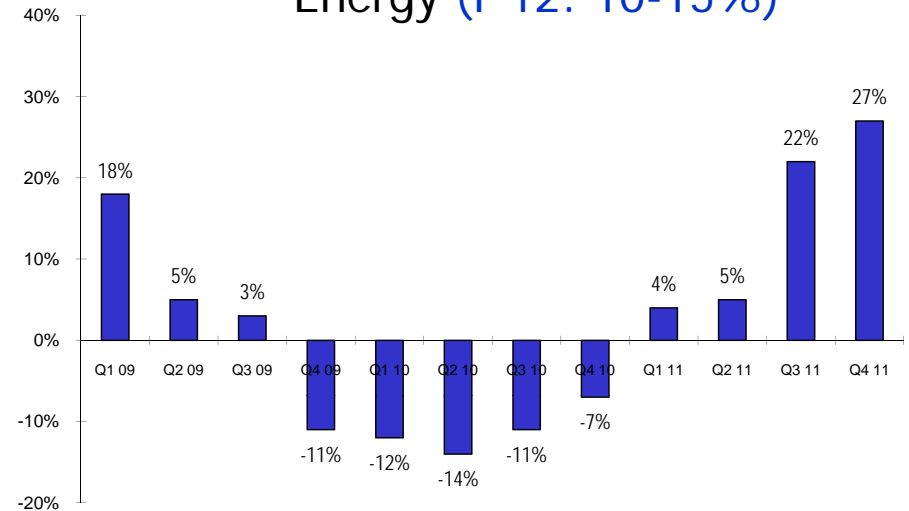
Segment Core Sales Trends



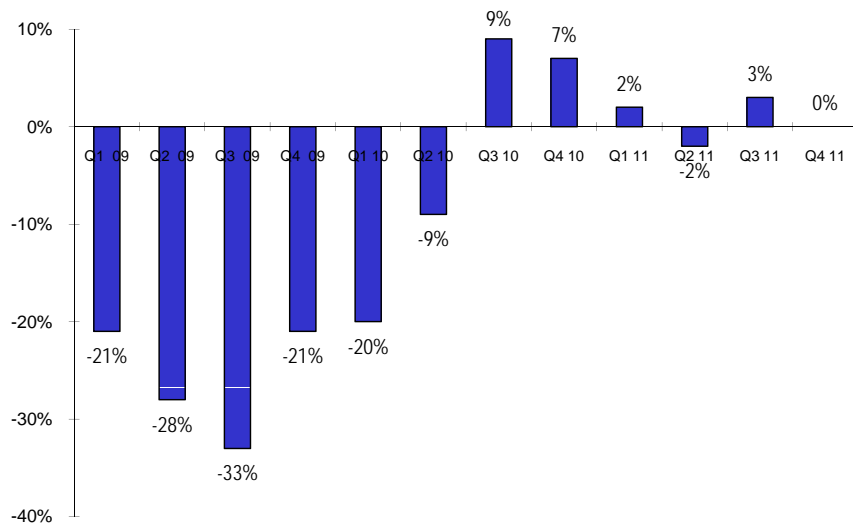
Industrial (F'12: 5-10%)



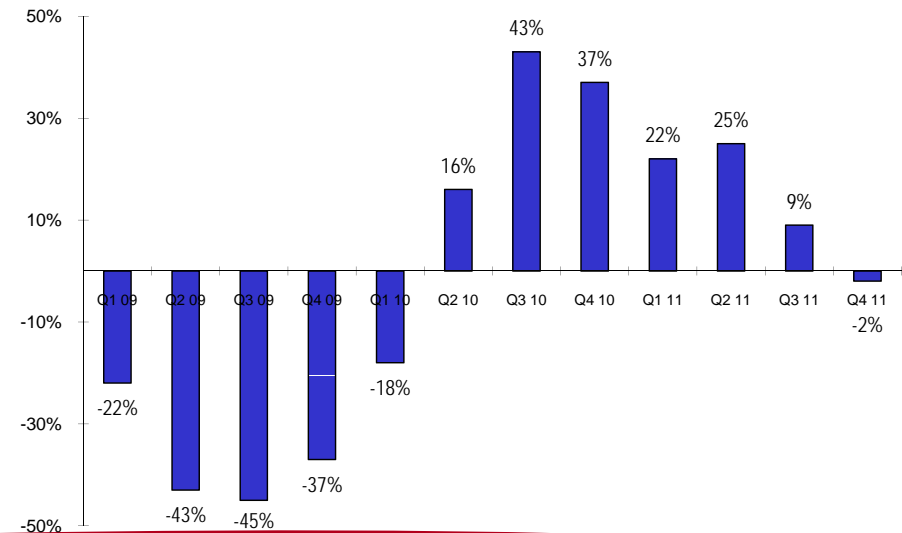
Energy (F'12: 10-15%)



Electrical (F'12: 1-5%)



Engineered Solutions (F'12: 1-5%)



Strong Operating Momentum



Results Benefitting From Industrial Recovery and Strong Execution

	F' 2010				F' 2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Core Sales Growth	-21%	-3%	+17%	+18%	+14%	+13%	+14%	+10%
Op.Profit Margin Growth ⁽¹⁾	(450)	+390	+280	+360	+230	+90	+140	+120
Diluted EPS Growth ⁽²⁾	-53%	+91%	+59%	+82%	+71%	+43%	+46%	+61%

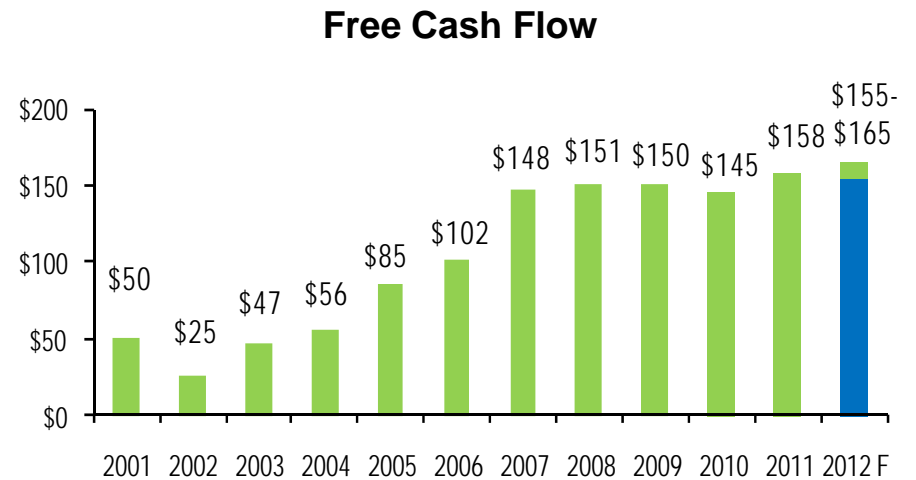
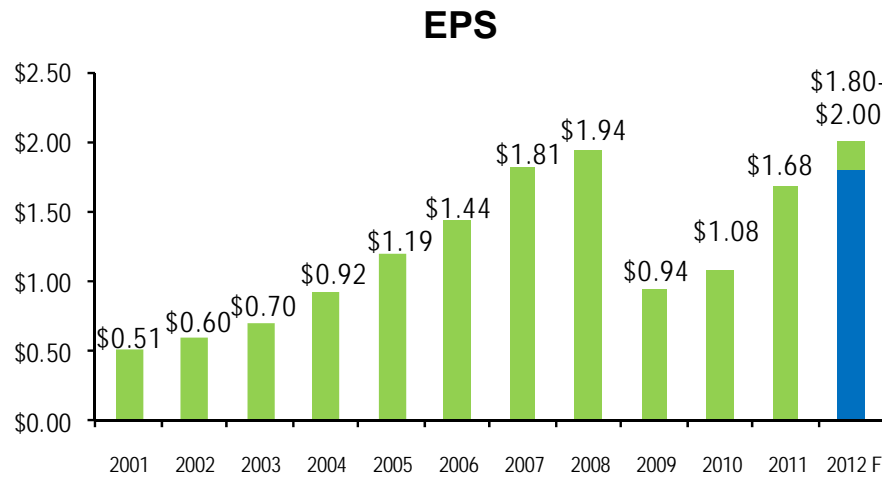
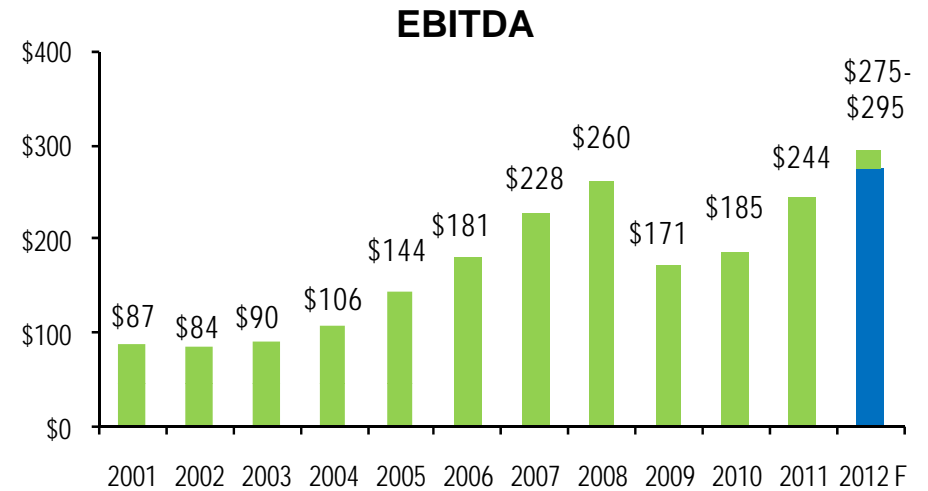
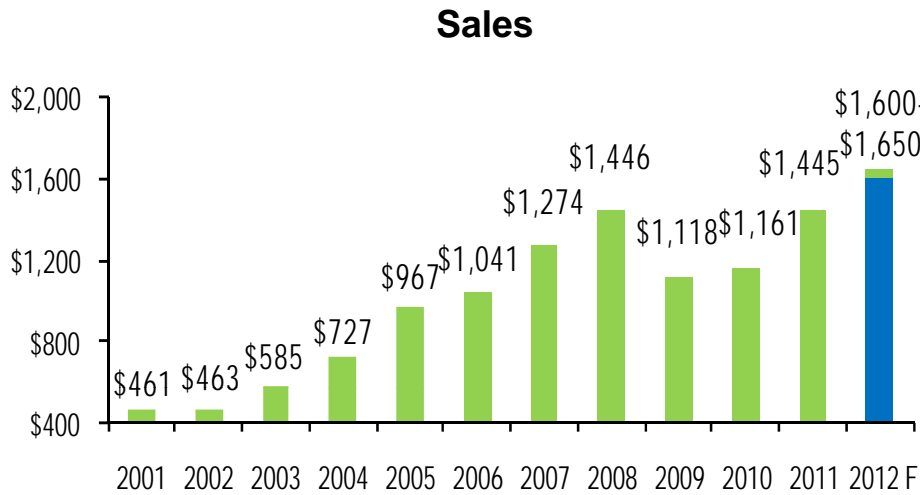
(1) Year-over-year basis point change from continuing operations, excluding fiscal 2010 restructuring charges.

(2) Year-over-year change from continuing operations, excluding fiscal 2010 restructuring charges and income tax adjustments.

Track Record of Consistent Growth



(\$ in millions except per share data. Fiscal years ended August 31)



Demonstrated Track Record of Profitable Growth
 (2006-2011 reflect discontinued operations for European Electrical; 2012 Guidance as of September 28, 2011)

18 Note: EBITDA, EPS and FCF exclude discontinued operations, cumulative effect of changes in accounting, extraordinary charges, refinancing/debt extinguishment, net gains on business divestitures, tax gains and other special items. EBITDA and EPS also exclude impairment and restructuring charges.



Q & A

Annual Investor Day: October 4, 2011 –NYC

Future Key Dates: First Quarter Fiscal 2012 Earnings – December 21, 2011

Annual Actuant Investor Day Tuesday October 4, 2011 - NYC

- 10:00am – 3:00pm at the New York Hilton
(1335 Avenue of the Americas between 53rd and 54th St.)
- CEO/CFO/COO, Segment Leaders, Business Leaders, VP M&A all participating
- Small group meeting format allowing in depth Q&A
(Format does not allow for webcasting, we apologize for any inconvenience.)





Appendix

Reconciliation of Non-GAAP Measures

(US\$ in millions except EPS)



Net Earnings Excluding Special Items

	Q4 2010	Q4 2011
Net earnings	(\$16.8)	\$41.4
Net of Tax Adjustments		
Discontinued Operations	\$37.7	(\$4.1)
Tax adjustments	-	-
Restructuring Charge	\$1.9	-
Net earnings excluding special items	<u>\$22.8</u>	<u>\$37.3</u>

Diluted EPS Excluding Special Items

	Q4 2010	Q4 2011
Diluted Earnings per Share (EPS)	\$ (0.22)	\$ 0.55
Net of Tax Adjustments:		
Discontinued Operations	0.51	(0.05)
Restructuring Charge	0.02	-
Tax adjustments	-	-
Diluted EPS excluding special items	<u>\$ 0.31</u>	<u>\$ 0.50</u>

EBITDA

	Q4 2010	Q4 2011
Net Earnings	(\$16.8)	\$41.4
Net Financing Costs	\$7.7	\$8.5
Income Tax Expense	\$8.6	\$10.2
Depreciation & Amortization	\$12.3	\$14.8
Discontinued Operations	\$37.7	(\$4.1)
EBITDA	<u>\$49.5</u>	<u>\$70.8</u>
Adjustments To EBITDA:		
Restructuring Charge	\$2.5	-
Adjusted EBITDA	<u>\$52.0</u>	<u>\$70.8</u>

Free Cash Flow

	Q4 2010	Q4 2011
Adjusted EBITDA	\$52.0	\$70.8
Cash Interest	(\$10.5)	(\$11.1)
Cash Taxes	(\$2.1)	(\$5.5)
Capital Expenditures	(\$6.8)	(\$8.2)
PWC/Other	\$15.3	\$25.0
Free Cash Flow	<u>\$47.9</u>	<u>\$71.0</u>

Free Cash Flow / Cash Flow Conversion



(US\$ in millions)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total EBITDA	\$87	\$84	\$90	\$106	\$145	\$181	\$228	\$260	\$171	\$185	\$244
Cash Interest	(47)	(30)	(20)	(12)	(15)	(23)	(28)	(35)	(36)	(27)	(26)
Cash Taxes	(9)	(14)	(18)	(21)	(16)	(28)	(36)	(48)	(20)	(7)	(23)
Capital Expenditures	(5)	(7)	(13)	(11)	(15)	(20)	(31)	(44)	(21)	(20)	(23)
PWC/Other	24	(8)	8	(6)	(14)	(8)	15	18	56	14	(14)
Free Cash Flow	\$50	\$25	\$47	\$56	\$85	\$102	\$148	\$151	\$150	\$145	\$158
Net Earnings (1)	\$17	\$25	\$34	\$49	\$70	\$88	\$112	\$123	\$59	\$78	\$124
Free Cash Flow Conversion	298%	100%	137%	114%	121%	116%	132%	123%	254%	186%	127%

(1) Net earnings excluding special items - excludes restructuring and impairment charges, discontinued operations, debt extinguishment charges and non-recurring income tax gains.