

Actuant Corporation

2014 Investor Day

October 7, 2014
New York, NY

Actuant
THE DRIVE TO LEAD

ATU
LISTED
NYSE

Safe Harbor

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 October 2, 2014. Actuant’s inclusion of these estimates or targets in the presentation is not an update, confirmation, affirmation or disavowal of the estimates or targets.

In this presentation certain non-GAAP financial measures may be used. Please see the supplemental slides at the end of this presentation or visit the Investors section of Actuant’s website (www.actuant.com) for a reconciliation to the appropriate GAAP measure.

Agenda

Time	Activity	Participants	Detail
10:00am	Kick-Off Introductions	Bauer	Welcome/Format
10:15-noon	Various Topics	Goldstein Multiple Lampereur	Opening Remarks Transformational Progress – Operating Company, G+I, High Growth Markets, Acquisitions Business Model / Capital Allocation
Noon-12:30	Break / Buffet Lunch		
12:30-12:55	Table 1 Rotation		Q&A
1:00-1:25	Table 2 Rotation		Q&A
1:30-1:55	Table 3 Rotation		Q&A
2:00-2:25	Table 4 Rotation		Q&A
2:30-3:00	Summary / Wrap-Up Q&A	Goldstein	Wrap- Up

Actuant Q&A Table Attendees

Rotational Table Assignments Provided to Each Attendee (with name badge)

Industrial

Mark Sefcik

Energy

Brian Kobylinski

Engineered Solutions

Roger Roundhouse

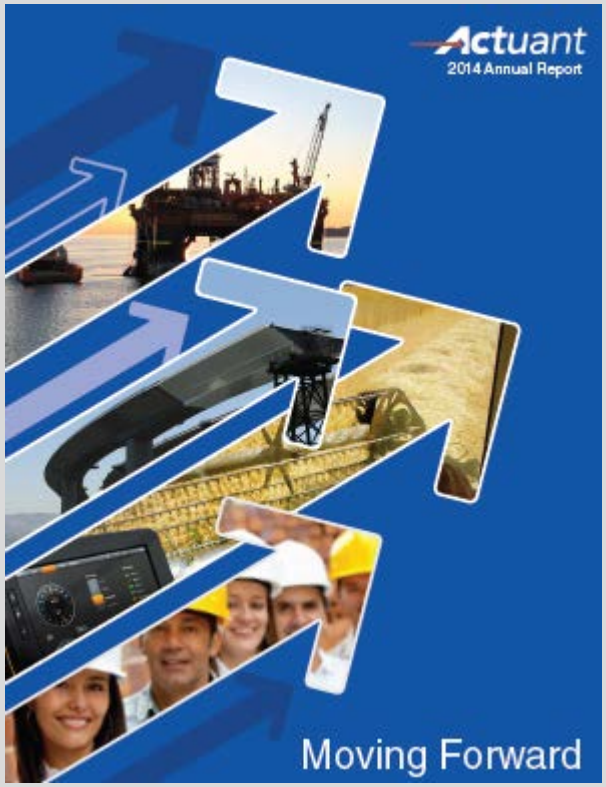
Mark Goldstein

Corporate/M&A/HR

Andy Lampereur

Ted Wozniak

Sheri Grissom



Opening Remarks

Mark Goldstein - CEO

Actuant

Vision

To grow Actuant's revenue and improve profit margins across a diverse group of market leading businesses. We will be known as a growth company that is operationally excellent.

Fiscal 2014 Highlights

- Leadership transition and changes – CEO, Segment & High Growth Market (HGM) leadership, others
- Portfolio simplification via divestiture of Electrical segment, RV product line and Viking “people” business
- Continued progress on Growth + Innovation cultural transformation
- Scalable business structure - facility and production line rationalizations to improve cost structure, standardization & simplification initiatives
- Free cash flow in excess of net earnings for the 14th consecutive year
- Attractive capital allocation
  - $284 million of share repurchases
  - Hayes acquisition- capital deployment of $30 million into Industrial

Despite Macro Economic Malaise, Executing on Factors Within Our Control to Drive Long-Term Shareholder Value

Actuant Strategy Map

Vision

Actuant will double over five years with improving profit margins across a diverse group of market leading businesses. We will be known as a growth company that is operationally excellent

Business Model



Financial Metric

1.5-2.0X GDP	Deploy FCF	+ 25-50 BPS Base Margins	>100% FCF Conversion

Accelerators

HoldCo ➡ OpCo	HGM "Outside In" to "Inside Out"	Narrower M&A Fairways	Better Balance of Growth and Productivity

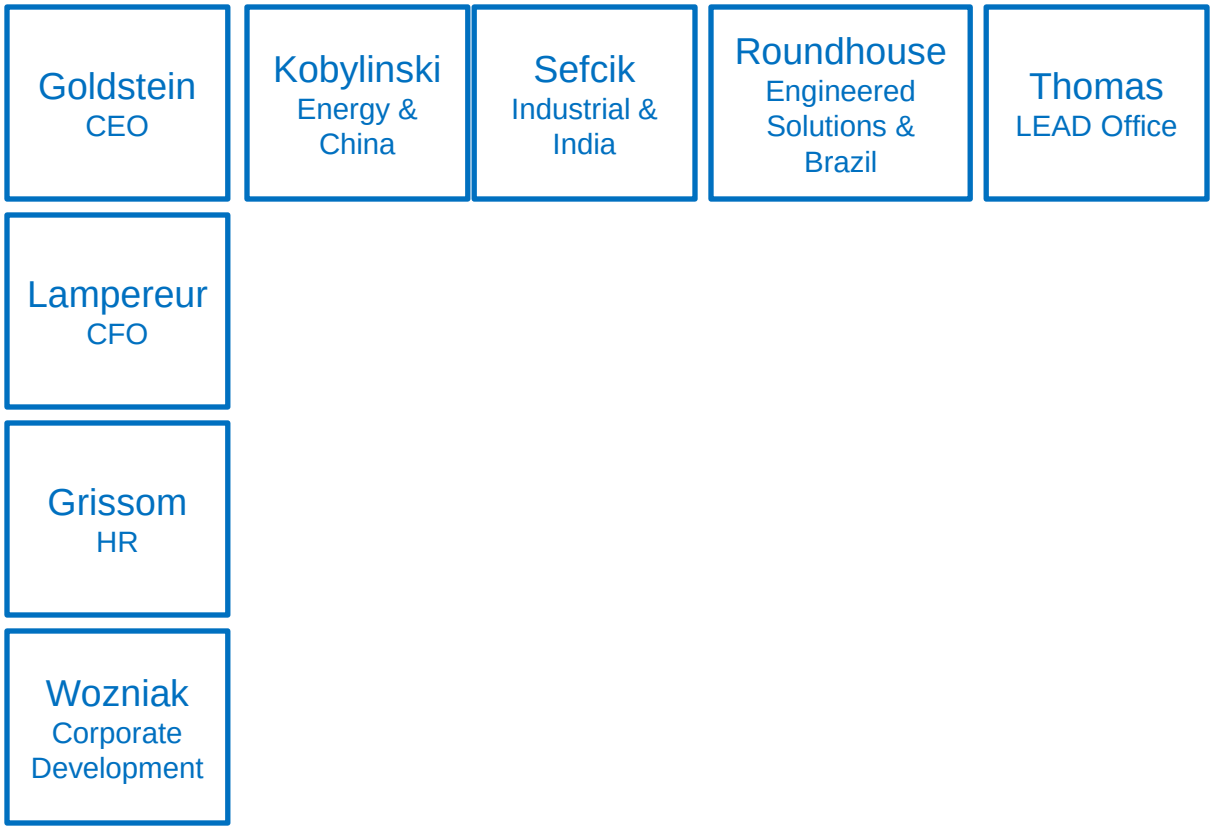
Cultural





Leadership Updates

Organization Structure

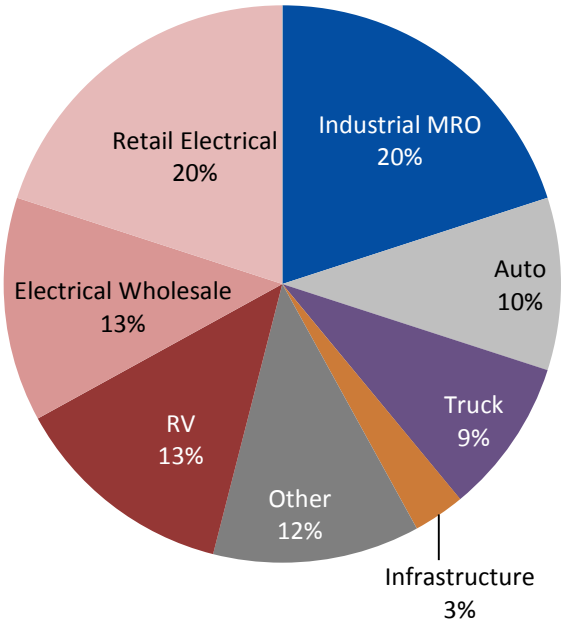


- Eliminated COO position
- Kobylinski to Energy
- Promoted Sefcik to Industrial
- Roundhouse replaces Blackmore in ES
- Segment leaders own High Growth Market (HGM) region
- Rennie from SPT to Enerpac / Brockley new to SPT
- de Koning to Viking / Bockhorst to Hydratight

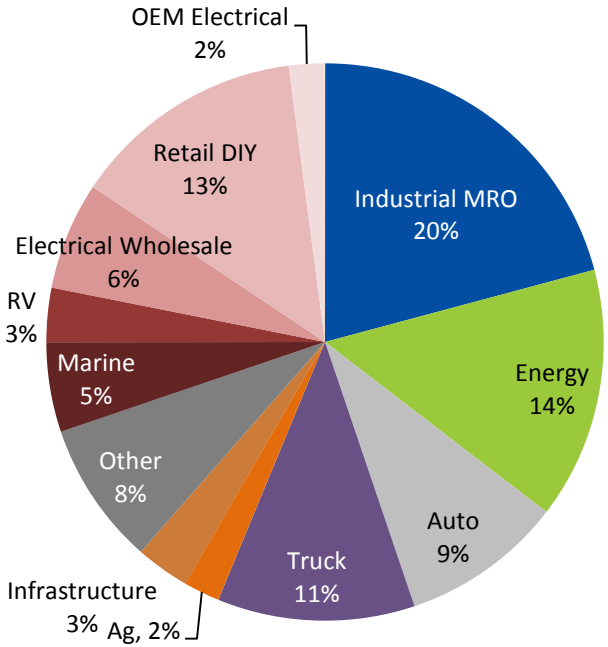
Driving Pan-Actuant Ownership and Strategy

Portfolio Management Transformation

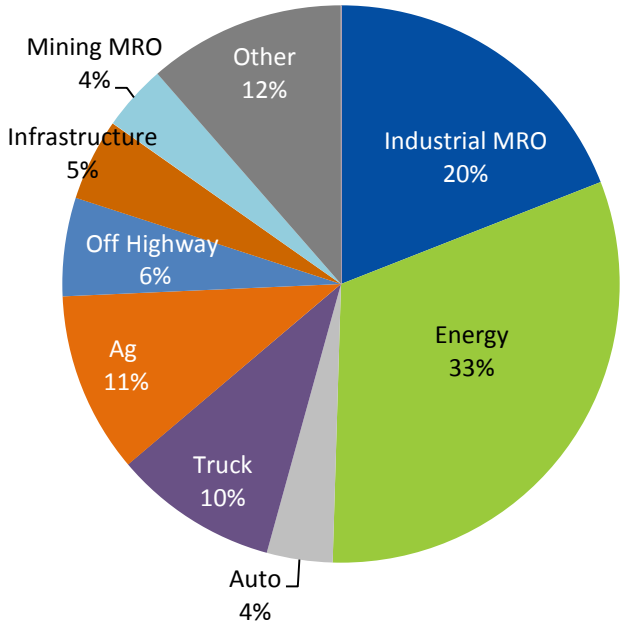
Fiscal 2001
Sales $460 million



Fiscal 2008
Sales $1.6 billion

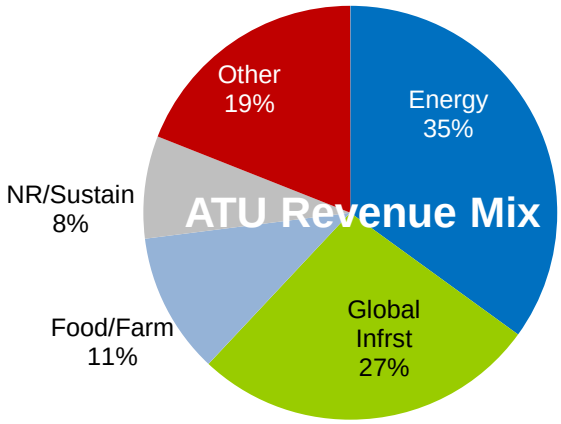


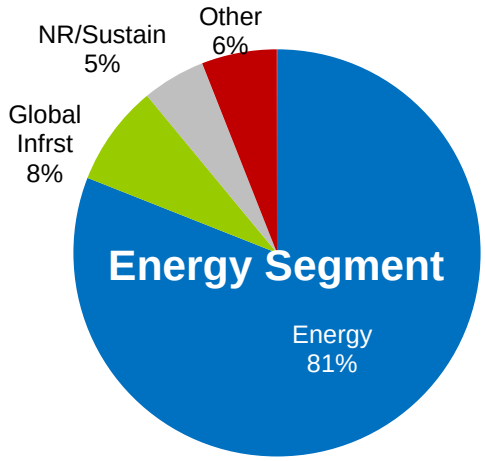
Fiscal 2014
Sales $1.4 billion

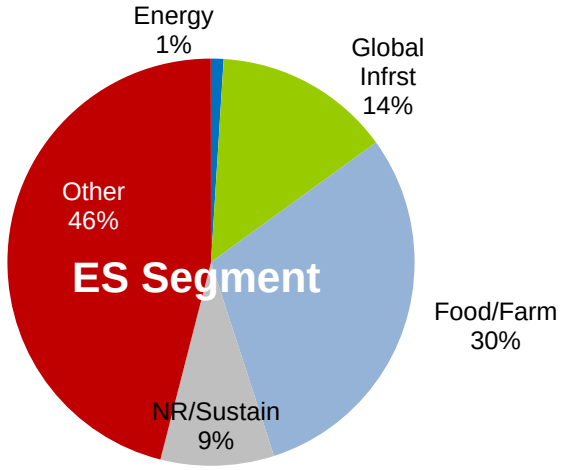


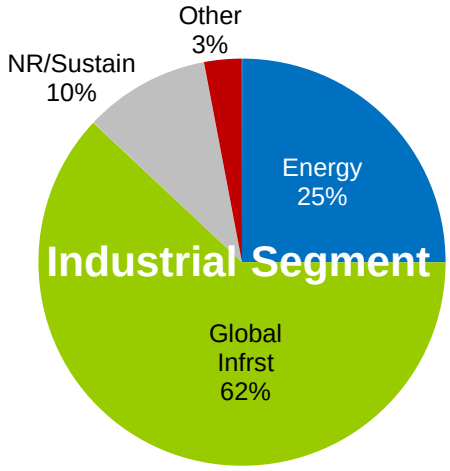
Consolidated and Aligned with Macro Drivers

Macro Growth Markets – by Segment









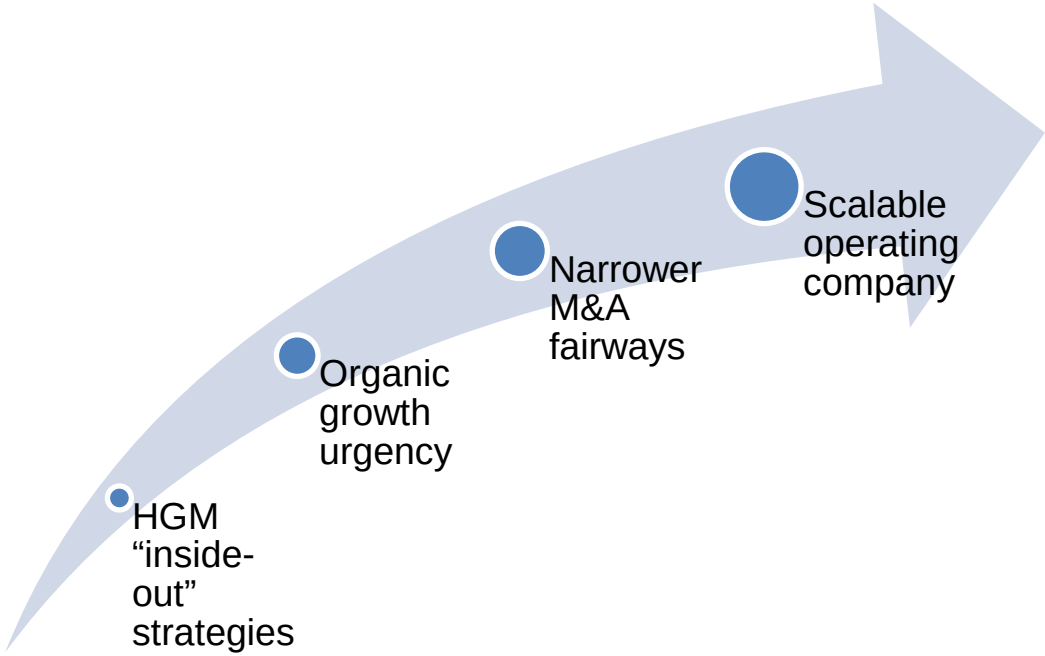
~80% of ATU Revenue is Aligned with Secular Growth Laneways

Notes:
- Pro forma with Hayes and excluding RV
- Other comprised primarily of auto, defense, aerospace, and medical
- Included in Infrastructure is Enerpac standard tools and other “general industrial” revenue

Moving Forward

Accelerating activities in four primary areas which will:

- Drive scale
- Self-fund growth
- Tighten strategic M&A alignment
- Accelerate HGM growth



While executing more effectively, and building organization capability and capacity

Demonstrating Early Success



Operating Company – Accelerating a Scalable Business Model

Mark Goldstein

Actuant

Operating Company - Overview

Holding Company → Operating Company

Focus on individual businesses	Coordinated and aligned strategies, customized by business and region
Leaders responsible for individual business results	Leaders responsible for Actuant; yet still accountable for business
Slow decision making, bureaucratic	Alignment creates a nimbler, more responsive organization
Diverse processes, metrics and cultures	Common language and culture
Segregated talent planning	Talent mobility between businesses

Scalable Business Model

Creating A Scalable Business Model - One Actuant

- Eliminating duplicate processes / functions: example - Actuant Asia Sourcing
- Standardizing and simplifying key processes: example – Credit & Collection
- Common tools: example – Compass (performance management & goal setting)
- Sharing resources, skills and knowledge to better meet the needs of our customers: example - global logistics

What It Means

- Driving best practices
- Staying nimble / decisions close to the customer
- Using common tools (e.g. Compass, Sharepoint, Oracle)
- Businesses owning financial results
- Deliberate cross business/segment organizational moves

What It Doesn't Mean

- Actuant as a product brand
- Eliminating business unit structures
- Ability to "opt-out" of Actuant standards
- Implementing a global ERP system
- Centralizing everything (standardized ≠ centralized)

Holding Company to Operating Company Acceleration

“A Growth Company that is Operationally Excellent”

- “Top to Shop”
- Goal alignment
- Visibility & execution

- Talent upgrade & mobility
- Performance calibration
- Continuous improvement focus



- Foundations via eLearning
- Standard work & tools
- Change management / cultural change

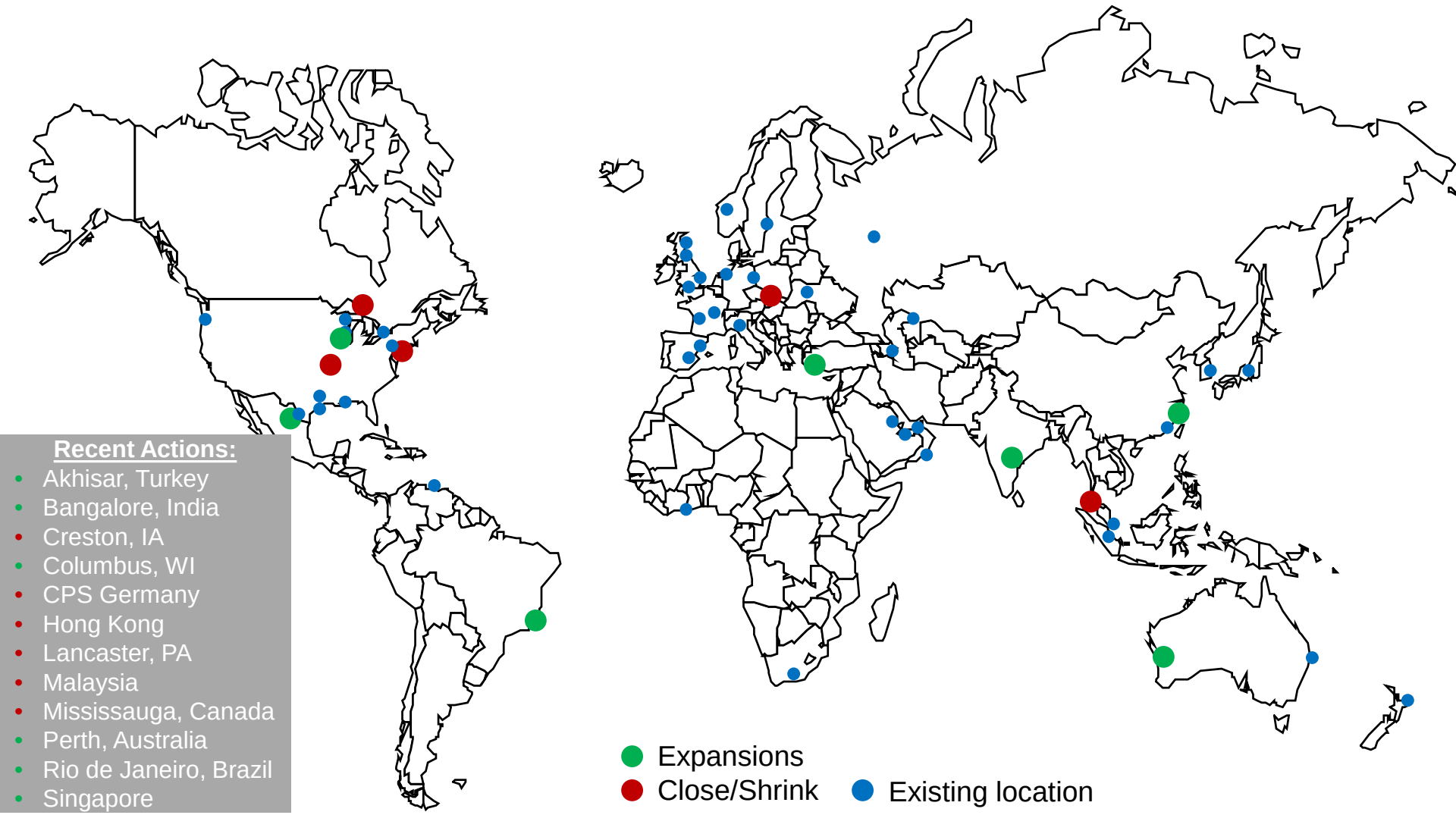
- G+I / OpEx – execution
- Program management – standardization & simplification
- S&OP, quality management, HSSE

LEAD Elements Enabling Cultural Change

Activities Driving Self-Funded Growth Investments

- Back office simplification
  - Enabled via measured ERP conversions
  - Credit & collections, sales & use tax, disbursements centralization
  - Beginning European shared service center
  - Leverage India and China for engineering, IT and other services
- Other operating focus areas
  - Single sales and operations planning solution
  - Standard safety programs and metrics
  - Best practice sharing
- Multiple businesses sharing single facilities
- Facility and production line moves to low cost countries

Facility Optimization



Recent Actions:

- Akhisar, Turkey
- Bangalore, India
- Creston, IA
- Columbus, WI
- CPS Germany
- Hong Kong
- Lancaster, PA
- Malaysia
- Mississauga, Canada
- Perth, Australia
- Rio de Janeiro, Brazil
- Singapore

12 Individual Facility / Major Production Line Moves

Facility Investments

- Housing multiple product lines / business units
- Lean optimization / visual management
- Facilitates:
  - G+I
  - Standardization
  - Low cost country assembly

Turkey – Power-Packer



Wisconsin – Enerpac



Australia – Pan-Actuant





Organic Growth Acceleration

Mark Goldstein and Segment Leaders

Actuant

Actuant's Macro Growth Market Focus






Key Trends

Energy Demand
- Global power generation and oil & gas maintenance
- New installations
- Demanding technology & methods (offshore, sub-sea, oil sands, natural gas, fracking)
- Rental and Services

Global Infrastructure
- Emerging market build-out
- Transportation
- Bridges, tunnels
- Rail
- Off-highway equipment (productivity & safety)

Food/Farm Productivity
- Population growth
- Affluence / protein diets
- Biofuels
- Agriculture equipment
- Efficient seeding technology

Natural Resources / Sustainability
- Mining / resources
- Emission reduction solutions
- Alternative energy (wind)
- Energy efficiency (power gen)

Key Products / Technology

- Joint Integrity solutions
- Nuclear maintenance tools
- Pipeline connectors
- Rope / slings / moorings
- Umbilicals

- Integrated solutions – heavy lift technologies
- High force hydraulic tools
- Concrete tensioning
- Truck cab-tilt & latch
- HMI* displays

- HMI displays
- PTO drivelines
- Seeding systems
- Flexible shafts

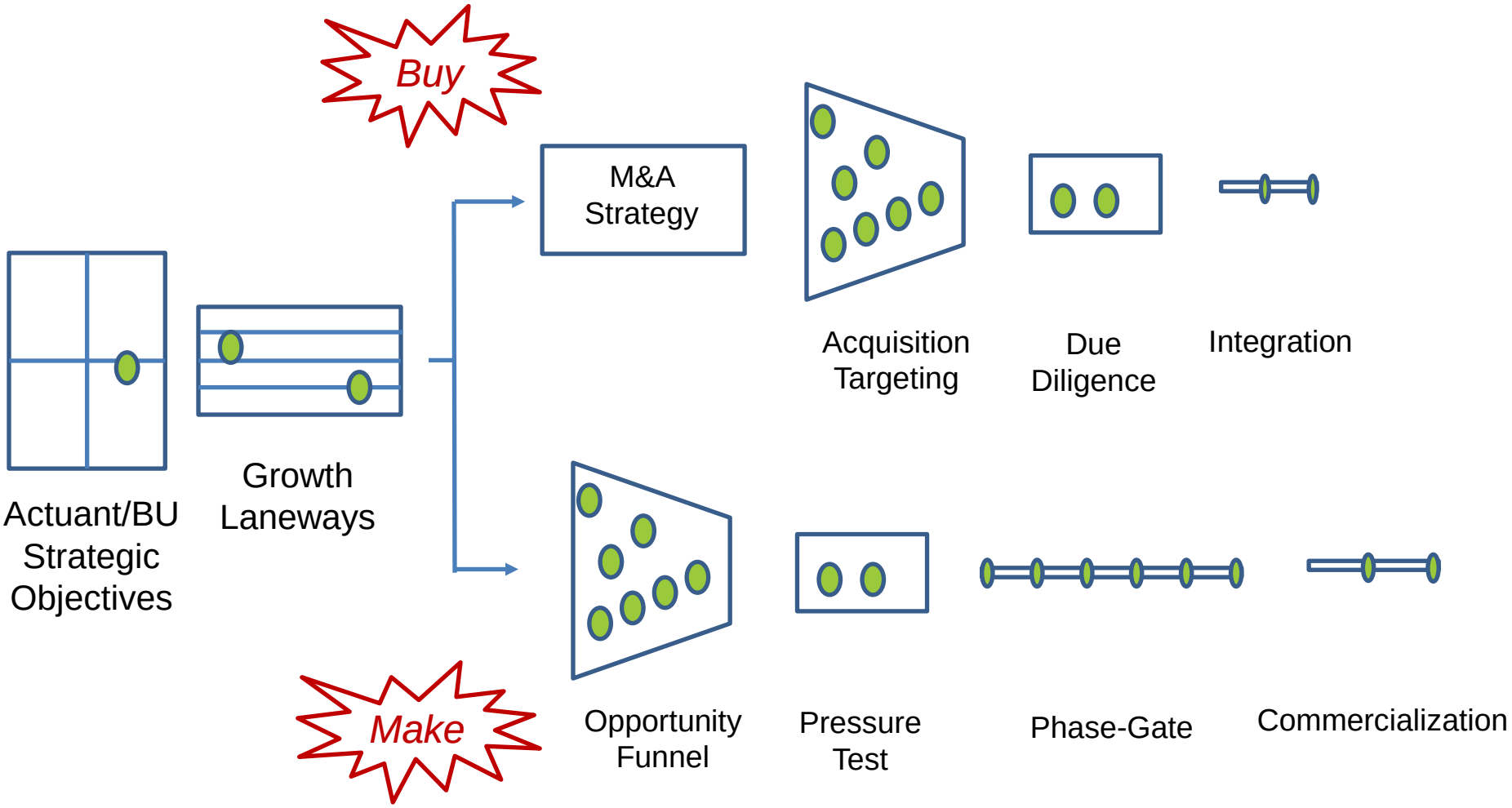
- EGR, turbocharger and other air flow values
- Mining safety & productivity MRO solutions
- HMI* displays

** Human Machine Interface (HMI)*

Targeted Growth Market Considerations

- Broad evidence and data to support underlying market trends – significantly above GDP growth rates
- Good fit for the niche products, services, and technologies provided by Actuant businesses
- Existing presence within the market; understanding growth drivers, competitive landscape, and how technology is changing
- Our ability to understand and diligence new markets
- Generally avoid market verticals with large competitors, and acquisitive, multi-industry peers

Comprehensive Growth Strategy



Our G+I and M&A Strategies are Inextricably Linked

G+I – Accelerating Growth Urgency

- Continued cultural transformation
- Striving for bigger ideas
- Prioritizing best ideas, versus “watering” every new seed “Top 3 / Next 3”
- Aligned capital and best people

	Engineered Solutions			Industrial			Energy		
	Initiative	3 Year Incremental Sales	Project Status (R/Y/G)	Initiative	F13-F16 Incremental Sales	Project Status (R/Y/G)	Initiative	F13-F16 Incremental Sales	Project Status (R/Y/G)
TOP 3	HMI Displays	$20 M		Vertical Market Specialty Channels	$5M		Joint Integrity	$20M	
	China Passenger Car Actuators	$10M		Gantry	$15M		Sub Sea Connectors	$20M	
	Ag Seeder	$15M		New Product Dev	$25M		Repair Clamps	$2M	
NEXT 3	Drive Line Systems Phase 1	$10M		Key Account Management	$5M		Survey	$5M	
	Input/Output Controller	$5M		SoR Churn Reduction	$3M		Off Shore Winches	$20M	
	Specialty Vehicle Stabilization	$10M		End User Plans	$15M		Weld Test	$5M	

Sample

G+I Initiatives Contributing Incremental 1% to Core Sales Growth

More than Just New Products

Thinking Differently About the Drivers of Growth

- Voice of the customer – solving unmet needs
- Global accounts
- Sales force effectiveness, alignment and training
- Channel expansions
- Focus on recurring revenue / MRO
- Influencing industry regulations
- Sources of revenue
  - Reducing customer churn
    - On-time delivery
    - Quality
  - Strategic pricing actions / lifecycle pricing



Energy Institute (04/2014)

EN 1591-4 (11/2014)

ASME PCC-1-2013 (11/2013)

G+I Example – Product Lifecycle Planning

Defending Product Lines

Gauges



- Channel
- Commercial
- Portfolio

Auto



- Cost
- Functionality
- Strategic Customer Relationships

Product Line Repositioning

Driveline



Driveline System



Stabilization



Smart Stabilizer



Cab Tilt



Cab Tilt 2.0



Creating Growth

Clusters



HMI



Flex shaft



Ag Seeder



ROG



Managing Resources and Strategy Through Product Lifecycles

Ag Seeder - G+I Update

Original Initiative Overview







- Precision farming and row control provide precise seeding
- Increased planting costs are driving efficiency expectations by farms
- Reduction of downtime and maintenance drives greater profitability on the farm

Providing mechanical efficiency, reliability and linkage to control systems to reduce total planting costs per acre.

Current / Future State of Initiative

Actions / Results:

- Operational improvements: Seeder layout and FMEA design reviews
- “Standardized” product line expansion
- Custom OEM development
- ~$15 million annualized growth

Next Three Years:

- Building a $40 million product offering
- Geographic expansion
- Aftermarket expansion
- Technology expansion / roadmap (e.g. high torque drive system, variable speed cable drive, etc.)
- Initiative expansion to “Precision Farming”

Joint Integrity (JI) - G+I Update

Original Initiative Overview









- Industry continues to experience leaks from bolted flange joints which are avoidable and can be eliminated
- Hydratight provides engineered joint integrity service that will eliminate leaks and assure the integrity of bolted flanges.

Ensures asset integrity, leak free, and safe environment.

Current / Future State of Initiative

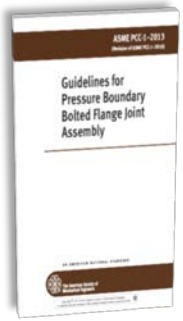
Actions / Results:

- Multiple project wins
- Aggressive alternative technology marketing
- Funding for JI College and PCC1
- >$100 million in project revenue booked

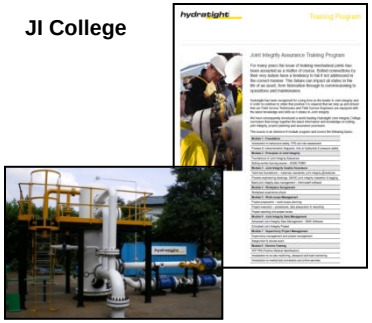
Next Three Years:

- JI College supporting global organization
- Drive standards ASME PCC-1; "1st Mover Advantage"
- Globalization of capabilities
- Close an additional $100 million of sales

ASME PCC-1-2013



JI College



G+I Addition – Cortland Umbilical Expansion





Responding to favorable market dynamics for subsea cables and umbilicals with investment in capacity and technology

Current / Future State of Initiative

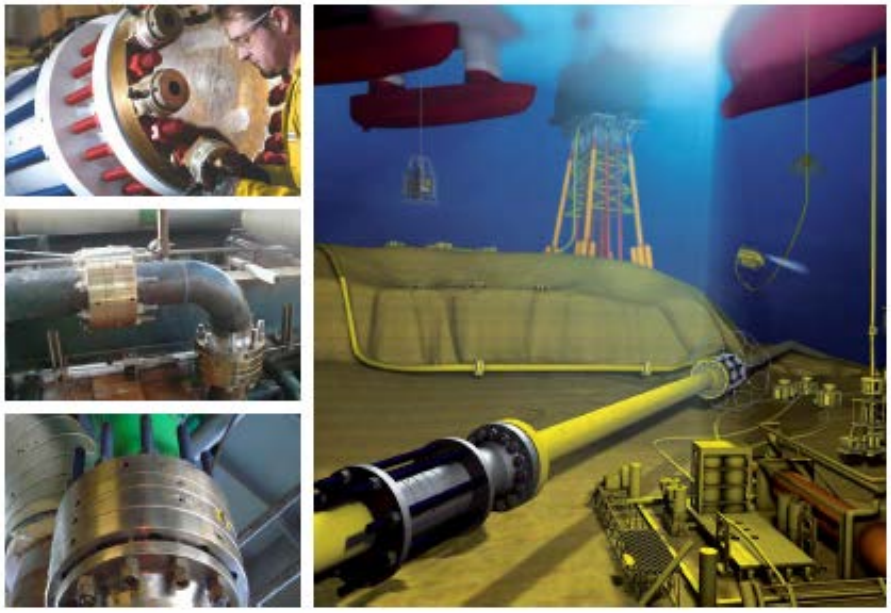
Actions / Results:

- Prioritized as #1 Cortland growth initiative
- Participated in M&A activities with key competitor validating market attractiveness
- Record umbilical sales in 2014
- Business plan approval (capex and headcount)
- Organization build – engineering and sales

Next Three Years:

- Execute expansion plan “max-out”
- Build commercial organization
- Generate $25-$30 million in incremental sales

G+I Addition – Hydratight Connectors



- Increased focus on safety and contingency spending in deep water fields
- Build connectors platform to target contingency repair solutions for pipelines and specialized connectors for flexible risers

Highly engineered solutions for deep-water pipeline repair and riser/flowline connections.

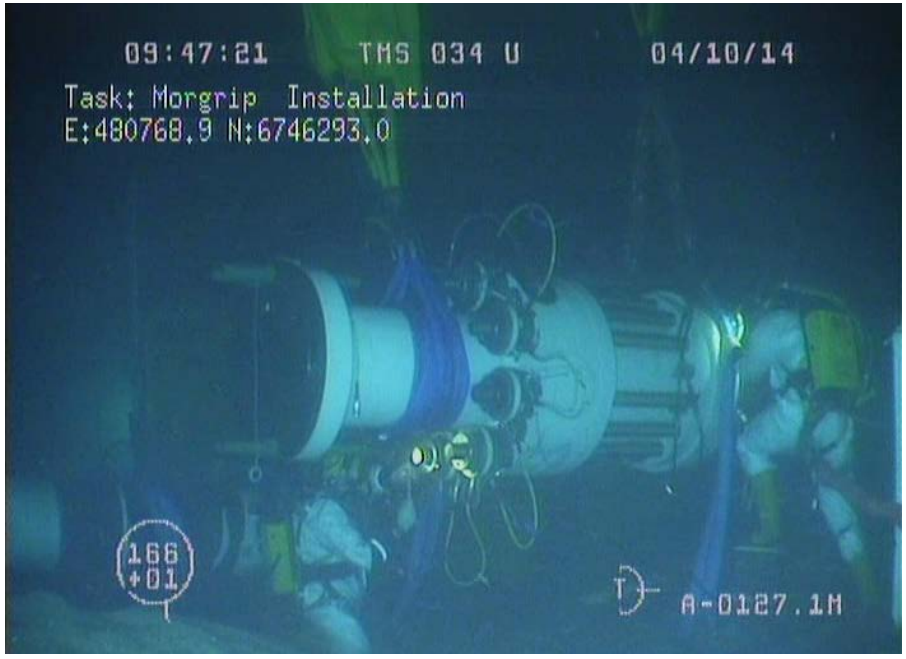
Current / Future State of Initiative

Actions / Results:

- AS Connector partnership to jointly supply subsea pipeline inspection, repair, and maintenance (IRM) solutions
- Organization build – engineering and sales

Next Three Years:

- Build out diversified offering
- Generate $30 million in incremental sales



G+I Addition – Enerpac Pow'R-Lock





- Features full time load holding and locking for ultimate safety during vehicle lift
- Ergonomic six-position handle maximizes leverage and clearance under vehicles.

Maintenance solution for heavy lift with patented locking solution for added safety

Current / Future State of Initiative

Actions / Results:

- Launched August 2014
- Demonstration trailers deployed to mining and other related sites
- Secured multiple unit orders with CAT; several other customers

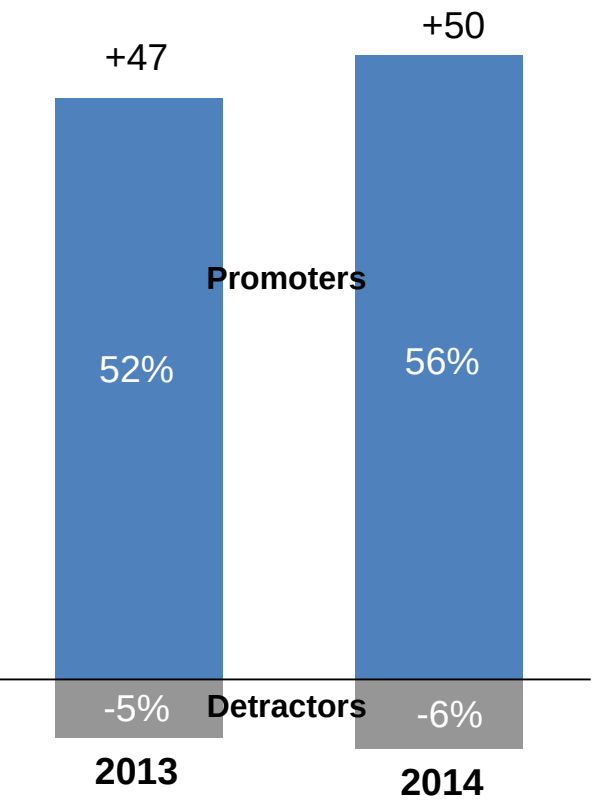
Next Three Years:

- Build out multiple sizes and specialty requirements
- Generate $5 million in incremental sales

Play Video

G+I Addition – ENERPAC Brand Study

Net Promoter Score



Feedback

- "Because it's a reliable company that produce their parts to the highest possible standards"
- "Excellent product that made my job so easy and allowed us to reach target on time within budget"
- "The products are very good and my customers are very happy"
- "Repair parts are not always available"

Actions

- Leadership phone calls to "detractor" customer to gain color on comments
- Top four key issues targeted for improvement focus
  - On time delivery
  - Advance notice of late shipment
  - Improving order to pay cycle
  - CAD files on website
- Additional regional actions as required
- Incorporated into X-Matrix goals

N = 455
Question: "How likely would you be to recommend Enerpac to others (i.e. other customers, co-workers, or people you know who work at companies similar to yours)?"
Note: Promoters are those who provided a score of 9 or higher and Detractors provided a score of 5 or lower



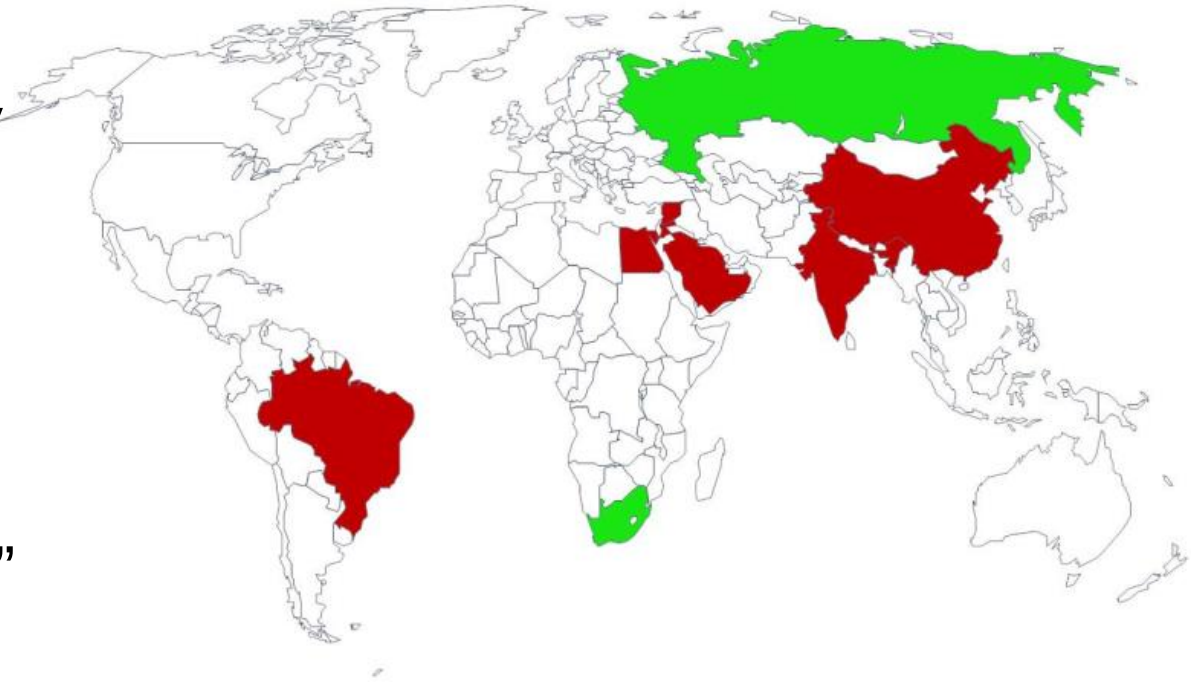
Accelerate High Growth Market Growth

Brian Kobylinski, EVP
Energy & China

Actuant

High Growth Markets (HGMs)

- Creating share – 19% core sales growth in HGM's in fiscal 2014
- Change in leadership structure to drive pan-Actuant strategies
- Three pronged focus that varies by region
  - Commercial
  - Manufacturing and assembly
  - Services
- Building "inside out" growth strategies



Significant Incremental Long-Term Opportunity

Existing high growth market

Potential future attractive region

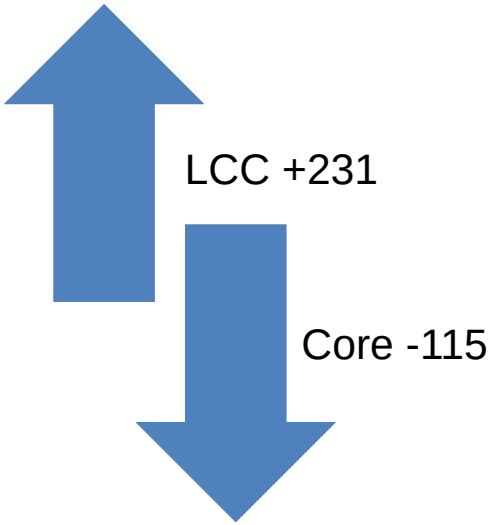
Accelerate HGM Growth Strategy

Outside-In Strategy	Inside-Out Strategy
Global business unit driven strategies that targeted multi-national competition	Locally created and driven strategies to compete with unique competitive set and channels
Insensitivity or lack of awareness of social mores	Higher ability to navigate region/country
Initiatives prioritized by global impact on businesses	Actions prioritized by importance to and value in regions
Budgets created and owned at global level	Local ownership and drive to deliver financial results
Region / Country Leaders focus on operations to execute build-out	Region / Country Leaders possess commercial bias to lead growth
Staffs comprised of tactical and execution focused “doers”	Staffs possessing competency and leadership traits, “leaders”
Relatively narrow market opportunity consisting of multi-national accounts	Expanded market opportunity to include all customers in region

Improved Sales, Better Visibility and Decision-Making Speed

Aligning Resources

Three Year Headcount Change



- Shared services concept for back office
- Investments made in local skills and competencies
- Centers of Excellence created (India IT and engineering, China sourcing, and manufacturing)

Note: LCC includes Brazil, India, China, Mexico and Turkey

Redeploying & Optimizing Labor in Lower-Cost Countries

M&A



Ted Wozniak – EVP, Corporate Development

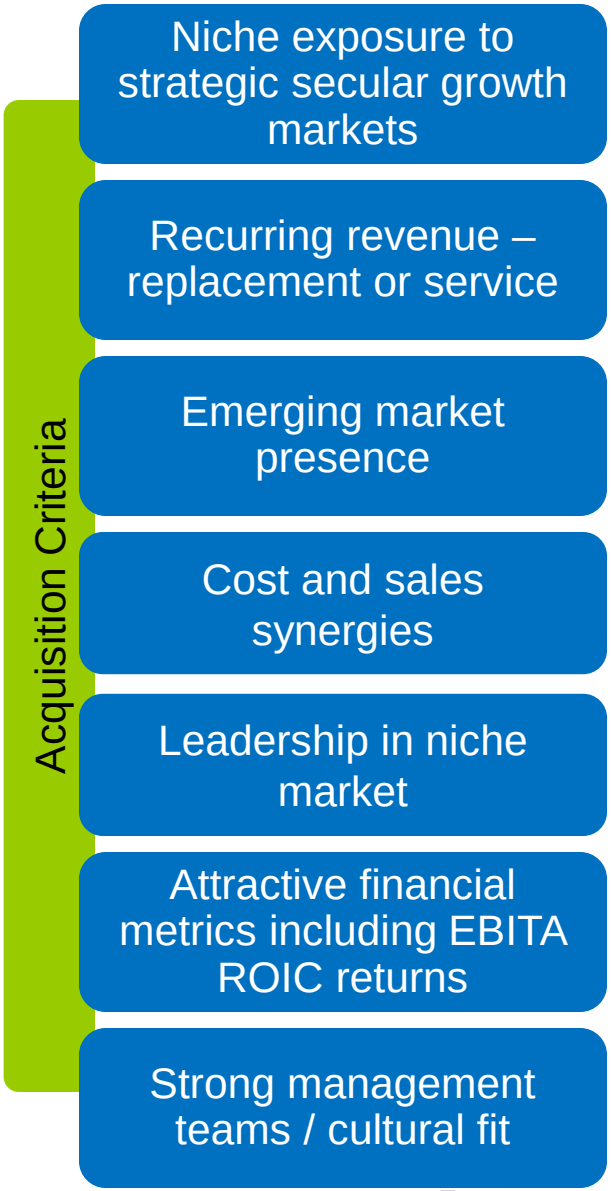
Actuant

M&A Market Update – Current Environment

- Pipeline very active
- Combination of mostly tuck-ins and a few larger potential platform businesses
- Valuation multiples vary by size of business, end market, and business characteristic. Seller expectations remain extremely high
- Acquisition focus & discipline
  - Targeting process in place in all segments and businesses
  - Tailored acquisition integration plans built upon core AIM process
  - We have walked away from several transactions this year because of price, strategic fit, culture or growth profile considerations
    - Some of the deals were pulled back in, others acquired by PEGs, few transacted with strategics

Acquisition Process and Criteria

- Rigorous and standardized acquisition process (AIM or Acquisition Integration Model)
- Governed by robust business and segment strategic planning process
- Proprietary funnel enables exclusively-negotiated deals
- Internal teams within businesses, segments and corporate have substantial transaction experience
- Continuous improvement culture drives ongoing enhancements to process



Assessment of Acquisitions – Last Five Years

In addition to strategic fit within a business/segment…

	Macro Growth Theme	Tuck-In or Platform	HGMs	Recurring, Service, Consumable	Market Leader	Low Capital Intensity	Above Avg Margins
Hayes	✓	T		✓	✓		✓
Viking	✓	P	✓	✓	✓		
CrossControl	✓	T				✓	✓
TuroTest	✓	T	✓			✓	✓
Jeyco	✓	T	✓			✓	
Weasler	✓	P	✓	✓	✓		✓
Selantic	✓	T	✓			✓	✓
Biach	✓	T		✓		✓	✓
Hydrotech / Hydrospex	✓	T	✓		✓		
Cortland	✓	P	✓	✓	✓		✓

Summary of Sizable Transactions – Last Five Years

	Purchase Price (millions)	Revenue at Deal (millions)	Current Revenue (millions)	Other Items
Cortland Sep 2008	$230	$100 • $75 in Energy	$120 Energy Core CAGR ~5%	• Strong LEAD adoption • Capacity with little capital thus far • Facility sharing with ATU
Mastervolt Dec 2010	$150	$110 • $33 Marine • $65 Solar • $10 Other	**Divested with Electrical Segment**	• Marine strategy successful • Solar imploded with FIT changes and Europe recession
Weasler June 2011	$155	$85	$105 Core CAGR ~7%	• Geographic expansion in Europe and Brazil (leveraging Turotest) gaining traction • Strong new product development • Combination with Elliott
Viking Aug 2013	$235	$90	$75	• Delays in rig start ups and North Sea spending • Strong growth in Australia / SE Asia

Cortland – Acquisition Assessment

	Revenue at Deal (millions)	Current Revenue (millions)
Cortland Sep 2008	$100 • $75 in Energy • $25 Sanlo in ES	$120 Energy Core CAGR ~5%

- Challenging deal timing – cusp of great recession
- Margins inconsistent but essentially unchanged – continued opportunity
- Added two tuck-ins to platform (Jeyco and Selantic)
- Robust LEAD Op/Ex adoption
- Improving capacity utilization and throughput
- Shared global facilities (Australia, Houston, Singapore, etc)







CORTLAND

Growth Strategies

- Globalization of deep water capabilities
- Migration from wire rope to synthetic
- System sell with slings, anchors, etc.
- Enerpac Integrated Solutions (heavy lifting applications) leverage

Viking – Acquisition Assessment

	Revenue at Deal (millions)	Current Revenue (millions)
Viking Aug 2013	$90	$75

- Difficult start – rig push outs and North Sea (StatOil) spending cuts
- Significant growth in Southeast Asia
- Margins initially impacted with retention costs, eliminated in fiscal 2015 forward
- Divested non-core “People” business
- Sale/leaseback of asset freeing up deployed capital
- Facility sharing leverage
- Leadership changes





VIKING SeaTech

Growth Strategies

- Three primary growth laneways
  - Global offshore market strength / increasingly complex seabed infrastructure
  - Extend technology and accelerate growth in targeted high growth markets (e.g. SE Asia, Africa, etc)
  - Leverage Hydratight (e.g. Morgrip) and Cortland product (e.g. rope) through Viking
- Business line expansions

Weasler – Acquisition Assessment

	Revenue at Deal (millions)	Current Revenue (millions)
Weasler June 2011	$85	$105 Core CAGR ~7%

- Strong growth in both OEM and aftermarket, just beginning to moderate
- Margins strong and consistent with acquisition
- Leverage organizational alignment with Elliott forming Specialty Power Transmission (SPT)
- Robust LEAD Op/Ex adoption – fill rate improvement and inventory decrease – more opportunity
- Utilizing Actuant infrastructure and talent in Europe and Brazil to establish presence and gain share







Weasler®

elliott manufacturing

Growth Strategies

- Global expansion – notably Europe and Brazil
- System sell with clutch, torque limiters, etc
- New product development – precision farming
- Aftermarket expansion

Hayes Industries – Latest Acquisition

	Purchase Price (millions)	Revenue at Deal (millions)
Hayes May 2014	$31	$25

- Tuck-in to Enerpac's Precision Sure-Lock business with complementary products in the concrete tensioning infrastructure space
- Strong integration start with both organizational and market successes
- Margin opportunities in LEAD Op/Ex, sourcing, pricing and facility optimizations





Growth Strategies

- Leverage encapsulation technology in both elevated and slab on grade construction
- Geographic expansion of product lines (post tension, extrusion, and mechanically stabilized earth).
- Increase sales of related tools (pumps, pocket shear, etc.)
- Commercialize proprietary high-temperature resins

Summary - Acquisition Process Enhancements



A Look Back

- Routinely “post-mortem” all transactions for both management and Board of Directors
- Review includes financial performance as well as cultural and integration aspects
- Internal assessment for “lessons learned” both positive and negative to incorporate into future deals

- Tighter alignment around macro growth drivers
- Clearer identification of synergies across the ATU platform
- Increased review of industry, market, regulation and technology
- Accelerated integration activities and alignment with target company management between LOI and close
- More aggressive planning around placing ATU personnel and/or new hires within acquired co., especially in Finance
- Additional focus and use of 3rd party resources in the ideation process in HGMs (India, China, and Brazil)



Our Foundation – What Hasn't Changed

Andy Lampereur – CFO

Actuant

Actuant Business Model

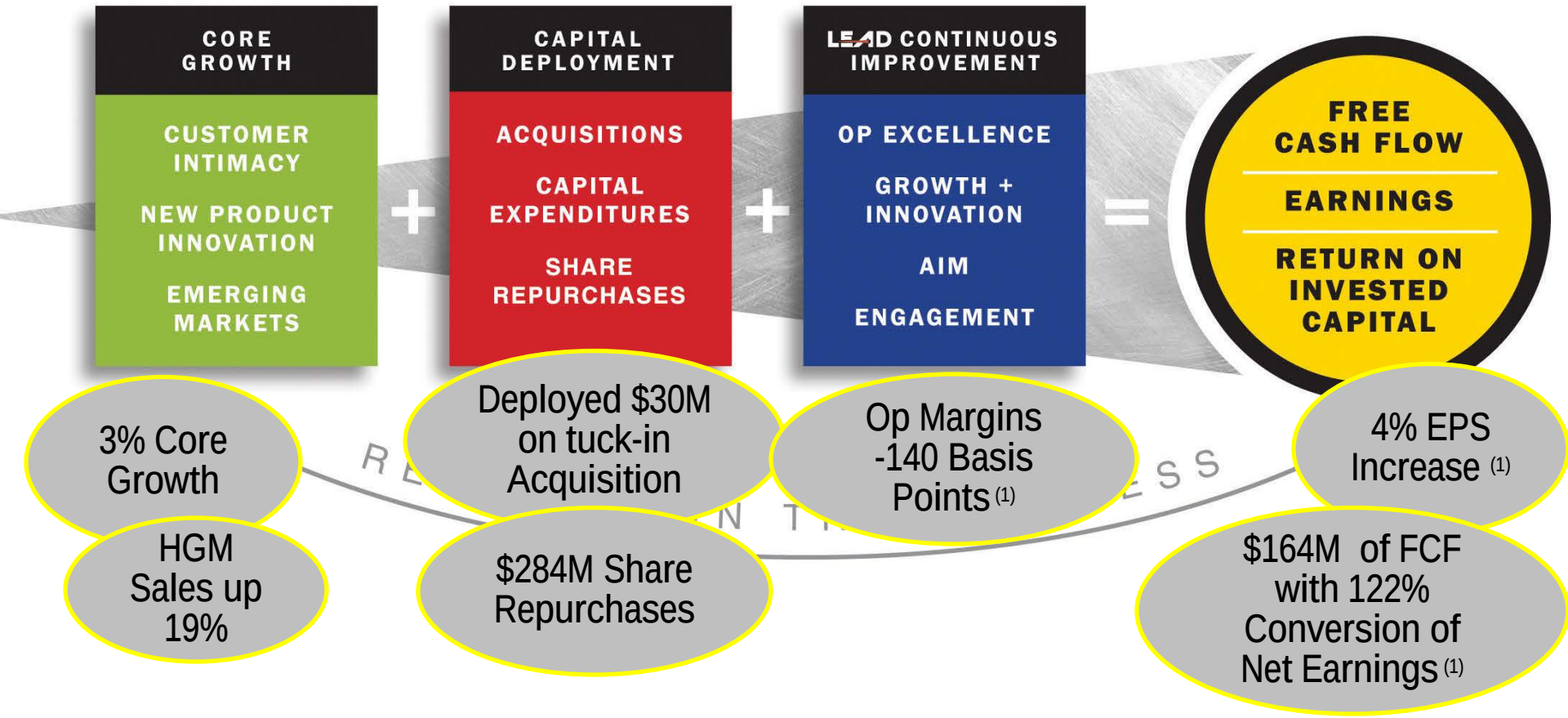
Business Model



Long-Term Metrics	**1.5-2.0X GDP**	**Deploy FCF**	**+ 25-50 BPS Base Margins**	**>100% FCF Conversion**

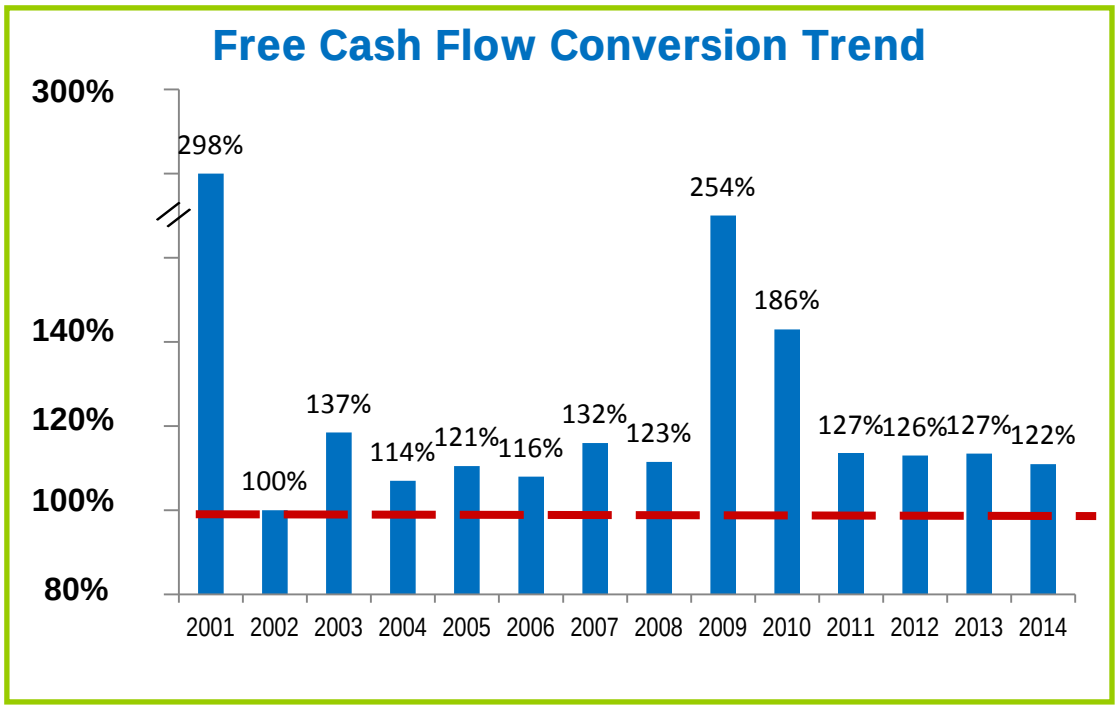
Execution of Model Can Mean Doubling of Business Over Five Years

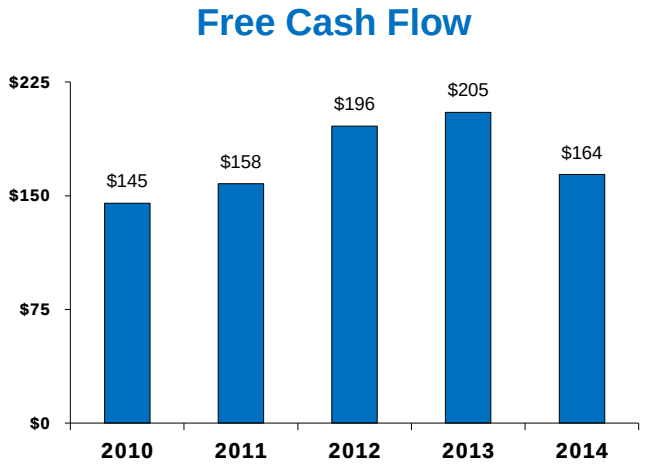
Actuant Business Model

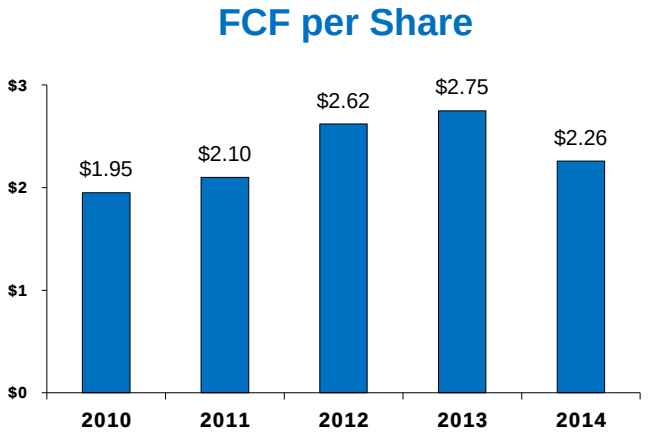


(1) Continuing operations, excluding RV divestiture gain

Consistency of Cash Flow Generation







FCF/Share – FCF / FD Weighted Average Shares Outstanding

Incentive Compensation Driven by ROIC / Cash Flow

Capital Allocation

- Capital deployment strategies:
  - Deploy substantially all free cash flow in acquisitions
  - Maintain net debt/EBITDA leverage in the 1.5-2.5x range (currently 1.1x)
- Capital allocation priorities:
  - Growth
    - Organic
    - Acquisitions
  - Share Repurchases
  - Dividend – no change

- $600 million revolver availability
- Cash
  - + $109 million at 8/31/2014
  - + Annual free cash flow
  - = >$250 million total cash

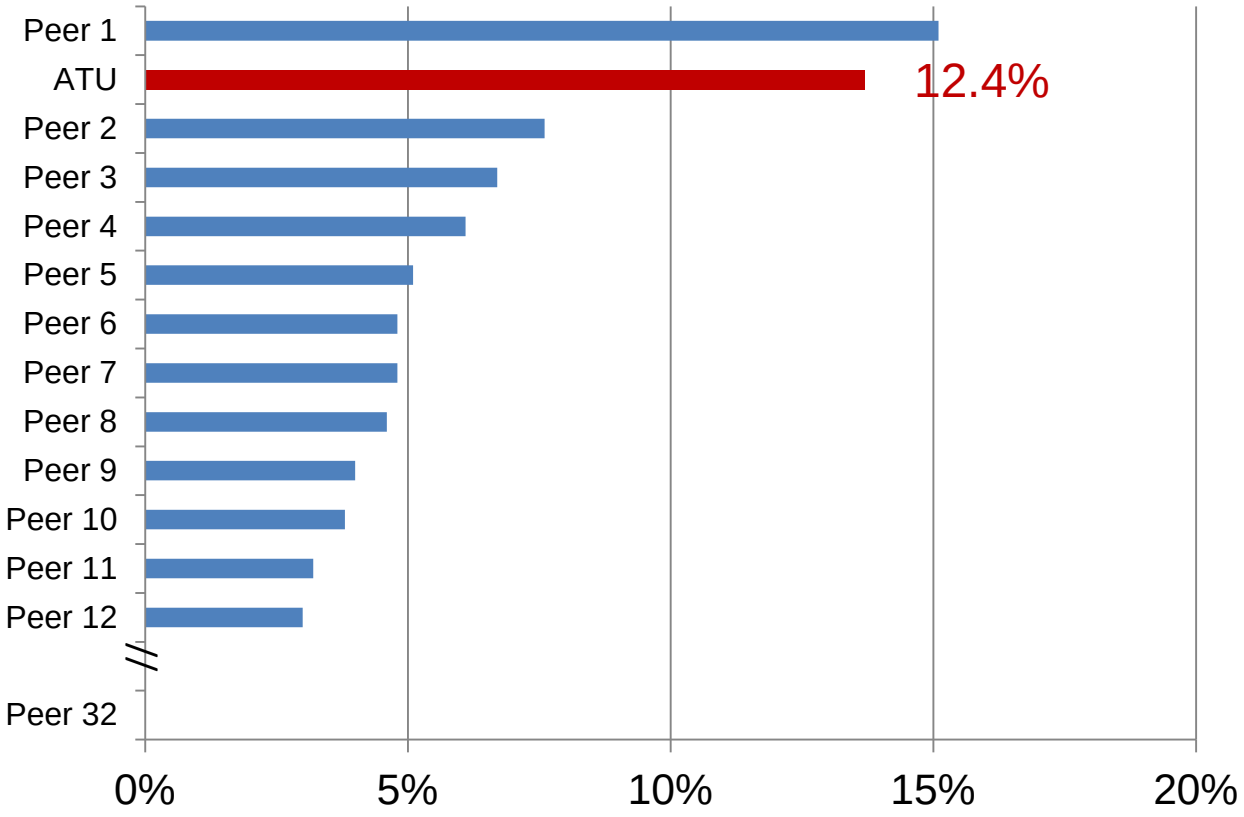
Robust Cash Flow and Current Balance Sheet Creates Strategic Flexibility

Cash Return to Shareholders vs. Dividend

- Absent a meaningful change to our size or capital position, no change to dividend policy at this time
- Continue to use opportunistic stock buybacks as our primary means of returning cash to shareholders
  - EPS accretive
  - Provides more flexibility to start / stop / pace than a cash dividend
  - More tax efficient

Period	Shares	Capital Deployed
Fiscal 2012	2.7M	$63.1M
Fiscal 2013	1.3M	$41.8M
Fiscal 2014	8.2M	$283.7M
Fiscal 2015	1.8M	$58.9M
Cumulative	14.0M	$447.5M

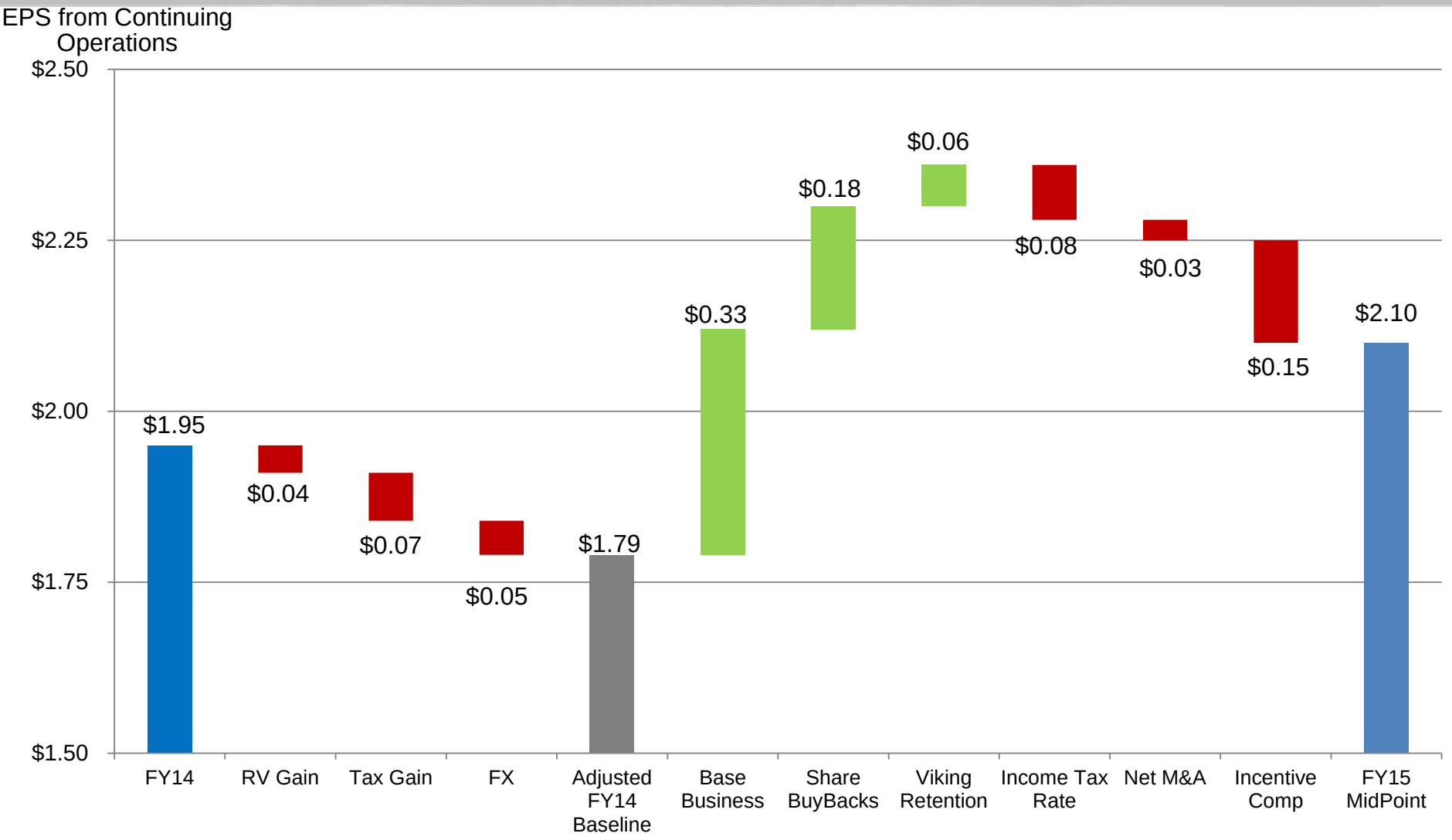
Cash Returned to Shareholders



- TTM dividends plus buy-backs as a % of market capitalization
- Actuant second highest in ~30 company proxy compensation peer group plus select large cap diversified industrials
- Median return of 2.6%

Strong Cash Flow & Good Stewardship of Investors' Capital

2015 EPS Guidance



Fiscal 2015 Outlook Results in 15-20% EPS Growth on Adjusted Basis

2015 Potential – Pro Forma for Capital Allocation

(US $ in millions, except per share amount)

Proforma 2015 Guidance Assuming $200 million of stock buybacks (6.25 million shares @ $32/share) AND $200 million business acquisition @ 9x EBITDA

	2015 Mid-Point	With Stock Buyback	With Buyback and Acquisition
Sales	$1,450	$1,450	$1,550
EBITDA	$260	$260	$282
Net Income	$138	$136	$142
Shares Outstanding	66.5	60.3	60.3
Diluted EPS	$2.10	$2.28	$2.38
Net Debt	$115	$325	$510
Net Debt/EBITDA	0.4x	0.8x	1.8x
Incremental EPS vs. Base		$0.18	$0.28

Assumes incremental borrowing costs of 1.4%, buybacks and acquisitions take place on the first day of fiscal year, free cash flow used to reduce debt



Wrap-Up

Actuant

Actuant Business Model

Business Model



Long-Term Metrics	**1.5-2.0X GDP**	**Deploy FCF**	**+ 25-50 BPS Base Margins**	**>100% FCF Conversion**

Execution of Model Can Mean Doubling of Business Over Five Years

Final Thoughts

Through our recent actions, Actuant today…

- Is simplified, yet still diverse
- Is strategically linked to long-term macro growth themes
- Holds leading market positions in niche markets
- Generates higher margins
- Has a stronger organization to execute the Vision
- Has abundant capital allocation opportunities to continue to positively reshape the company

Significant Opportunity to Build on Our Solid Foundation

Final Q&A

Diversified End Markets, Customers & Geography

Niche Market Leadership Positions

Continuous Improvement Culture

Actuant

Experienced Leadership Team and Strong Insider Ownership

Disciplined Acquisition & Integration Strategy

Cash Flow / ROIC Focused

Free Cash Flow / Cash Flow Conversion

(US$ in millions)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total EBITDA	$87	$84	$90	$106	$145	$181	$228	$260	$171	$185	$244	$283	$267	$246
Cash Interest	(47)	(30)	(20)	(12)	(15)	(23)	(28)	(35)	(36)	(27)	(26)	(26)	(21)	(21)
Cash Taxes	(9)	(14)	(18)	(21)	(16)	(28)	(36)	(48)	(20)	(7)	(23)	(55)	(44)	(53)
Capital Expenditures	(5)	(7)	(13)	(11)	(15)	(20)	(31)	(44)	(21)	(20)	(23)	(23)	(23)	(40)
PWC/Other	24	(8)	8	(6)	(14)	(8)	15	18	56	14	(14)	17	26	32
Free Cash Flow	**$50**	**$25**	**$47**	**$56**	**$85**	**$102**	**$148**	**$151**	**$150**	**$145**	**$158**	**$196**	**$205**	**$164**
Net Earnings (1)	$17	$25	$34	$49	$70	$88	$112	$123	$59	$78	$124	$155	$162	$134
Free Cash Flow Conversion	298%	100%	137%	114%	121%	116%	132%	123%	254%	186%	127%	126%	127%	122%

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