

Enerpac Tool Group Provides Update on Long-Term Strategy and Multi-Year Financial Targets at Investor Day

MILWAUKEE--(BUSINESS WIRE)-- Enerpac Tool Group (NYSE: EPAC) today hosted an investor day where the Company provided updates on the strategic direction, growth prospects and value-creation opportunities of Enerpac as a pure-play industrial tools and services company. At the investor day, the Company discussed how it is positioned to drive best-in-class returns by leveraging its sustainable business model, disciplined capital deployment plans and experienced leadership team.

“Enerpac is moving forward as a premier pure-play industrial tools and services company, serving a broad range of end markets across a global footprint,” said Randy Baker, Chief Executive Officer of Enerpac Tool Group. “Our leadership position in our markets is built on our strong brand recognition, wide array of existing products, investment in new products and extensive global distribution network. We are excited about the opportunities we see for Enerpac to create value by delivering above-market core growth, driving efficiency and profitability, generating strong free cash flows and deploying capital to deliver long-term sustainable returns. We look forward to executing on our strategy to deliver enhanced value for shareholders.”

At the analyst day, the Company provided the following five-year performance targets as part of its value creation model:

- Best-in-class returns: approximately 20% return on invested capital
- Core growth: 5% core growth CAGR or 200-300bps core sales growth above market
- Driving efficiency and profitability: approximately 25% EBITDA margins
- Strong cash flow generation: greater than 100% free cash flow conversion to fuel growth
- Disciplined capital deployment

The Company also reaffirmed the full year guidance for Fiscal 2020¹ of:

- Net sales of \$575 to \$600 million
- Adjusted EBITDA of \$94-\$104 million
- Adjusted diluted EPS of \$0.68 to \$0.81

An event replay, along with supporting materials, can be viewed via an archived replay through the Investor Relations section of the Company's website at enerpactoolgroup.com/investors.

¹ FY2020 guidance excludes restructuring, impairment & divestiture charges and other tax adjustments. FY2020 guidance also excludes any future acquisitions, divestitures or stock

repurchases not specially identified.

About Enerpac Tool Group

Enerpac Tool Group is a premier industrial tools and services company serving a broad and diverse set of customers in more than 90 countries. The Company's businesses are global leaders in high pressure hydraulic tools, controlled force products and solutions for precise positioning of heavy loads that help customers safely and reliably tackle some of the most challenging jobs around the world. The Company was founded in 1910 and is headquartered in Menomonee Falls, Wisconsin. Enerpac Tool Group trades on the NYSE under the symbol EPAC. Although the Company has adopted "Enerpac Tool Group" as its doing-business name, its legal name continues to be Actuant Corporation until the change is approved by its shareholders. For further information on Enerpac Tool Group and its businesses, visit the Company's website at www.enerpactoolgroup.com.

Safe Harbor Statement

Certain of the above comments represent forward-looking statements made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. Management cautions that these statements are based on current estimates of future performance and are highly dependent upon a variety of factors, which could cause actual results to differ from these estimates. Among other risks and factors, Enerpac Tool Group's results are subject to general economic conditions, variation in demand from customers, the impact of geopolitical activity on the economy, continued market acceptance of the Company's new product introductions, the successful integration of acquisitions, restructuring, operating margin risk due to competitive pricing and operating efficiencies, supply chain risk, material and labor cost increases, tax reform, foreign currency fluctuations and interest rate risk. See Actuant Corporation's Form 10-K for the fiscal year ended August 31, 2019 filed with the Securities and Exchange Commission for further information regarding risk factors. Enerpac Tool Group disclaims any obligation to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

Non-GAAP Financial Information

This press release references financial measures that are not measures presented in conformity with GAAP. They include EBITDA, adjusted EBITDA, EBITDA margin, adjusted EBITDA margin, adjusted EPS, and free cash flow. This press release includes reconciliations of these non-GAAP measures to the most comparable GAAP measure, including in the tables attached to this press release. Management believes these non-GAAP measures are commonly used financial measures for investors to evaluate Enerpac Tool Group's operating performance and financial position with respect to the periods presented and present a useful tool to evaluate ongoing operations and provide investors with metrics they can use to evaluate aspects of the Company's performance from period to period. In addition, these are some of the factors management uses in internal evaluations of the overall performance of the Company's business. Management acknowledges that there are many items that impact a company's reported results and the adjustments reflected in these non-GAAP measures are not intended to present all items that may have impacted these results. In addition, these non-GAAP measures are not necessarily comparable to similarly-titled measures used by other companies.

ACTUANT CORPORATION**SUPPLEMENTAL UNAUDITED DATA****RECONCILIATION OF GAAP TO NON-GAAP GUIDANCE**

(Dollars in millions, except for per share amounts)

	FISCAL 2020	
	LOW	HIGH
RECONCILIATION OF CONTINUING OPERATIONS GAAP DILUTED EARNINGS PER SHARE TO ADJUSTED DILUTED EARNINGS PER SHARE GUIDANCE		
GAAP DILUTED EARNINGS PER SHARE	\$ 0.39	\$ 0.65
IMPAIRMENT & OTHER DIVESTITURE CHARGES, NET OF TAX EFFECT	TBD	TBD
RESTRUCTURING CHARGES, NET OF TAX EFFECT	0.29	0.16
OTHER INCOME TAX (BENEFIT) EXPENSE	TBD	TBD
ADJUSTED DILUTED EARNINGS PER SHARE GUIDANCE	\$ 0.68	\$ 0.81
RECONCILIATION OF CONTINUED OPERATIONS GAAP OPERATING PROFIT TO ADJUSTED EBITDA		
GAAP OPERATING PROFIT	\$ 43	\$ 63
RESTRUCTURING CHARGES	22	12
ADJUSTED OPERATING PROFIT	\$ 65	\$ 75
OTHER EXPENSE (INCOME), NET	8	8
DEPRECIATION & AMORTIZATION	21	21
ADJUSTED EBITDA	\$ 94	\$ 104
RECONCILIATION OF GAAP CASH FLOW FROM OPERATIONS TO FREE CASH FLOW		
CASH FLOW FROM OPERATIONS	\$ 62	\$ 85
CAPITAL EXPENDITURES	(12)	(10)
OTHER	-	-
FREE CASH FLOW GUIDANCE	\$ 50	\$ 75

FOOTNOTES

Management does not provide guidance on GAAP financial measures as we are unable to predict and estimate with certainty items such as potential impairments, refinancing NOTE: costs, business divestiture gains/losses, discrete tax adjustments, or other items impacting GAAP financial metrics. As a result, we have included above only those items about which we are aware and are reasonably likely to occur during the guidance period covered.

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