



6100 NORTH BAKER ROAD
MILWAUKEE, WI 53209
414 352 4160

CORPORATE INFORMATION

Exchange

New York Stock Exchange
Ticker Symbol ATU

Transfer Agent

LaSalle Bank N.A.
135 South LaSalle Street
Chicago, IL 60603
1 800 246 5761

Legal Counsel

McDermott Will & Emery LLP
227 West Monroe Street
Chicago, IL 60606

Independent Accountants

PricewaterhouseCoopers LLP
100 East Wisconsin Avenue
Milwaukee, WI 53202

Website

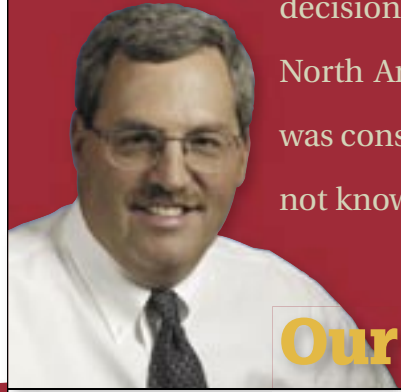
www.actuant.com



2004 ANNUAL REPORT

CHAIRMAN'S MESSAGE

In many ways, 2004 completed the first renaissance of Actuant | It is startling to look at the table on the right. We have changed the complexion of Actuant significantly over the last four years. In 2000, debt reduction encompassed every decision we made. The industrial economy was beginning to slow, particularly in North America, and building a sustainable, motivated organization from one that was considered mature and "old economy" was an imperative. In 2000, investors did not know Actuant; we were an untested management team of a corporate spin-off.



Our renaissance began in 2000.

Robert Arzbaecher
Chairman,
President and CEO

I would like to tell you we had a master plan to get to where we are in 2004, but we didn't. We rolled up our sleeves and got to work by:

Prioritizing cash flow and Return On Invested Capital (ROIC) above all other goals.

Focusing on industrial tools, electrical tools, and actuation systems; divesting other product lines to reduce debt.

Finding places in the Actuant portfolio for top line growth—convertible top actuation, RV actuation and China market initiatives.

Using our LEAD (Lean Enterprise Across Disciplines) Process to drive operating margin and asset return improvements.

Using the capital markets effectively with a follow-on equity offering followed by a convertible bond offering, while simultaneously repurchasing existing 13% bonds.

Improving our organizational readiness by selectively bringing in new talent from the outside, while beginning an aggressive leadership-training program on the inside.

Beginning a bolt-on acquisition strategy, leading to the purchase of six businesses since the spin-off.

Actuant Spin-off vs. 2004

	spin-off ⁽¹⁾ ▼	8/31/04 ▼
Sales	\$ 482	\$ 727
Operating Profit	\$ 72	\$ 90
Net Financing Costs	\$ 49	\$ 14
Diluted EPS (excluding special items)	\$ 1.01	\$ 1.99
Debt	\$ 451	\$ 194
Debt Leverage Ratio	4.0x	1.8x
Market Capitalization	\$ 142	\$ 899

⁽¹⁾ Statement of Earnings Data fiscal 2001, other data as of 8/1/2000.

Actuant's Performance | While not everything went perfectly, shareholders have been rewarded by Actuant's performance. As the historical chart on the foldout demonstrates, Actuant stock is up 395% from the split adjusted spin-off price of \$7.65 per share. In 2004, our sales increased 24%, of which 9% was core growth. Diluted earnings per share excluding special items were \$1.99, up 41% over 2003, adjusted for one-time items in both years. This represented the third year of meeting or exceeding our targeted 15-20% growth in earnings, again excluding one-time items in all years. At the close of 2004, Actuant's debt leverage ratio was 1.8:1.0. Even after the effect of the 13% bond repurchase and the Kwikiee and Dresco acquisitions, the debt leverage ratio remains under our stated target of 2.0-3.0:1.0.

Actuant's Future | While this renaissance has been extremely satisfying to Actuant's management team and Board of Directors, the future is what really excites us. Actuant is positioned for continued superior performance. The following drives our shareholder value creation:

1. Above average growth from our core platforms of industrial tools, electrical tools and actuation systems. Our businesses are leaders in the markets they serve, with upgraded and motivated management teams ready to execute their business strategies.

2. Internal growth augmented by acquisitions. We believe our business platforms are scalable via acquisitions, and that our AIM (Acquisition Integration Model) Process creates shareholder value while minimizing the inherent risk of acquisitions.

3. Generate above average return on invested capital. ROIC is at the very core of Actuant's approach in creating shareholder value. In fact, without our focus on cash flow returns, Actuant would not be where it is today.

4. Leveraged and improved organizational readiness and motivation of the Actuant management team. The improvement in our organizational capabilities since the spin-off is the achievement I'm most proud of. We have an organization that understands our priorities, is motivated to succeed, and is ready to take on additional responsibilities.

We believe these four initiatives, consistently applied over the long term, will create significant value for shareholders, and great opportunities for the employees and other stakeholders that are critical to Actuant's success.

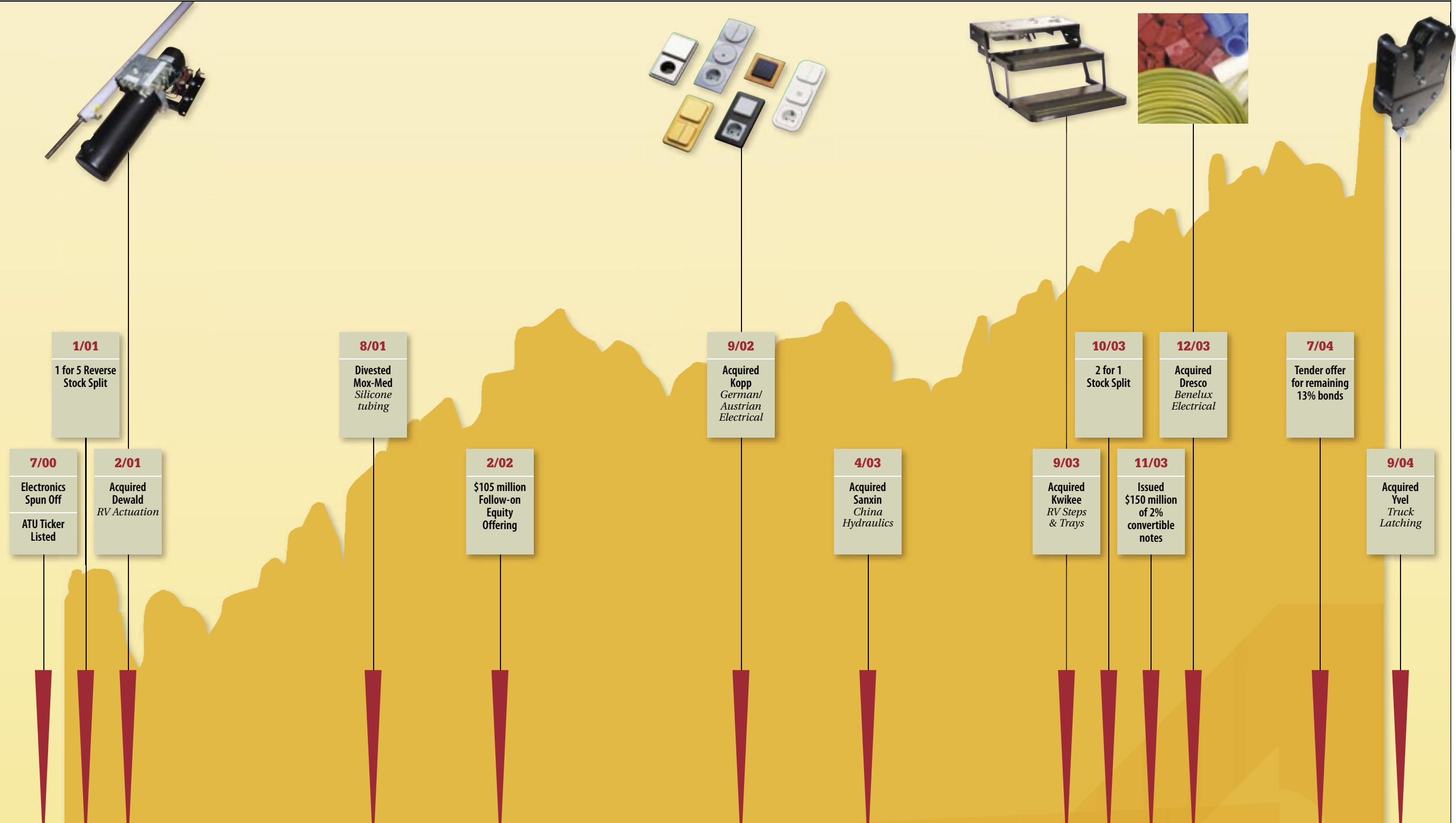
I would like to thank and express my gratitude to Dick Crowther and Bruce Chelberg, two directors who will be retiring from the Actuant Board of Directors this year. Both have been instrumental in guiding me through my early years as a CEO and in molding Actuant into what it is today.

Sincerely,

Robert C. Arzbaecher
Chairman, President and CEO

ACTUANT'S HISTORY

Since spinning off our electronics segment in July 2000 and beginning trading as Actuant on the NYSE, our split adjusted stock price has risen 395% from \$7.65 to \$37.84. The following timeline shows some of the milestones in our history.



- 7/00** Electronics Spun Off
ATU Ticker Listed
- 1/01** 1 for 5 Reverse Stock Split
- 2/01** Acquired Dewald RV Actuation
- 2/02** \$105 million Follow-on Equity Offering
- 8/01** Divested Mox-Med Silicone tubing
- 9/02** Acquired Kopp German/Austrian Electrical
- 4/03** Acquired Sanxin China Hydraulics
- 9/03** Acquired Kwikee RV Steps & Trays
- 10/03** 2 for 1 Stock Split
- 11/03** Issued \$150 million of 2% convertible notes
- 12/03** Acquired Dresco Benelux Electrical
- 7/04** Tender offer for remaining 13% bonds
- 9/04** Acquired Yvel Truck Latching

Timeline	7/00	8/01	8/02	8/03	8/04
Sales (fiscal year)	\$681M	\$482M	\$463M	\$585M	\$727M
Total Debt	\$451M	\$327M	\$192M	\$170M	\$194M
Debt Leverage Ratio	4.0x	3.9x	2.4x	2.0x	1.8x
Stock Price (adjusted for stock splits)	\$7.65	\$10.61	\$19.12	\$25.75	\$37.84

GROWTH INITIATIVES

CORE | Our renaissance is not a one-time event. It is the continued evolution of an organization driven to deliver sustainable growth that is both profitable and capital efficient. Each of our businesses generates core growth by capitalizing on the opportunities created by broadening served markets and expanding product offerings from our leading market positions.



Actuant's renaissance is more than just the rebirth of our company.

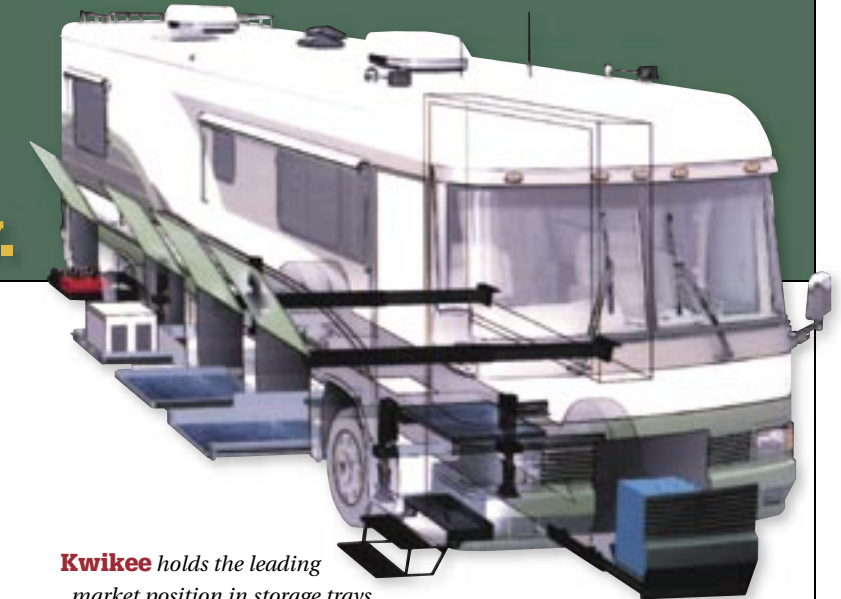


Power-Packer continues our globalization of convertible top actuation. Chevrolet's next generation Corvette is the latest U.S.-built auto benefitting from our design and production capabilities.

Enerpac's integrated systems initiative yielded several high profile projects, including the Athens Olympic Stadium roof. Enerpac's system moved and positioned the roof for the construction of this stadium that touched over 11,000 athletes and 4 billion viewers around the globe.



ACQUISITIONS | Augmenting core growth with acquisitions has contributed to Actuant's growth and provides additional opportunities in the future. Our last three acquired companies illustrate what we look for in a target: leading positions in niche markets, new products or markets, and strong customer relationships.



Dresco, the #1 provider of electrical tools and supplies to Benelux (Belgium, Netherlands and Luxembourg) DIY, was acquired as part of our European electrical market strategy, and provided a 17% market expansion to our existing **Kopp** business.



Kwikee holds the leading market position in storage trays and actuated steps for the RV market, which provides natural line extensions to our **Power Gear** slide-out and leveling systems. The increased content per vehicle strengthened our product presence with existing customers while Kwikee's relationship with Winnebago added a major new customer.



Yvel is the #1 provider of hydraulic latches for European cab-over-engine truck. The combination of **Yvel** and **Power-Packer** results in a larger, more sophisticated engine access system and consolidates suppliers for our customers.

ENGINEERED SOLUTIONS

Favorable demographics lead us to focus on RV and convertible top actuation. Our intense customer focus and ability to rapidly deliver innovative solutions like micro-hydraulic systems and above-floor slide-outs are critical to maintaining and growing our leading market positions. Actuant's Engineered Solutions segment continues to expand the product portfolio with new systems like latching and continues to increase the served geography by expanding into emerging markets like China.

Our Class C leveling system and freezer-storage slide are examples of the 10 new product solutions launched by our RV businesses **Kwikee** and **Power Gear**.



Power Packer secured contracts for our hydraulic-powered convertible top latches for a number of vehicles, including the Mini Cooper.



Transportation is the lifeblood of China's continued economic expansion. **Power Packer's** successful penetration of this market presents exciting growth potential for the future.

TOOLS & SUPPLIES

Leading brands like Enerpac, Gardner Bender, Kopp and Dresco provide a solid foundation for our Tools & Supplies segment. All of our businesses aggressively implement Actuant's LEAD Process to improve product quality and delivery while increasing operational efficiency. Significant portions of any savings are re-invested to penetrate new geographic markets, develop new products and launch entire new categories.



Enerpac's new ZU4 pump line reduces power consumption and increases product life expectancy. Easily distinguished by its new design, standard components are utilized for easier manufacturing and service.



Gardner Bender's patented Upper Hand™ fish tape design eases contractor fatigue during wire pulls.



All of our electrical businesses possess merchandising expertise, stimulating sales for our customers and easing decision-making for the end-user.

Dresco's new comprehensive plumbing line leverages our category management competencies and expands our presence into new departments.

ORGANIZATION

LEADERSHIP TEAM

Bob Arzbaeher
Chairman, President and
Chief Executive Officer



CORPORATE COACHES

Andy Lampereur
Executive VP &
Chief Financial Officer



Brian Kobylinski
VP and Business
Development Leader



Ron Wieczorek
VP and Global Human
Resources Leader



BUSINESS PRESIDENTS

Mark Goldstein
Executive VP and
Tools & Supplies Leader



Bill Blackmore
Executive VP and Engineered
Solutions Leader



Guus Boel
Executive VP and
European Electrical Leader



George Bowman
VP and
Enerpac Leader



Ed Staple
VP and Gardner
Bender Leader



Actuant's PMP, LEAD and AIM Processes create value for customers, employees and shareholders.

Actuant's Performance Management Process (PMP) focuses on business execution and key employee identification. Over 300 high-potential employees received advanced training during 2004. Forums like our in-house Leadership Development Training Program (LDTP) enable Actuant to tailor subject matter specifically to the audience, promote a performance-based culture, and foster networking.

Lean Enterprise Across Disciplines (LEAD) and **Acquisition Integration Model (AIM)** are Actuant's key value creation processes. Both processes employ varied tools aimed at continually improving our business. We conducted over 500 LEAD events during the past year and their results are the main reason Actuant has been able to maintain its margins in the face of raw materials price increases.

We use AIM in all of our acquisitions, with the process beginning before the transactions are completed. Five teams are established combining the strengths of the acquired company with Actuant's Corporate and Business competencies. The chart at the right is an example of the value delivered during our Kwikiee integration.

The Results of Power Gear's Travel Lock Cell Event Indicate the Power of LEAD:

Tools Used

6S:

Sort, Straighten, Scrub, Standardize, Sustain, Safety

Kaizen, JIT:

Factory rearrangement

Kaizen, SMED:

Set-up time reduction

One-piece Flow:

Reduce handling, increase velocity

Change

Floor space reduction	69%
WIP inventory reduction	100%
Cycle time reduction	45%
Headcount reduction	34%
Travel distance reduction	77%

Kwikiee Outcome of AIM:

Largest customer, Winnebago, expanded relationship with Actuant

Identified > \$1.0 million in cost synergies from integration

Consolidated one Power Gear facility into Kwikiee's with no customer interruption



FINANCIAL HIGHLIGHTS

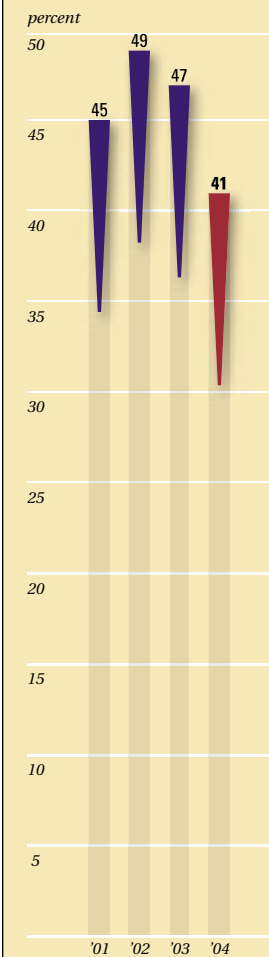
Fiscal 2004 was an outstanding year for Actuant from a financial standpoint:

- Sales increased 24% to approximately \$727 million, reflecting 9% core growth, acquisitions and favorable currency translation.
- Diluted earnings per share before special items grew to \$1.99 per share, up 41% from the prior year. The acquisitions of Kwikiee and Dresco were both earnings accretive.
- The strong earnings helped drive Actuant's shareholders' equity positive for the first time since the spin-off.
- Cash flow was strong and drove our debt leverage ratio to a new low, despite \$65 million in acquisitions and \$30 million of 13% bond buyback premiums during the year.

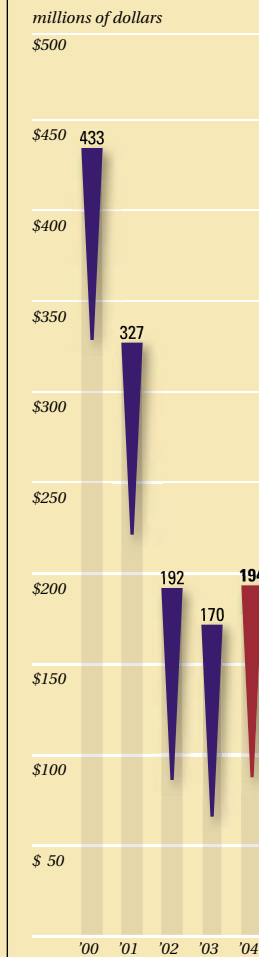
2004 was also a transforming year for Actuant's capital structure and balance sheet.

- The last portions of the original spin-off financing were replaced with lower cost borrowings. We retired all remaining 13% bonds and Senior Secured Credit Agreement borrowings during the year. The Company's new capital structure consists of \$150 million of 2% convertible notes and borrowings under an unsecured \$250 million revolver, both of which were new this year.
- The continued strong cash flow, coupled with our new lower cost capital structure, has made a significant difference in borrowing costs. Net Financing Costs declined from approximately \$49 million in fiscal 2001 to \$14 million in fiscal 2004. This means we have an additional \$35 million of annual pre-tax cash flow that can be used for growth initiatives.

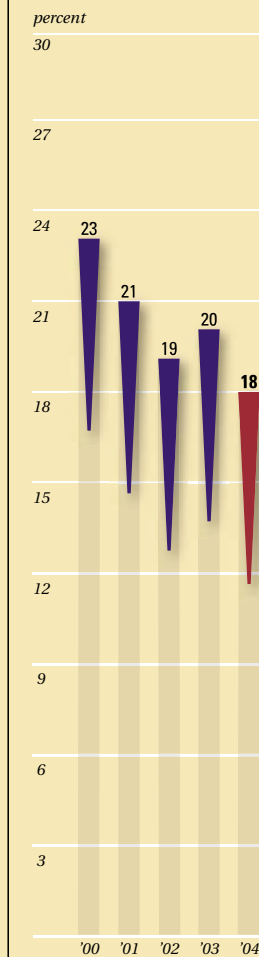
Operating Profit Return on Net Assets⁽¹⁾



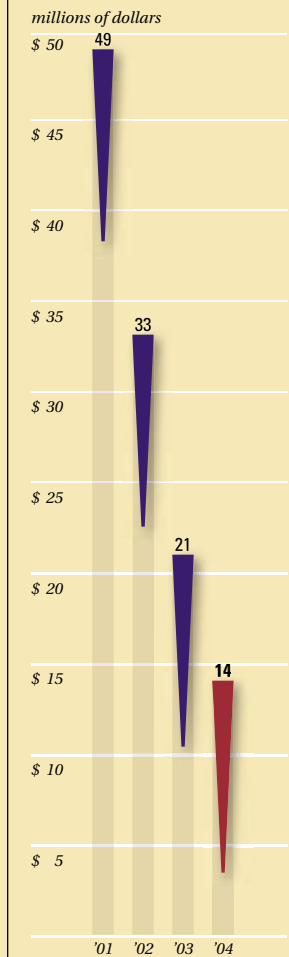
Total Debt



Net Primary Working Capital as a % of Sales⁽²⁾



Net Financing Costs



(1) Operating Profit Return on Net Assets equals operating profit divided by net assets. Net assets is computed as total debt plus shareholders' equity less cash and cash equivalents.

(2) Net Primary Working Capital as a Percentage of Sales equals net accounts receivable plus receivables sold pursuant to a securitization program plus net inventories less trade accounts payable, divided by trailing three months annualized net sales.

LOCATIONS

NORTH AMERICA

CANADA

**Enerpac Canada
Gardner Bender Canada**
6615 Ordan Drive
Units 14-15
Mississauga, Ontario
Canada L5T 1X2
1 905 564 5749 tel
1 905 564 0305 fax

**Gardner Bender
Manufacturing**
9220 Activity Road
San Diego, CA 92126
1 858 693 8884 tel
1 858 693 1672 fax

1105 Highway 27 West
Alexandria, MN 56308
1 320 763 6607 tel
1 320 763 4312 fax

MEXICO

**Grupo Industrial Baja
Tech S.A. de C.V.**
Calle Alamo Manzana 2,
Edif. 2
Parque Industrial Tecate
Tecate, B.C./Mexico
52 665 654 41965 tel
52 665 654 42780 fax

Kwikkee Products
230 Davidson Avenue
Cottage Grove, OR 97424
1 541 942 3888 tel
1 541 942 5545 fax

Milwaukee Cylinder
5877 S. Pennsylvania Avenue
Cudahy, WI 53110
1 414 769 9700 tel
1 414 769 0157 fax

UNITED STATES

**Headquarters:
Actuant
Enerpac
Engineered Solutions
Gardner Bender**
6100 N. Baker Road
Milwaukee, WI 53209
1 414 352 4160 tel
1 414 247 5550 fax
1 262 781 6600 Enerpac tel
1 262 781 1049 Enerpac fax

Ancor Products, Inc.
531 Mercantile Drive
Cotati, CA 94931
1 707 792 0312 tel
1 707 795 7950 fax

Del City Wire
2101 W. Camden Road
Milwaukee, WI 53209
1 800 654 4757 tel
1 414 247 5434 tel
1 414 228 6100 fax

Enerpac Manufacturing
720 W. James Street
Columbus, WI 53925
1 920 623 5280 tel
1 920 623 7230 fax

**Gardner Bender
Distribution Centers**
Eastern
9310 D. Ducks Lane
Charlotte, NC 28273
1 704 588 4303 tel
1 704 583 6071 fax

Midwestern
6200 North Baker Road
Milwaukee, WI 53209
1 414 352 4160 tel
1 414 352 0792 fax

Western
750 Vista Blvd., Suite 402
Sparks, NV 89434
1 775 677 2334 tel
1 775 677 2332 fax

EUROPE

AUSTRIA

**Österreichische Kopp
Ges.m.b.H.**
B.P. 200
Theodor-Simoneit-Str.2
4160 Aigen
Austria
43 7281 65660 tel
43 7281 8790 fax

CZECH REPUBLIC

**Kopp Elektrotechnika
spol.s.r.o**
Linecká 377
38241 Kaplice
Czech Republic
42 380 301911 tel
42 380 311197 fax

FRANCE

Actuant France S.A.
Parc D'Activités du Moulin
de Massy
1 Rue du Saule Trapu
91882 Massy Cedex
France
33 160 136868 tel
33 169 203750 fax

Yvel S.A.
4953 rue Salvador Allende
95870 Bezons
France
33 1344 809 tel
33 1307 60903 fax

GERMANY

**Convertible Power
Systems GmbH**
Wettinerweg 2B
Clausenstrasse 39
42285 Wupertal
Germany
49 202 342680 tel
49 202 342681 fax

**Power-Pack
Manufacturing**
516 Hillcrest Drive
Westfield, WI 53964
1 608 296 2118 tel
1 608 296 1414 fax

Enerpac GmbH
Mündelheimerweg 55A
D-40472 Düsseldorf
Germany
49 211 471490 tel
49 211 4714928 fax

Heinrich Kopp GmbH-Kahl
Alzenauer Str. 66-70
63796 Kahl
Germany
49 6188 400 tel
49 6188 8669 fax

**Heinrich Kopp GmbH-
Hildburghausen**
Kaltenbronner Weg 4
98646 Hildburghausen
Germany
49 3685 445726 tel
49 202 342681 fax

HUNGARY

Heinrich Kopp Kft.
Ecséri út 25
2220 Vecsés
Hungary
36 2955 0410 tel
36 2935 0092 fax

ITALY

Enerpac S.P.A.
Via Canova 4
20094 Corsico Milano
Italy
39 02 4861 111 tel
39 02 4860 1288 fax

THE NETHERLANDS

Dresco B.V.
Edisonstraat 14
6604 BV Wijchen
The Netherlands
31 024 648 6240 tel
31 024 648 6241 fax

Enerpac B.V.
Galvanistraat 115
6716 AE EDE
Netherlands
31 31 853 5911 tel
31 31 852 5613 fax

**Power-Pack
Europa B.V.**
Edisonstraat 2
7575 AT Oldenzaal
The Netherlands
31 541 584 500 tel
31 541 510 044 fax

POLAND

**Kopp Elektrotechnika
Sp.z.o.o.**
Ul.Kozielska 1
47-208 Renska Wies
Poland
48 77 4822147 tel
48 77 4820148 fax

SPAIN

Enerpac
C./San Jose Artesano,
8 Pol. Ind.
28108 Alcobendas Madrid
Spain
34 91 661 11 25 tel
34 91 661 47 89 fax

Power-Pack Espana S.A.
Apartado de Correos 27
Calle Romero nº 12
45500 Torrijos
Toledo, Spain
34 925 770819 tel
34 925 770833 fax

TURKEY

Power-Pack Turkey
(Ergun Hidrolik Sanayi ve
Ticaret A.S.)
Kayalioglu Istiklal Cad. No: 94
Akhisar-Manisa Yolu 5. Km
45230 Akhisar Manisa
Turkey
90 236 427 2542 tel
90 236 427 2524 fax

UNITED KINGDOM

Enerpac Ltd.
PO Box 33
New Romney
TN28 8QF United Kingdom
44 1527 598900 tel
44 1527 585500 fax

ASIA

AUSTRALIA

Actuant Australia Ltd.
Block V Unit 3
Regents Park Estate
391 Park Road
Regents Park N.S.W. 2143
Australia
61 297 438 988 tel
61 297 438 648 fax

CHINA

Actuant China, Ltd.
1F, 269 FUTE North Road
Waigaoqiao Free Trade Zone
Pudong New District
Shanghai, China 200131
86 21 5866 9099 tel
86 21 5866 7284 fax

Actuant China, Ltd.
709A Xin No. 2
Diyang Building
Dong San Huan North Rd.
Beijing, China 100028
86 10 8453 6166 tel
86 10 8453 6220 fax

HONG KONG

AIC Limited
Flat 1201, 12th Floor
Premier Centre
20 Cheung Shun Street
Kowloon, Hong Kong
852 2 743 6593 tel
852 2 742 7519 fax

INDIA

**Enerpac Hydraulics
Pvt. Ltd.**
Plot No. A-571 MIDC
TTC Industrial Area
Mahape - 400 701
Navi Mumbai
India
91 22 2778 1779 tel
91 22 2778 1473 fax

JAPAN

Enerpac Japan
1-1-11 Shimomae
Toda-Shi Saitama
Japan 335-0016
81 48 430 2311 tel
81 48 430 1066 fax

Power-Pack Japan
1-1-11 Shimomae
Toda-Shi Saitama
Japan 335-0016
81 48 430 2311 tel
81 48 430 1117 fax

SINGAPORE

Actuant Asia Pte. Ltd.
No.25 Serangoon
North Ave 5,
#03-01 Keppel Dighub
Singapore 554914
65 6484 5108 tel
65 6484 5669 fax

SOUTH KOREA

Actuant Korea Ltd.
3 Ba 717, Shihwa
Industrial Complex
Jungwang-Dong,
Shihung-Shi, Kyunggi-Do
Republic of Korea 429-450
82 31 4344506 tel
82 31 4344507 fax

TAIWAN

AIC Limited
6th Floor
#387 Chung Cheng Road
Shin Chaung City
Taipei Hsien
Taiwan
886 2 220 80017 tel
886 2 220 80019 fax

UNITED ARAB EMIRATES

Enerpac Middle East FZE
Office LB15423
Jebel Ali
Dubai
United Arab Emirates
971 4 8872686 tel
971 4 8872687 fax

AFRICA

TUNISIA

**HEKO Eléctrotechnique
S.A.R.L.**
GP1, KM 148
4013 Messadine
Tunisia
216 7 3284088 tel
216 7 3285262 fax

BOARD OF DIRECTORS

<u>Committees:</u>	<u>Audit</u>	<u>Nominating/ Governance</u>	<u>Compensation</u>
<i>Robert C. Arzbaecher</i>			
<i>Gustav H.P. Boel</i>			
<i>Thomas J. Fischer</i>	C		
<i>William K. Hall</i>	✓	✓	
<i>Kathleen J. Hempel</i>	✓	✓	
<i>Robert A. Peterson</i>	✓		✓
<i>William P. Sovey</i>		C	
<i>New Director</i>			
<i>Larry D. Yost</i>		✓	✓
<i>Retiring Directors</i>			
<i>Bruce S. Chelberg</i>			C
<i>H. Richard Crowther</i>			✓
C=chairman			

Reconciliation of GAAP Measures to Non-GAAP Measures

	<i>fiscal 2001</i>	<i>fiscal 2002</i>	<i>fiscal 2003</i>	<i>fiscal 2004</i>
Diluted Earnings Per Share Excluding Discontinued Operations, Cumulative Effect of Accounting Change and Special Items (1)				
Diluted Earnings Per Share (GAAP Measure)	\$ 1.42	\$ (0.12)	\$ 1.18	\$ 1.41
Cumulative Effect of Accounting Change Discontinued Operations (Net of Tax)	—	0.34	—	—
	0.05	0.48	—	(0.44)
Diluted Earnings Per Share from Continuing Operations	\$ 1.47	\$ 0.70	\$ 1.18	\$ 0.97
Net Gain on Disposition of Businesses and Product Lines	(0.53)	—	—	—
Restructuring Charge	0.07	—	—	—
Debt Extinguishment Costs (Net of Tax)	—	0.50	0.05	1.02
Litigation Matters Related to Businesses Divested Prior to the Spin-Off of APW Ltd. (Net of Tax)	—	—	0.18	—
Diluted Earnings Per Share Excluding Special Items (Non-GAAP Measure)	\$ 1.01	\$ 1.20	\$ 1.41	\$ 1.99
Earnings Growth		19%	18%	41%

(1) Diluted earnings per share excluding discontinued operations, cumulative effect of accounting change and special items represent net earnings and diluted earnings per share per the Consolidated Statement of Earnings net of charges or credits for items that are not representative of the normal recurring operations of the current portfolio of Actuant companies. These items include results from discontinued operations, the cumulative effect of accounting changes, gains and losses on the disposition of businesses and product lines, restructuring charges, expenses recorded to extinguish debt entered into at the time of the spin-off and litigation charges related to matters associated with businesses divested prior to the spin-off. These measures should not be considered as an alternative to diluted earnings per share as an indicator of the company's operating performance. However, this presentation is important to investors for understanding the operating results of the current portfolio of Actuant companies.

Debt leverage ratio equals period end debt divided by Adjusted EBITDA. EBITDA represents net earnings before net financing costs, income tax expense, depreciation & amortization and minority interest. Adjusted EBITDA is EBITDA excluding discontinued operations and special items, and is net of charges or credits that are not representative of the normal recurring operations of the current portfolio of Actuant companies. These special items include results from discontinued operations, expenses recorded to extinguish debt entered into at the time of the spin-off and litigation charges related to matters associated with businesses divested prior to the spin-off. Adjusted EBITDA is not a calculation based upon generally accepted accounting principles (GAAP). The amounts included in the calculation, however, are derived from amounts included in the Consolidated Statements of Earnings data, and should not be considered as an alternative to net earnings or as an alternative to operating cash flows as a measure of liquidity. Actuant has presented EBITDA because it regularly reviews this as a measure of the company's ability to incur and service debt. In addition, debt leverage ratio and Adjusted EBITDA are used by many of our investors and lenders, and is presented as a convenience to them. However, such measures presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.