

BAUER FRED D
Form 4
January 21, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BAUER FRED D

2. Issuer Name and Ticker or Trading Symbol
APPLIED INDUSTRIAL TECHNOLOGIES INC [AIT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
ONE APPLIED PLAZA
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/19/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP-General Counsel & Secretary

CLEVELAND, OH 441155056
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	01/19/2005		M	3,000 A \$ 11.146	12,533 ⁽¹⁾	D	
Common Stock	01/19/2005		M	2,500 A \$ 12.896	15,033 ⁽¹⁾	D	
Common Stock	01/19/2005		F	3,940 D \$ 29.01	11,093 ⁽¹⁾	D	
Common Stock					3,822 ⁽¹⁾	I	Retirement Savings Plan
Common Stock					46.5 ⁽¹⁾	I	Supplemental Defined Contribution

Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of S
Employee Stock Option (Right to Buy)	\$ 14.197					08/08/2004 ⁽²⁾ 08/08/2013	Common Stock 34,
Stock Appreciation Rights	\$ 19.36					08/06/2005 ⁽⁴⁾ 08/06/2014	Common Stock 16,
Employee Stock Option (Right to Buy)	\$ 11.146	01/19/2005		M	3,000	01/20/2001 ⁽²⁾ 01/20/2010	Common Stock 3,
Employee Stock Option (Right To Buy)	\$ 12.896	01/19/2005		M	2,500	01/18/2002 ⁽²⁾ 01/18/2011	Common Stock 2,
Employee Stock Option (Right to Buy)	\$ 11.883					08/09/2002 ⁽²⁾ 08/09/2011	Common Stock 7,
Employee Stock Option (Right to Buy)	\$ 10.41					08/06/2003 ⁽²⁾ 08/06/2012	Common Stock 60,

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAUER FRED D ONE APPLIED PLAZA CLEVELAND, OH 441155056			VP-General Counsel & Secretary	

Signatures

By: Dianne Misenko/POA for Fred D.
Bauer

01/21/2005

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Share balance adjusted to reflect the effect of the 3 for 2 stock split paid on 12/17/04.
- (2) These options become exercisable in annual increments of 25% commencing one year after the date of grant.
- (3) Both share balance and share price adjusted to reflect the effect of the 3 for 2 stock split paid on 12/17/04.
- (4) Stock-only stock appreciation rights which become exercisable in annual increments of 25% commencing one year after the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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