

HILTZ L THOMAS
Form 4
July 12, 2006

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 *
HILTZ L THOMAS

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)

3. Date of Earliest Transaction (Month/Day/Year)
07/10/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

ONE APPLIED PLAZA

(Street)

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

CLEVELAND, OH 441155056

(City) (State) (Zip)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 07/10/2006 | | A | 399 A | 3,406 ⁽²⁾ | I | Deferred Compensation Plan |
| Common Stock | | | | | 2,568 ⁽²⁾ | D | |
| Common Stock | | | | | 17,718 ⁽²⁾ | I | By Self as Guardian for Son |

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

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SEC 1474 (9-02)

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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 Securities (Instr. 3 and 4) | 8. Price of Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (Right to Buy) | \$ 6.403 (3) | | | | | 04/15/1999 | 04/15/2009 | Common Stock | 4,500 (3) |
| Stock Option (Right to Buy) | \$ 7.431 (3) | | | | | 01/20/2000 | 01/20/2010 | Common Stock | 4,500 (3) |
| Stock Option (Right to Buy) | \$ 8.764 (3) | | | | | 01/11/2001 | 01/11/2011 | Common Stock | 4,500 (3) |
| Stock Option (Right to Buy) | \$ 8.302 (3) | | | | | 01/10/2002 | 01/10/2012 | Common Stock | 4,500 (3) |
| Stock Option (Right to Buy) | \$ 7.525 (3) | | | | | 01/21/2003 | 01/21/2013 | Common Stock | 4,500 (3) |
| Stock Option (Right to Buy) | \$ 10.898 (3) | | | | | 01/08/2004 | 01/08/2014 | Common Stock | 9,000 (3) |
| Stock Option (Right to Buy) | \$ 19.06 (3) | | | | | 01/18/2005 | 01/18/2015 | Common Stock | 6,000 (3) |

Buy)

Stock

Option \$ 25.027

(Right to (3))

Buy)

01/17/2006 01/17/2016 Common 6,000
Stock (3)

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HILTZ L THOMAS ONE APPLIED PLAZA CLEVELAND, OH 441155056 | X | | | |

Signatures

By: Dianne Misenko/POA for L. Thomas

Hiltz

07/12/2006

**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) Shares allocated to the account of the participant in the Deferred Compensation Plan for Non-Employee Directors, at prices ranging from \$25.74 to \$30.91. Both share number and share price have been adjusted to reflect the 3 for 2 stock split paid on 6/15/06.
- (2) All transactions and holdings reflect the effect of the 3 for 2 stock split paid on 6/15/06.
- (3) Both share balance and share price adjusted to reflect the effect of the 3 for 2 stock split paid on 6/15/06.

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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