

APPLIED INDUSTRIAL TECHNOLOGIES INC
Form 11-K
June 20, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K
ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013.

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 1-2299

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Applied Industrial Technologies, Inc.
Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Applied Industrial Technologies, Inc.
One Applied Plaza
Cleveland, Ohio 44115-5056

Financial Statements and Exhibit(s) (enclosed)

(a) Financial Statements

Report of Independent Registered Public Accounting Firm

Statements of Net Assets Available for Benefits
As of December 31, 2013 and 2012

Statement of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012
Notes to Financial Statements

Supplemental Schedules

(b) Exhibit(s)

23 Consent of Independent Registered Public Accounting Firm

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan has duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

APPLIED INDUSTRIAL TECHNOLOGIES,
INC. RETIREMENT SAVINGS PLAN

By: Applied Industrial Technologies, Inc., as Plan Administrator

By: /s/ Barb Emery
Barb Emery
Vice President-Human Resources

Date: June 20, 2014

APPLIED INDUSTRIAL TECHNOLOGIES, INC.
RETIREMENT SAVINGS PLAN

Financial Statements
For the Years Ended December 31, 2013 and 2012

Supplemental Schedules
As of December 31, 2013 and For the Year Ended December 31, 2013

Report of Independent Registered Public Accounting Firm

APPLIED INDUSTRIAL TECHNOLOGIES, INC.
RETIREMENT SAVINGS PLAN

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Investment and Advisory Committees for the Applied Industrial Technologies, Inc. Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits of Applied Industrial Technologies, Inc. Retirement Savings Plan (the "Plan") as of December 31, 2013 and 2012 and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Plan as of December 31, 2013 and 2012 and the changes in net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2013 and schedule of reportable transactions for the year ended December 31, 2013 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Plante & Moran, PLLC

Cleveland, Ohio
June 20, 2014

APPLIED INDUSTRIAL TECHNOLOGIES, INC.
RETIREMENT SAVINGS PLANSTATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2013 AND 2012

	2013	2012
Assets:		
Investments at fair value:		
Applied Industrial Technologies, Inc. Stock Fund	\$ 116,346,404	\$ 112,632,791
Mutual funds	281,634,124	234,034,141
Common/collective trust funds	59,670,842	61,834,421
Total investments	457,651,370	408,501,353
Participant notes receivable	8,779,723	8,997,880
Fee reimbursement receivable - Wells Fargo	19,613	—
	8,799,336	8,997,880
Net assets available for plan benefits, reflecting investments at fair value	466,450,706	417,499,233
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(350,773) (1,050,928)
Net assets available for benefits	\$ 466,099,933	\$ 416,448,305

See notes to financial statements.

APPLIED INDUSTRIAL TECHNOLOGIES, INC.
RETIREMENT SAVINGS PLANSTATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013		2012
Additions to net assets attributed to:			
Contributions:			
Participants	\$11,712,443		\$11,514,321
Participants' rollovers	1,844,975		338,960
Employer	10,765,187		11,062,038
Total contributions	24,322,605		22,915,319
Investment Income:			
Dividends, interest and other:			
Applied Industrial Technologies, Inc. Stock Fund	2,252,419		2,341,051
Mutual funds	10,634,008		3,715,071
Common/collective trust funds	623,971		809,376
Total dividends, interest and other	13,510,398		6,865,498
Net appreciation in fair value of investments:			
Applied Industrial Technologies, Inc. Stock Fund	17,865,242		19,144,118
Mutual funds	43,764,978		27,105,914
Total net appreciation in fair value of investments	61,630,220		46,250,032
Total investment income	75,140,618		53,115,530
Interest on participant notes receivable	378,649		414,392
Total additions	99,841,872		76,445,241
Deductions from net assets attributed to:			
Distributions to participants	(49,329,192)	(50,787,419
Administrative expenses	(861,052)	(680,563
Total deductions	(50,190,244)	(51,467,982
Net increase in net assets	49,651,628		24,977,259
Net assets available for benefits:			
Beginning of year	416,448,305		391,471,046
End of year	\$466,099,933		\$416,448,305

See notes to financial statements.

APPLIED INDUSTRIAL TECHNOLOGIES, INC. RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF THE PLAN

The following description of the Applied Industrial Technologies, Inc. Retirement Savings Plan (the “Plan”) is provided for general purposes only. Participants and users of the financial statements should refer to the Plan document for more complete information.

General - The Plan was established for the purpose of encouraging and assisting domestic employees of Applied Industrial Technologies, Inc. and its subsidiaries (the “Company”) to provide long-term, tax-deferred savings for retirement. The Plan is subject to reporting and disclosure requirements, minimum participation and vesting standards, and fiduciary responsibility requirements of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Administration