

TIMKEN CO  
Form 8-K  
February 07, 2008

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 8-K**  
**Current Report Pursuant**  
**to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**  
**Date of Report (Date of earliest event reported): February 4, 2008**  
**THE TIMKEN COMPANY**

(Exact Name of Registrant as Specified in its Charter)  
**Ohio**

(State or Other Jurisdiction of Incorporation)

**1-1169**

**34-0577130**

(Commission File Number)

(I.R.S. Employer Identification No.)

**1835 Dueber Avenue, S.W., Canton, Ohio 44706-2798**

(Address of Principal Executive Offices) (Zip Code)

**(330) 438-3000**

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(e)

**Senior Executive Management Performance Plan**

On February 4, 2008 the Compensation Committee (the Committee) of the Board of Directors of The Timken Company (the Company) established the performance goals for 2008 under the Senior Executive Management Performance Plan, which are earnings before interest and taxes as a percentage of beginning invested capital (EBIT/BIC) and working capital as a percentage of sales. For 2008, the Company's principal executive officer, principal financial officer and three other most highly compensated executive officers for 2007 (the Named Executive Officers) are eligible to receive awards under the Senior Executive Management Performance Plan.

**Performance Units**

The Company awards performance units to officers (including the Named Executive Officers) of the Company under its Long-Term Incentive Plan, as Amended and Restated. On February 4, 2008, the Committee established performance goals and awarded performance units for the 2008-2010 performance cycle. Payouts under performance units are subject to the attainment of performance goals for return on invested capital and cumulative earnings per share over a three-year performance cycle.

**Restricted Share Grants**

On February 4, 2008 the Committee approved grants of restricted shares to the Named Executive Officers. These restricted shares vest over a four year period in equal amounts each year, provided that the Company achieves a certain level of EBIT/BIC during 2008.

**Amendments to Form Agreements**

On February 4, 2008 the Committee approved changes to the Company's forms of Performance Vested Restricted Share Agreement and Performance Unit Agreement. These revised forms of agreements are filed as exhibits to this Form 8-K.

Item 9.01 Financial Statements and Exhibits

**(d) Exhibits**

Exhibit Number	Description of Document
10.1	Form of Performance Vested Restricted Share Agreement for Executive Officers
10.2	Form of Performance Unit Agreement for Officers

**SIGNATURES**

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

THE TIMKEN COMPANY

By: /s/ William R. Burkhart  
William R. Burkhart  
Senior Vice President and General  
Counsel

Date: February 7, 2008

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**EXHIBIT INDEX**

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