

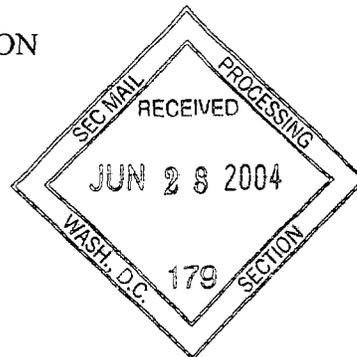
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549



04033598

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, 2003

OR

- TRANSITIONAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-1169

VOLUNTARY INVESTMENT PENSION PLAN FOR  
HOURLY EMPLOYEES OF THE TIMKEN COMPANY  
(Full title of the plan)

THE TIMKEN COMPANY, 1835 Dueber Avenue, S.W., Canton, Ohio 44706  
(Name of issuer of the securities held pursuant to the plan  
and the address of its principal executive office)

PROCESSED

JUN 29 2004

THOMSON  
FINANCIAL

AUDITED FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULE

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

December 31, 2003 and 2002 and Year ended December 31, 2003  
With Report of Independent Registered Public Accounting Firm

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Audited Financial Statements and Supplemental Schedule

December 31, 2003 and 2002 and  
Year ended December 31, 2003

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## Report of Independent Registered Public Accounting Firm

The Timken Company, Administrator of the  
Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

We have audited the accompanying statements of assets available for benefits of the Voluntary Investment Pension Plan for Hourly Employees of The Timken Company as of December 31, 2003 and 2002, and the related statement of changes in assets available for benefits for the year ended December 31, 2003. 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 assets available for benefits of the Plan at December 31, 2003 and 2002, and the changes in its assets available for benefits for the year ended December 31, 2003, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2003, is presented for purposes of additional analysis and is not a required part of the financial statements but is 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. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

June 18, 2004



Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Statements of Assets Available for Benefits

	December 31	
	2003	2002
<b>Assets</b>		
Investments, at fair value	\$ 97,414,563	\$ 83,757,139
Receivables:		
Contribution receivable from participants	366,129	395,723
Accrued income	13,510	16,926
Total receivables	379,639	412,649
Assets available for benefits	<u>\$ 97,794,202</u>	<u>\$ 84,169,788</u>

*See accompanying notes.*

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Statement of Changes in Assets Available for Benefits

Year ended December 31, 2003

**Additions**

Investment income:

Net appreciation in fair value of investments \$ 12,681,244  
Interest and dividends 981,245

13,662,489

Contributions from participants 6,667,250

Total additions 20,329,739

**Deductions**

Benefits paid directly to participants 6,647,443

Total deductions 6,647,443

Net increase prior to transfers 13,682,296

Transfers between plans (57,882)

Net increase 13,624,414

Assets available for benefits:

Beginning of year 84,169,788

End of year \$ 97,794,202

*See accompanying notes.*

# Voluntary Investment Pension Plan for Hourly Employees of The Timken Company

## Notes to Financial Statements

December 31, 2003 and 2002 and  
Year ended December 31, 2003

### 1. Description of the Plan

The following description of the Voluntary Investment Pension Plan for Hourly Employees of The Timken Company (the Plan) provides only general information. Participants should refer to the *2000 401(k) Agreement Between The Timken Company and the United Steelworkers of America, AFL-CIO* (the 401(k) Agreement), for a more complete description of the Plan's provisions.

#### General

The Plan is a defined contribution plan covering all employees of The Timken Company (the Company and Plan Administrator) who are represented by the United Steelworkers of America (USWA). Employees of the Company become eligible to participate in the Plan beginning the first month following completion of a 120 working day probationary period, provided that health care benefits have become effective. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

#### Contributions

Each year, participants may contribute up to 18% of gross earnings, as defined in the Plan, subject to IRS limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. No Company contributions are provided under the Plan. Upon enrollment, a participant must direct his or her contribution in 5% increments to any of the Plan's fund options. Participants have access to their account information and the ability to make account transfers and contribution changes daily through an automated telecommunication system and through the Internet.

#### Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of Plan earnings, and is charged administrative expenses, as appropriate. Allocations are based on account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Notes to Financial Statements (continued)

**1. Description of the Plan (continued)**

**Vesting**

Participants vest immediately in their contributions plus actual earnings thereon.

**Participant Notes Receivable**

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Loan terms generally cannot exceed four years. The loans are secured by the balance in the participant's account and bear interest at an interest rate of 1% in excess of the prime rate, as published the first business day of each month in the Wall Street Journal. Principal and interest are paid ratably through payroll deductions.

**Payment of Benefits**

On termination of service, a participant may leave his or her assets in the Plan until age 70½, receive a lump-sum amount equal to the balance of his or her account, or elect to receive installment payments over a period of time not to exceed his or her life expectancy.

**Transfers Between Plans**

Participants who change job positions within the Company and, as a result, are covered under a different defined contribution plan offered by the Company may transfer his or her account balance between plans.

**Plan Termination**

The Plan shall continue in full force and effect until January 1, 2006, and for yearly periods thereafter unless either the Company or the USWA shall notify the other party in writing within 60 days before the termination date of the 401(k) Agreement that they desire to terminate the agreement. The Plan may generally be amended by mutual consent of the Company and the USWA. In the event of Plan termination, the Trustee shall distribute to each participant the amount standing to his or her credit in his or her separate account.

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Notes to Financial Statements (continued)

**1. Description of the Plan (continued)**

**Plan Amendment**

Effective January 1, 2002, the Plan was amended to segregate the Timken Company Common Stock Fund into two components—the Employee Stock Ownership Plan, or Timken ESOP, and the Timken Stock Fund. The ESOP contained all shares held in the Timken Company Common Stock Fund at December 31, 2001. Beginning January 1, 2002, participant contributions are made to the Timken Stock Fund. At the end of each plan year, all contributions, reinvested dividends, and any market gains or losses in the Timken Stock Fund are then transferred into the Timken ESOP. Participants may elect to have their dividends in the Timken ESOP distributed to them in cash rather than automatically reinvested in Timken common shares.

**2. Accounting Policies**

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

**Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value. American Express Trust Company (the Trustee) maintains a collective investment trust of Timken common shares in which the Company's defined contribution plans participate on a unit basis. Timken common shares are traded on a national securities exchange and participation units in the Timken Company Common Stock Fund are valued at the last reported sales price on the last business day of the year. The valuation per unit of the Timken Company Common Stock Fund was \$11.23 and \$10.73 at December 31, 2003 and 2002, respectively.

The participation units owned by the Plan in the Trustee collective trust funds and mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Plan at year-end. The participant notes receivable are valued at their outstanding balances, which approximates fair value.

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Notes to Financial Statements (continued)

**2. Accounting Policies (continued)**

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**3. Investments**

During 2003, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated in fair value as determined by quoted market prices as follows:

	<b>Net Appreciation in Fair Value of Investments</b>
Timken common shares	\$ 1,249,870
Mutual funds	1,206,356
Collective trust funds	10,225,018
	<u>\$ 12,681,244</u>

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Notes to Financial Statements (continued)

**3. Investments (continued)**

Investments that represent 5% or more of fair value of the Plan's net assets are as follows:

	<u>2003</u>	<u>2002</u>
Timken Company Common Stock Fund	\$ 18,861,506	\$ 18,859,180
American Express Trust		
U. S. Government Securities Fund I	14,247,305	14,709,613
American Express Trust Bond Fund	6,996,279	7,867,863
American Express Trust Equity		
Index Base Fund	40,420,315	30,978,686
AXP New Dimensions Fund	4,907,792	-

**4. Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of assets available for benefits.

**5. Income Tax Status**

The Plan has received a determination letter from the Internal Revenue Service dated April 23, 2003, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

Notes to Financial Statements (continued)

**6. Related-Party Transactions**

The following is a summary of transactions in Timken common shares for the year ended December 31, 2003:

	<u>Shares</u>	<u>Dollars</u>
Purchased	549,454	\$ 9,124,024
Issued to participants for payment of benefits	23,749	403,897
Dividends received		538,084

Benefits paid to participants include payments made in Timken common shares valued at quoted market prices at the date of distribution.

Certain legal and accounting fees and certain administrative expenses relating to the maintenance of participant records are paid by the Company. Fees paid during the year for services rendered by parties-in-interest were based on customary and reasonable rates for such services.

Voluntary Investment Pension Plan for  
Hourly Employees of The Timken Company

EIN: 34-0577130      Plan Number: 019

Schedule H, line 4i—Schedule of Assets  
(Held at End of Year)

December 31, 2003

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Current Value
Timken Company Common Stock Fund*	1,679,265 units	\$ 18,861,506
AXP New Dimensions Fund*	205,519 units	4,907,792
Templeton Foreign Fund	178,503 units	1,899,271
American Express Trust Company:*		
U.S. Government Securities Fund I	14,247,305 units	14,247,305
Bond Fund	94,389 units	6,996,279
Short-Term Horizon (25:75) Fund	23,414 units	448,874
Medium-Term Horizon (50:50) Fund	64,820 units	1,498,127
Long-Term Horizon (80:20) Fund	12,737 units	300,708
Small Cap Equity Index Fund II	246,798 units	4,104,250
Equity Index Base Fund	1,162,840 units	40,420,315
Participant notes receivable*	Interest rates ranging from 5.0% to 10.5%	3,730,136
Total investments		<u>\$ 97,414,563</u>

\*Indicates party-in-interest to the Plan.

SIGNATURES

*The Plan.* Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other person who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

VOLUNTARY INVESTMENT  
PENSION PLAN FOR HOURLY  
EMPLOYEES OF THE TIMKEN  
COMPANY

Date: June 25, 2004

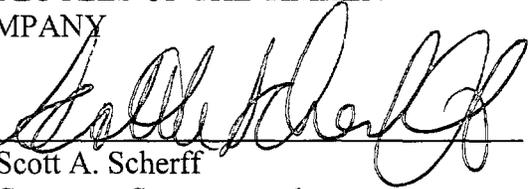
By:   
Scott A. Scherff  
Corporate Secretary and  
Assistant General Counsel

EXHIBIT INDEX

EXHIBIT  
NUMBER

EXHIBIT  
DESCRIPTION

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Consent of Ernst & Young LLP

### Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-113390) pertaining to the Voluntary Investment Pension Plan for Hourly Employees of The Timken Company of our report dated June 18, 2004, with respect to the financial statements and schedule of the Voluntary Investment Pension Plan for Hourly Employees of The Timken Company included in this Annual Report (Form 11-K) for the year ended December 31, 2003.

*Ernst & Young LLP*  
ERNST & YOUNG LLP

Cleveland, Ohio  
June 22, 2004