10-Q	
1 PARK OHIO HOLDINGS CORP. FORM 10-Q	
1	
INTER CHARGO	
UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549	
FORM 10-Q	
(MARK ONE)	
— [X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE	
SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999, OR	
[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO	
	
COMMISSION FILE NO. 0 3134	
PARK-OHIO HOLDINGS CORP. (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)	
OHIO 34-1867219	
(State or other jurisdiction of (I.R.S. Employer	
incorporation or organization) Identification No.)	
23000 EUCLID AVENUE, CLEVELAND, OHIO 44117	
- (Address of principal executive offices) (Zip Code) REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant:	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports):	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO []	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692 7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury. The Exhibit Index is located on page 20.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury. The Exhibit Index is located on page 20.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filling requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury. The Exhibit Index is located on page 20.	
REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 216/692-7200 PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filling requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury. The Exhibit Index is located on page 20.	
PARK OHIO HOLDINGS CORP. IS A SUCCESSOR ISSUER TO PARK OHIO INDUSTRIES, INC. Indicate by check mark whether the registrant: (1) Has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports): and (2) Has been subject to such filing requirements for the past 90 days. YES [X] NO [] Number of shares outstanding of registrant's Common Stock, par value \$1.00 per share, as of July 31, 1999: 11,147,462 including 479,366 shares in treasury. The Exhibit Index is located on page 20.	

	Consolidated statements of income Six months and three
	months ended June 30, 1999 and 1998
	Consolidated statements of shareholders' equity Six months ended June 30, 1999
	Consolidated statements of cash flows Six months ended June 30, 1999 and 1998
	Notes to consolidated financial statements — June 30, 1999 — Independent accountants' review report
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations
Item 3.	Quantitative and Qualitative Disclosures About Market Risk
PART II	OTHER INFORMATION
Item 4.	Submission of Matters to a Vote of Security Holders
Item 6.	Exhibits and Reports on Form 8 K
SIGNATURE	
EXHIBIT IN	DEX
 3	2
	PART I
	FINANCIAL INFORMATION
4	3
	PARK OHIO HOLDINGS CORP. AND SUBSIDIARIES
	CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

JUNE 30 DECEMBER 31 1999 1998

(DOLLARS IN THOUSANDS)

Accounts receivable, less allowances for doubtful account	### Comparison of Comparison o	Current Assets \$ 6,345 \$ 4,	Current Assets 6,345	Current Assets Cash and cash equivalents. Accounts receivable, less allowances for doubtfu of \$3,080 at June 30, 1999 and \$2,803 at Dec 1998. Inventories. Deferred tax assets. Other current assets. Total Current Assets. operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQCurrent Liabilities	# accounts	95,718 150,052 2,232 5,468 257,790 160,625 70,468 90,157
Current Assets \$ 6,345	### Comparison of Comparison o	Current Assets \$ 6,345 \$ 4,	Current Assets 6,345	Current Assets Cash and cash equivalents. Accounts receivable, less allowances for doubtfu of \$3,080 at June 30, 1999 and \$2,803 at Dec 1998. Inventories. Deferred tax assets. Other current assets. Total Current Assets. operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQCurrent Liabilities	# accounts	95,718 150,052 2,232 5,468 257,790 160,625 70,468 90,157
Cash and cash equivalents \$ 6,345 Accounts receivable, less allowances for doubtful account of \$3,080 at June 30, 1999 and \$2,803 at December 31, 1998 1998 105,756 Inventories 169,821 Deferred tax assets 2,232 Other current assets 290,309 operty, Plant and Equipment 203,092 Less accumulated depreciation 78,717 Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998 110,455 Deferred taxes 8,900 Other 47,737 \$581,776 \$581,776 LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities 2,039 Trade accounts payable \$59,213 Accrued expenses 54,310 Current Drition of long term liabilities 2,039 Total Current Liabilities 115,562 Long Term Liabilities, less current portion 207,766 Other 25,023 Other 25,023 Other 25,023	## \$\frac{\pi}{\text{allowances for doubtful accounts}}{1999 \text{and \$\pi_2,803 at December 31,}}{105,750}	Cash and cash equivalents S 6,345 \$ 4,	Accounts receivable, less allowances for doubtful accounts	Cash and cash equivalents. Accounts receivable, less allowances for doubtfu of \$3,080 at June 30, 1999 and \$2,803 at Dec 1998. Inventories. Deferred tax assets. Other current assets. Total Current Assets. Operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other Liabilities AND SHAREHOLDERS' EQCurrent Liabilities	# accounts	95,718 150,052 2,232 5,468 257,790 160,625 70,468 90,157
Accounts receivable, less allowances for doubtful account of \$3,090 at June 30, 1999 and \$2,003 at December 31, 1990	### allowances for doubtful accounts ### 1999 and \$2,803 at December 31, ### 105,750	Accounts receivable, less allowances for doubtful accounts	Accounts receivable, less allowances for doubtful accounts of \$3,000 at June 30, 1999 and \$2,803 at December 31, 1990	Accounts receivable, less allowances for doubtfu	# accounts	95,718 150,052 2,232 5,468 257,796 160,625 70,468 90,155
Of \$3,080 at June 30, 1999 and \$2,803 at December 31, 1996	1999 and \$2,803 at December 31,	Of \$3,000 at June 30, 1999 and \$2,003 at December 31, 1990	Of \$3,000 at June 30, 1999 and \$2,003 at December 31, 1990 105,750 95,710	of \$3,080 at June 30, 1999 and \$2,803 at Dec 1998. Inventories. Deferred tax assets. Other current assets. Total Current Assets. Operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	200,309 203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	150,052 2,232 5,468 257,790 160,625 70,468 90,157 99,351 8,900 33,356
105,750	105,750 95,718 169,821 150,052 2,232 2,232 6,161 5,468 290,309 257,796 203,092 160,625 78,717 70,468 124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,416 54,310 32,076 \$54,310 32,076 \$54,310 32,076 \$15,562 80,858 155,662 80,858 155,662 80,858 16es, less current portion 287,766 237,463 25,823 26,286 4,167 3,746 317,756 267,509 1ders' Equity par value \$1 a share: 11,148 11,148 55,755 55,755	1990	1990	1998. Inventories. Deferred tax assets. Other current assets. Total Current Assets. Operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQCurrent Liabilities	105,750 169,821 2,232 6,161 290,309 203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	150,052 2,232 5,468 257,790 160,625 70,468 90,157 99,351 8,900 33,356
Total Current Assets 2,232	169,821 150,052 2,232 2,232 6,161 5,466	Inventories	169,621 150,055	Deferred tax assets. Other current assets. Total Current Assets. Operty, Plant and Equipment. Less accumulated depreciation. Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQCurrent Liabilities	169,821 2,232 6,161 290,309 203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	150,052 2,232 5,468 257,790 160,625 70,468 90,157 99,351 8,900 33,356
Other current assets		Total Current Assets	### Total Current Assets	Total Current Assets	6,161 290,309 203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	5,468 257,790 160,625 70,468 90,157 99,351 8,900 33,356
Total Current Assets	290,309 257,790 203,092 160,625 78,717 70,468 124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 \$2,039 2,372 115,562 80,858 1es, less current portion 207,766 237,483 25,823 26,286 4,167 3,746 317,756 267,509 clders' Equity par value \$1 a share:	Total Current Assets. 290,309 257, Property, Plant and Equipment. 203,092 160, Less accumulated depreciation 78,717 70, 124,375 90, Other Assets — Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998. 110,455 99, Deferred taxes. 8,900 8,900 8, 00 8,900 90, Other. 47,737 33, \$581,776 \$489, LIADILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46, Accrued expenses \$4,310 32, Current portion of long term liabilities. 2,039 2, Total Current Liabilities. 115,562 80, Long Term Liabilities, Less current portion Long term debt. 287,766 237, Other postretirement benefits 25,023 26, Other 4,167 3, Shareholders' Equity — Capital stock, par value \$1 a share: Serial Preferred Stock 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 99,305 80, Treasury stock, at cost (6,677) 4,	Total Current Assets	Total Current Assets operty, Plant and Equipment Less accumulated depreciation Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998 Deferred taxes Other LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	290,309 203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	257,790 160,625 70,468 90,157 99,351 8,900 33,356
Descripty	203,092 160,625 78,717 70,468 124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$501,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,416 54,310 32,076 \$2,039 2,372 115,562 80,858 Les, less current portion 287,766 237,483 25,823 26,286 4,167 3,746 317,756 267,505 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Property, Plant and Equipment	Departy	Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	90,157 99,351 8,900 33,356
Descripty	203,092 160,625 78,717 70,468 124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 \$2,039 2,372 115,562 80,858 Les, less current portion 287,766 237,483 25,823 26,286 4,167 3,740 317,756 267,508 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Property, Plant and Equipment	Departy	Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	203,092 78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	90,157 99,351 8,900 33,356
124,375	124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 \$2,039 2,372 115,562 80,858 Les, less current portion 287,766 237,483 25,823 26,286 4,167 3,746 317,756 267,508 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Description	### Description of long term liabilities ####################################	Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes Other LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	78,717 124,375 1, net of 30, 1999 110,455 8,900 47,737	90,157 99,351 8,900 33,356
124,375	124,375 90,157 er Assets ver net assets acquired, net of tion of \$10,627 at June 30, 1999 110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 \$2,039 2,372 115,562 80,858 Les, less current portion 287,766 237,483 25,823 26,286 4,167 3,746 317,756 267,508 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Description	### Description of long term liabilities ####################################	Other Assets Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998. Deferred taxes Other LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	124,375 1, net of 30, 1999 110,455 8,900 47,737	90,157 99,351 8,900 33,356
Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998	er Assets ver net assets acquired, net of zion of \$10,627 at June 30, 1999	## Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998 110,455 99, Deferred taxes 0,900 0, 0, 0 0, 0, 0 0, 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0,	### Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998	Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998 Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	1, net of 30, 1999 110,455 8,900 47,737	99, 351 8, 900 33, 356
Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998	er Assets ver net assets acquired, net of zion of \$10,627 at June 30, 1999	## Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998 110,455 99, Deferred taxes 0,900 0, 0, 0 0, 0, 0 0, 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0, 0 0,	### Other Assets Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998	Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998 Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	1, net of 30, 1999 110,455 8,900 47,737	99, 351 8, 906 33, 356
Excess purchase price over net assets acquired, net of	ver net assets acquired, net of Eion of \$10,627 at June 30, 1999	Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998	Excess purchase price over net assets acquired, net of accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1998	Excess purchase price over net assets acquired accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998 Deferred taxes. Other. LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	30, 1999 110, 455 8, 900 47, 737	8,900 33,350
accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998 110,455 Deferred taxes 8,900 Other 47,737 \$581,776 LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities 59,213 Accrued expenses 54,310 Current portion of long-term liabilities 2,039 Total Current Liabilities 115,562 Long-Term Liabilities, less current portion Long-term debt 287,766 Other postretirement benefits 25,823 Other 4,167 Shareholders' Equity Capital stock, par value \$1 a share:	### Style="background-color: red; color: white; color: whi	accumulated amortization of \$10,627 at June 30, 1999 and \$8,105 at December 31, 1998 110,455 99, Deferred taxes 8,990 0, Other 47,737 33, \$501,776 \$409, LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities 59,213 \$46, Accrued expenses 54,310 32, Current portion of long term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long Term Liabilities 207,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,5) Treasury stock, at cost 11,000 100,000 Treasury stock, at cost (6,677) (4,5) Cher 11,148 11, Common Stock 11,148 11,	accumulated amortization of \$10,627 at June 30, 1999 and \$0,105 at December 31, 1990	accumulated amortization of \$10,627 at June and \$8,105 at December 31, 1998 Deferred taxes Other LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	30, 1999 110, 455 8, 900 47, 737	8,900 33,356
### and \$8,105 at December 31, 1998 ### 110,455 ### Deferred taxes ### 8,900 Other ### 47,737 ### \$581,776 ### LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities ### \$59,213 ### Accrued expenses ### \$59,213 ### Accrued expenses ### \$59,213 ### Current portion of long term liabilities ### 2,039 ### Total Current Liabilities ### 115,562 ### Long Term Liabilities, less current portion Long-term debt ### 287,766 Other postretirement benefits ### 25,823 Other ### 4,167 ### Shareholders' Equity Capital stock, par value \$1 a share:	110,455 99,351 8,900 8,900 47,737 33,356 \$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 \$2,039 2,372 115,562 80,858 Les, less current portion 287,766 237,483 25,823 26,286 4,167 3,740 317,756 267,508 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	and \$0,105 at December 31, 1990. 110,455 99, Deferred taxes. 8,900 8, Other. 47,737 33, \$501,776 \$489, LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities Trade accounts payable \$59,213 \$46, Accrued expenses. 54,310 32, Current portion of long-term liabilities. 2,039 2, Total Current Liabilities. 115,562 80, Long-Term Liabilities, less current portion Long-term debt. 207,766 237, Other postretirement benefits 25,023 26, Other. 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	### and \$0,105 at December 31, 1990. 110,455 99,35: #### perferred taxes 0,900 0,900 ### perferred taxes	and \$8,105 at December 31, 1998	110,455 8,900 47,737	8,900 33,356
## Deferred taxes	## ## ## ## ## ## ## ## ## ## ## ## ##	Deferred taxes	Seferred taxes	Deferred taxes	8,900 47,737	8,900 33,350
Other	### \$581,776	Other 47,737 33, \$581,776 \$489, LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46, Accrued expenses \$54,310 32, Current portion of long-term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long-term debt 287,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Serial Preferred Stock 0 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	State Stat	Other LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	47,737	33,356
LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities Trade accounts payable	\$581,776 \$489,554 ES AND SHAREHOLDERS' EQUITY Liabilities \$59,213 \$46,410 54,310 32,076 2,039 2,372	### State St	### Current Liabilities \$59,213 \$46,416	LIABILITIES AND SHAREHOLDERS' EQ Current Liabilities	·	·
LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities Trade accounts payable	ES AND SHAREHOLDERS' EQUITY Liabilities	LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46, Accrued expenses \$115,562 \$80, Long term portion \$15,562 \$80, Long term Liabilities \$115,562 \$80, Long term debt \$297,766 \$237, Other postretirement benefits \$25,823 \$26, Other postretirement benefits \$2	LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46,416 Correct Expenses \$59,213 \$46,416 Current portion of long term liabilities \$59,213 \$46,416 Current portion of long term liabilities \$2,039 2,372 Total Current Liabilities \$115,562 \$80,856 Long Term Liabilities \$207,766 237,485 Cher postretirement benefits \$25,823 26,286 Cher postretirement benefits \$25,823 26,286 Cher \$317,756 267,506 Shareholders' Equity \$317,756 267,506 Common Stock \$11,148 \$11,146 Additional paid in capital \$55,755 55,755 Cetained earnings \$6,677 \$6,677 Capital stock, at cost \$6,677 \$6,575 Communicated other comprehensive earnings (loss) \$(1,073) \$(1,582) Communicated other comprehensive earnings (loss) \$(1,073) Communicated other comprehensive earnings (loss) \$(1,073)	Current Liabilities	\$581 , 776	Ċ400 FF4
LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities Trade accounts payable	ES AND SHAREHOLDERS' EQUITY Liabilities	LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46, Accrued expenses \$115,562 \$80, Long term portion \$15,562 \$80, Long term Liabilities \$115,562 \$80, Long term debt \$297,766 \$237, Other postretirement benefits \$25,823 \$26, Other postretirement benefits \$2	LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities \$59,213 \$46,416 Correct Expenses \$59,213 \$46,416 Current portion of long term liabilities \$59,213 \$46,416 Current portion of long term liabilities \$2,039 2,372 Total Current Liabilities \$115,562 \$80,856 Long Term Liabilities \$207,766 237,485 Cher postretirement benefits \$25,823 26,286 Cher postretirement benefits \$25,823 26,286 Cher \$317,756 267,506 Shareholders' Equity \$317,756 267,506 Common Stock \$11,148 \$11,146 Additional paid in capital \$55,755 55,755 Cetained earnings \$6,677 \$6,677 Capital stock, at cost \$6,677 \$6,575 Communicated other comprehensive earnings (loss) \$(1,073) \$(1,582) Communicated other comprehensive earnings (loss) \$(1,073) Communicated other comprehensive earnings (loss) \$(1,073)	Current Liabilities	\$581 , 776	Ċ100 FF4
## Current Liabilities Trade accounts payable	: Liabilities \$ 59,213 \$ 46,410	Current Liabilities Trade accounts payable \$ 59,213 \$ 46, Accrued expenses 54,310 32, Current portion of long term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long Term Liabilities, less current portion 287,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: 0 Serial Preferred Stock 0 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Current Liabilities \$ 59,213	Current Liabilities		>489,554
## Current Liabilities Trade accounts payable	: Liabilities \$ 59,213 \$ 46,410	Current Liabilities Trade accounts payable \$ 59,213 \$ 46, Accrued expenses 54,310 32, Current portion of long term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long Term Liabilities, less current portion 287,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: 0 Serial Preferred Stock 0 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Current Liabilities \$ 59,213	Current Liabilities		
### Trade accounts payable	\$ 59,213 \$ 46,410 \$ 32,076 \$ \$ \$ 54,310 \$ 32,076 \$ \$ \$ 2,039 \$ 2,372 \$ \$ \$ 115,562 \$ 80,858 \$ \$ \$ 287,766 \$ 237,483 \$ 26,286 \$ \$ 4,167 \$ 3,740 \$ \$ 317,756 \$ 267,509 \$ 1 ders' Equity par value \$1 a share: \$ 0 \$ 0 \$ 11,148 \$ 11,148 \$ 55,755 \$ 55,755	Trade accounts payable \$ 59,213 \$ 46, Accrued expenses 54,310 32, Current portion of long-term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long Term Liabilities, less current portion 287,766 237, Other postretirement benefits 25,823 26, Other 267, Other 317,756 267, Other postretirement benefits 25,823 26, Other 267, Other postretirement benefits 317,756 267, Other postretirement benefits	### ### ##############################		YTIU	
## Accrued expenses	54,310 32,076 s	Accrued expenses. 54,310 32, Current portion of long term liabilities. 2,039 2, Total Current Liabilities 115,562 80, Long Term Liabilities, less current portion Long-term debt. 287,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity — Capital stock, par value \$1 a share: Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Total Current Liabilities			
Current portion of long-term liabilities	2,039 2,372	Current portion of long-term liabilities 2,039 2, Total Current Liabilities 115,562 80, Long-Term Liabilities, less current portion 287,766 237, Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Total Current Liabilities			
Total Current Liabilities	115,562 80,858 les, less current portion 287,766 237,483 25,823 26,286 4,167 3,746 317,756 267,509 lders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Total Current Liabilities	Total Current Liabilities. 115,562 80,856 Long Term Liabilities, less current portion Long-term debt. 287,766 237,486 Other postretirement benefits. 25,823 26,286 Other 4,167 3,746 Shareholders' Equity — Capital stock, par value \$1 a share: Serial Preferred Stock. 0 0 Common Stock. 11,148 11,146 Additional paid in capital. 55,755 55,755 Retained earnings. 89,305 80,426 creasury stock, at cost. (6,677) (4,554) ccumulated other comprehensive earnings (loss) (1,073) (1,582)		54,310	32,076
Long-Term Liabilities, less current portion Long-term debt	287,766 237,483 25,823 26,286 4,167 3,740 317,756 267,509 1ders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Long Term Liabilities, less current portion 287,766 237,	Long Term Liabilities, less current portion 287,766 237,465 Construction 287,766 237,465 Construction 25,823 26,286 Construction 25,823 26,286 Construction 267,505 Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock 0 0 Common Stock 11,148 11,146 Additional paid in capital 55,755 55,755 Construction 267,505 Construction	Current portion of long-term liabilities	2,039	2,372
Long-Term Liabilities, less current portion Long-term debt	287,766 237,483 25,823 26,286 4,167 3,740 317,756 267,509 1ders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Long Term Liabilities, less current portion 287,766 237,	Long Term Liabilities, less current portion 287,766 237,465 Construction 287,766 237,465 Construction 25,823 26,286 Construction 25,823 26,286 Construction 267,505 Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock 0 0 Common Stock 11,148 11,146 Additional paid in capital 55,755 55,755 Construction 267,505 Construction			
Long-term debt 287,766 Other postretirement benefits 25,823 Other 4,167 Shareholders' Equity Capital stock, par value \$1 a share:	287,766 237,483 25,823 26,286 4,167 3,740 317,756 267,509 Iders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Long-term debt. 287,766 237, Other postretirement benefits 25,823 26, Other. 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: 0 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	287,766 237,486 25,823 26,286 25,823 26,286			80,858
Other postretirement benefits	25,823 26,286 4,167 3,740 317,756 267,509 lders' Equity par value \$1 a share: 0 0 11,148 11,148 55,755 55,755	Other postretirement benefits 25,823 26, Other 4,167 3, Shareholders' Equity Capital stock, par value \$1 a share: 0 Common Stock 11,148 11, Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Other postretirement benefits 25,823 26,286 Other 4,167 3,746 Shareholders' Equity		on	
Other		Other. 4,167 3, Shareholders' Equity	Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock	Long-term debt		•
Shareholders' Equity Capital stock, par value \$1 a share:	317,756 267,509 lders' Equity par value \$1 a share:	317,756 267, Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Shareholders' Equity		•	•
Shareholders' Equity — Capital stock, par value \$1 a share:	Iders' Equity par value \$1 a share: 0 0	Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock. 0 0 Common Stock. 11,148 11,148 additional paid in capital. 55,755 55,755 Setained earnings. 89,305 80,426 reasury stock, at cost. (6,677) (4,554 ccumulated other comprehensive earnings (loss) (1,073) (1,582	Other	4,167	3,74 0
Shareholders' Equity — Capital stock, par value \$1 a share:	Iders' Equity par value \$1 a share: 0 0	Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Shareholders' Equity Capital stock, par value \$1 a share: Serial Preferred Stock. 0 0 Common Stock. 11,148 11,148 additional paid in capital. 55,755 55,755 Setained earnings. 89,305 80,426 reasury stock, at cost. (6,677) (4,554 ccumulated other comprehensive earnings (loss) (1,073) (1,582			
- Capital stock, par value \$1 a share:	par value \$1 a share:	Capital stock, par value \$1 a share: Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Capital stock, par value \$1 a share: Serial Preferred Stock		317,756	267,509
	0 0 0- 	Serial Preferred Stock. 0 Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Serial Preferred Stock. 0 0 Common Stock. 11,148 11,148 additional paid in capital. 55,755 55,755 Setained earnings. 89,305 80,426 reasury stock, at cost. (6,677) (4,554 ccumulated other comprehensive earnings (loss) (1,073) (1,582			
Serial Preferred Stock		Common Stock. 11,148 11, Additional paid in capital. 55,755 55, Retained earnings. 89,305 80, Treasury stock, at cost. (6,677) (4,	Common Stock		0	0
Common Chaple 11 140	55,755 55,755	Additional paid in capital 55,755 55, Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Additional paid in capital 55,755 55,755 Netained earnings 89,305 80,420 reasury stock, at cost (6,677) (4,554 scumulated other comprehensive earnings (loss) (1,073) (1,582		-	Ũ
	90 205	Retained earnings 89,305 80, Treasury stock, at cost (6,677) (4,	Retained earnings 89,305 80,426 reasury stock, at cost (6,677) (4,554 ccumulated other comprehensive earnings (loss) (1,073) (1,582			, -
Additional paid-in capital		Treasury stock, at cost	reasury stock, at cost	Additional paid-in capital	•	•
Necamen earnings			ccumulated other comprehensive earnings (loss)	Netathed eathings		
		Accumulated other complehensive earnings (1985) (1,075)				
Accumulated other complehensive earnings (1088)	(1,002) (1,00			accumurated other comprehensive earnings (1088)	(1,073)	(1,302
148.458		140 450 141	1/0 /50 1/1 10		140 450	1/1 105
140,430		140,430 141,	140,430 141,10		140,430	141,107
¢501 776	148,458 141,187	¢501 776 ¢400			¢501 776	\$400 55/
\$581 , //6	148,458 141,187	\$381,776 \$489,	6501 776		\$581 , //6	\$489,554
(1/0/0)	(1,002)				(-, 0, 0)	(±,502
148,458		148,458 141,	148,458 141,18		148,458	141,187
\$581,*//6	148,458 141,187	\$581,776 \$489,			\$581,776	\$489,554
¢501 776		AF01 776 A400			¢501 776	¢400 FF
\$581,776	148,458 141,18	\$581,776 \$489 ,			\$581 , 776	\$489 , 55

	THREE	MONTHS ENDED JUNE 30	SIX MO	ONTHS ENDED JUNE 30
	1999	1998	1999	1998
	(DOLLARS	IN THOUSANDS -	- EXCEPT PER	SHARE DATA)
Net sales	\$186,917 153,104	\$140,765 117,179	\$358,320 293,540	\$277,268 230,350
Gross profit	33,813 20,195	23,586 13,393	64,780 38,147	46,918 27,530
Operating income. Interest expense.	13,618 5,693	10,193 4,341	26,633 11,071	19,388 8,493
Income before income taxes	7,925 3,389	5,852 2,516	15,562 6,677	10,895 4,685
Net income	\$ 4,536	\$ 3,336	\$ 8,885	\$ 6,210
Net income per Basic	common sh	* .30	\$.83	\$.56
	\$.42	\$.30	\$.82	\$.55
Basic	in the com	-	10,753	10,995
Diluted	10,839	11,270	10,888	11,258

See notes to consolidated financial statements.

5

PARK-OHIO HOLDINGS CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

OTHER ADDITIONAL COMPREHENSIVE COMMON PAID-IN RETAINED TREASURY EARNINGS COMPREHENSIVE STOCK CAPITAL EARNINGS STOCK (LOSS) TOTAL (DOLLARS IN THOUSANDS) Balance January 1, 1999...... \$11,148 \$55,755 \$80,420 \$(4,554) \$(1,582) \$141,187 8,885 8,885 Net income..... - Foreign currency translation 509 adjustment..... 509 Comprehensive income..... Purchase of treasury stock..... (2,123) (2, 123)Balance June 30, 1999...... \$11,148 \$55,755 \$89,305 \$(6,677) \$(1,073) \$148,458

ACCUMULATED

See notes to consolidated financial statements.

PARK OHIO HOLDINGS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

SIX MONTHS ENDED
JUNE 30

1999 1998

(DOLLARS IN THOUSANDS) OPERATING ACTIVITIES \$ 6,210 Adjustments to reconcile net income to net cash provided (used) by operating activities: Depreciation and amortization..... 10,326 7,512 19,211 13,722 - Changes in operating assets and liabilities excluding acquisitions of businesses: Accounts receivable..... (1,986)(6,328) Inventories and other current assets..... (10,033)(15,542)Accounts payable and accrued expenses..... 7,887 (3,200)(8,109)(4,858) Other.... Net Cash Provided (Used) by Operating Activities..... 6,970 (16,206)INVESTING ACTIVITIES Purchases of property, plant and equipment, net..... (9,092)(10,896)(35,664)(6,036) Costs of acquisitions, net of cash acquired..... Purchase of investments..... (101) (445) Net Cash (Used) by Investing Activities..... (45,201)(17,033)FINANCING ACTIVITIES Proceeds from bank arrangements..... 49,000 $\frac{36,500}{}$ - Issuance of 9.25% Senior Notes, net of deferred financing costs..... 49,508 -0- (56, 129) (1,145)Payments on debt..... Purchase of treasury stock..... (2,123)(238)Issuance of common stock under stock option plan..... - 239 Net Cash Provided by Financing Activities..... 40,256 35,356 2,025 2,117 Increase in Cash and Cash Equivalents..... Cash and Cash Equivalents at Beginning of Period..... 4,320 1,814 Cash and Cash Equivalents at End of Period...... \$ 6,345 \$ 3,931

See note	s to consolidated financial statements.
	7
8	
	PARK OHIO HOLDINGS CORP. AND SUBSIDIARIES
	NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
	JUNE 30, 1999
	(DOLLARS IN THOUSANDS EXCEPT PER SHARE DATA)
NOTE A	BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Park-Ohio Holdings Corp. and its subsidiaries ("the Company"). All significant intercompany transactions have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10 Q and Article 10 of Regulation S X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10 K for the year ended December 31, 1998.

	1999	1998
	JUNE 30	DECEMBER 31
The components of inventory consist of the following:		
OTE C INVENTORIES		
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)	CONTINUE	Ð
PARK OHIO HOLDINGS CORP. AND SUBSIDIARIES		
		
f acquisition were not material to the Company.	T PITOL CO	circ date
crews, rivets, and pins. The acquisition will be accounted for the purchase price and the results of operations of Industria	for as a pur	chase.
ndustrial Fasteners Corp. ("Industrial"), a logistics provide elated components. Industrial Fasteners also manufactures fa		
In July 1999, the Company acquired all of the outstandir		
usinesses prior to the date of acquisition were not material		
rilling industry. Each of these transactions has been accour urchase. The purchase price and the results of operations of		
olts and PMC provides capital equipment and associated parts	for the oil	l
ull service aluminum casting and machining company. Columbia rovider of fastener related components. St. Louis Screw is a		
"St. Louis Screw") and PMC Industries, Inc. ("PMC") for cash	. Metalloy	is a
f The Metalloy Corporation ("Metalloy") and Columbia Nut and "Columbia") and substantially all of the assets of St. Louis	l Bolt Corp.	
During the first six months of 1999, the Company acquire	dall of th	- 2+02
rice and the results of operations of Gateway prior to the c ere not material to the Company.	late of acqui	isition
anufacturer of fabricated metal products and fasteners. The	aggregate p	urchase
ndustries, Inc. ("Gateway"). The transaction has been accour urchase. Gateway is a logistics provider of fastener related		
During October 1998, the Company acquired all of the sto		
osition of the Company.	inu imancia.	I
riendly and Safe Packaging Systems, Inc. to Kerr Group. The mmaterial effect on the consolidated results of operations a	transaction	had an
During September 1998, the Company completed the sale of	the assets	-of
rior to the date of acquisition were not material to the Com		I DITECT
ecounted for as a purchase. Direct is a logistics provider of components. The aggregate purchase price and the results of c		
	transaction	was

NOTE D SHAREHOLDERS' EQUITY

At June 30, 1999, capital stock consists of (i) Serial Preferred Stock of which 632,470 shares were authorized and none were issued and (ii) Common Stock of which 40,000,000 shares were authorized and 11,147,462 shares were issued including 400,306 shares held in treasury.

NOTE E -- NET INCOME PER COMMON SHARE

 $\overline{}$ The following table sets forth the computation of basic and diluted earnings per share:

THREE MONTHS ENDED JUNE 30

SIX MONTHS ENDED
JUNE 30

1999 1998 -----

1999 1998

(DOLLARS IN THOUSANDS -- EXCEPT PER SHARE DATA)

(DODINE NO IN	111000711000	DACDII IBN C	- DIIII
OR \$ 4,536	\$ 3 , 336	\$ 8 , 885	\$ 6 , 210
— TOR			
nas per shar	e weighted		
10,714	10,993	10,753	10,995
securities 125	: 277	135	263
	_		
10,839	11,270	10,888	11,258
\$.42	\$.30	\$.83	\$.56
	\$.30	\$.82	
	\$ 4,536 FOR 10,714 securities 125 ings per sha 10,839	\$ 4,536 \$ 3,336 TOR ngs per share weighted 10,714 10,993 securities: 125 277 ings per share adjusted 10,839 11,270 \$.42 \$.30	\$ 4,536 \$ 3,336 \$ 8,885 FOR Ings per share weighted 10,714 10,993 10,753 Securities: 125 277 135 Ings per share adjusted 10,839 11,270 10,888

NOTE G -- ACCOUNTING PRONOUNCEMENTS

In March 1998, the American Institute of Certified Public Accountants ("AICPA") issued Statement of Position ("SOP") 98 1, "Accounting for the Cost of Computer Software Developed or Obtained for Internal Use". The SOP requires companies to capitalize qualifying computer software costs incurred during the application development stage. This statement was applied prospectively and is effective for financial statements for fiscal years beginning after December 15, 1998. The impact of this new standard did not have a significant effect on the Company's financial position or results of operations.

In April 1998, the AICPA issued SOP 98-5, "Accounting for the Costs of Start up Activities". The SOP requires that costs of start up activities be expensed as incurred. The SOP is effective for fiscal years beginning after December 15, 1998. The Company adopted the SOP in the first quarter of 1999. The impact of adoption of the SOP on the Company's financial position, results of operations or cash flows was immaterial.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - CONTINUED

The Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" was issued in June 1998. Statement 133 requires derivatives to be recorded on the balance sheet at fair value and establishes accounting for three different types of hedges; hedges of changes in fair value of assets, liabilities, or firm commitments; hedges of the variable cash flows of forecasted transactions; and hedges of foreign currency exposures of net investments in foreign operations. Statement 133 is effective for years beginning after June 15, 2000 and is not expected to have a significant impact on the Company's financial position or results of operations.

NOTE H -- SEGMENTS

During the first quarter of 1999 the Company, upon completion of the acquisition of Metalloy, redefined its operating segments. The Company retained its Integrated Logistics Solutions ("ILS") segment and further segregated its former Manufactured Products segment into an Aluminum Products segment and a Manufactured Products segment. ILS is a leading national supplier of fasteners (e.g. nuts, bolts and screws) and other industrial products to original equipment manufacturers, other manufacturers and distributors. In connection with the supply of such industrial products, ILS provides a variety of value added, cost effective procurement solutions. Aluminum Products manufactures cast aluminum components primarily for automotive original equipment manufacturers. In addition, Aluminum Products also provides value added services such as design and engineering, machining and assembly. Manufactured Products is a diverse group of manufacturing businesses that design and manufacture a broad range of high quality products which includes capital equipment, rubber products and forged and machined products for specific customer applications.

		ONTHS ENDED JUNE 30	-	ITHS ENDED JUNE 30
	1999	1998	1999	1998
ILS	intersegmen \$109,123 37,128 40,666 \$186,917	t sales: \$ 92,370 9,859 38,536 \$140,765	\$215,535 68,747 74,038 \$358,320	\$184,828 19,763 72,677 \$277,268
ILSAluminum productsManufactured products	ncome taxes \$ 10,030 4,144 1,765	\$ 8,784	\$ 20,995 7,115 2,737	\$ 16,704
Amortization of excess possets acquired	15,939 urchase pri (894) (1,427)	11,613 ce over net (609) (811)	30,847 (1,708) (2,506)	22,253 (990) (1,875)
Interest expense	\$ 7,925	\$ 5,852	\$ 15,562	\$ 10,895
				

- 11

PARK-OHIO HOLDINGS CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) -- CONTINUED

	JUNE 30 1999	DECEMBER 31 1998
Identifiable assets were as f	ollows:	
ILS	. \$319,607	\$288 , 713
Aluminum products	93,920	40,063
Manufactured products	•	•
General corporate	9,553	13,769
	\$581,776	\$489 , 554

NOTE I -- 9.25% SENIOR SUBORDINATED NOTES

On June 3, 1999, the Company sold \$50 million of its 9.25% Senior Subordinated Notes due 2007. The Company used the net proceeds to reduce the amount borrowed under its credit facility. Interest on the Senior Subordinated Notes is payable semi annually on June 1 and December 1 of each year.

INDEPENDENT ACCOUNTANTS! REVIEW REPORT

Board of Directors and Shareholders Park Ohio Holdings Corp.

We have reviewed the accompanying consolidated balance sheet of Park Ohio Holdings Corp. and subsidiaries as of June 30, 1999, and the related consolidated statements of income for the three months and six months ended June 30, 1999 and 1998, the consolidated statement of shareholders' equity for the six months ended June 30, 1999 and the consolidated statements of cash flows for the six months ended June 30, 1999 and 1998. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to

financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, which will be performed for the full year with the objective of expressing an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based upon our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Park Ohio Holdings Corp. and subsidiaries as of December 31, 1998 and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended, not presented herein, and in our report dated February 15, 1999, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 1998, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it is derived.

/s/ Ernst & Young LLP
Cleveland, Ohio
July 20, 1999

12

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The consolidated financial statements of the Company include the accounts of Park Ohio Holdings Corp. and its subsidiaries. All significant intercompany transactions have been eliminated in consolidation. The financial information for the six and three month periods ended June 30, 1999 is not directly comparable on a period to period basis to the financial information for the six and three month periods ended June 30, 1998 due to acquisitions made during, and subsequent to, the second quarter of 1998. During 1998, the Company acquired two businesses for \$40.2 million. During October 1998, the Company acquired all of the shares of GIS Industries, Inc. ("Gateway"). Gateway is a logistics provider of fastener related components and a manufacturer of metal products and fasteners. During April 1998, the Company acquired all of the shares of Direct Fasteners Limited ("Direct"), a logistics provider of fastener related components located in Ontario, Canada. During the first six months of 1999, the Company acquired all of the shares of The Metalloy Corporation ("Metalloy") and Columbia Nut and Bolt Corp. ("Columbia") and substantially all of the assets of St. Louis Screw & Bolt Co. ("St. Louis Screw") and PMC Industries, Inc. ("PMC") for an aggregate purchase price of \$35.7 million. Metalloy is a full service aluminum casting and machining company. Columbia is a logistics provider of fastener related components. St. Louis Screw is a manufacturer of bolts and PMC produces capital equipment and associated parts for the oil drilling industry. In July, 1999, the Company acquired all of the outstanding stock of Industrial Fasteners Corp. ("Industrial"). Industrial is a logistics provider of fastener related components and manufactures fasteners, primarily screws, rivets, and pins. All acquisitions are accounted for as purchases and consequently their results are included in the consolidated financial statements from their respective dates of acquisition.

OVERVIEW

The Company operates diversified manufacturing and logistics businesses that serve a wide variety of industrial markets. The Company manages its businesses based upon three operating segments: Integrated Logistics Solutions ("ILS"), Aluminum Products, and Manufactured Products. ILS is a leading national supplier of fasteners (e.g., nuts, bolts and screws) and other industria products to original equipment manufacturers ("OEMs"), other manufacturers and distributors. In connection with the supply of such industrial products, ILS provides a variety of value-added, cost-effective procurement solutions. The principal customers of ILS are in the transportation, industrial, electrical and lawn and garden equipment industries. Aluminum Products manufactures cast aluminum components primarily for automotive OEMs. Aluminum Products also provides value added services such as design and engineering, machining and assembly. Manufactured Products operates a diverse group of niche manufacturing businesses that design and manufacture a broad range of high quality products engineered for specific customer applications. The principal customers of Manufactured Products are OEMs and end-users in the automotive, railroad, truck and aerospace industries.

Between 1993 and 1998, the Company has grown significantly, both internally and through acquisitions. Over this period, the Company's net sales increased at a 42% compounded annual growth rate ("CAGR"), from \$94.5 million to \$551.8 million, and income from continuing operations on a fully taxed basis increased at a 40% CAGR from \$2.4 million to \$12.9 million.

Recent growth has been primarily attributable to the Company's strategy of making selective acquisitions in order to complement internal growth. Historically, the Company has acquired underperforming businesses with potential for: (i) significant cost reductions through improved labor, supplier and customer relations and increased purchasing power and (ii) revenue enhancement due to better asset utilization and management practices, as well as increased access to capital. The Company's internal growth has been driven primarily by the addition of ILS customers under total fastening service ("TFS") contracts and by the leveraging of existing customer relationships in the Aluminum and Manufactured Products segments.

Between January 1, 1994 and June 30, 1999, the Company's continuing operations incurred \$73.3 million of capital expenditures, the majority of which was used to expand and upgrade existing manufacturing facilities and enhance the Company's management information systems.

- 14

RESULTS OF OPERATIONS

FIRST HALF 1999 VERSUS FIRST HALF 1998

Net sales increased by \$81.0 million, or 29%, from \$277.3 million for the first half of 1998 to \$358.3 million for the first half of 1999. This growth results from acquisitions that the Company made subsequent to June 30, 1998 and relates primarily to the ILS and the Aluminum Products segments. For ILS, the growth in net sales amounted to \$30.7 million of which \$23.8 million related to acquisitive growth and the remainder to internal growth. For Aluminum Products, net sales increased by \$49.0 million and related primarily to the acquisition of Metalloy.

Gross profit increased by \$17.9 million, or 38%, from \$46.9 million for the first half of 1998 to \$64.8 million for the first half of 1999 and is directly related to acquisitions made in the preceding twelve months. The Company's consolidated gross margin increased to 18.1% for the first six months of 1999 from 16.9% for the first six months of 1998. This increase in consolidated gross margin was due to increased margins in both the Aluminum Products and ILS segments offset by a slight decline in gross margins in the Manufactured Products segment. The increase in Aluminum Products was due to increased production at General Aluminum thereby allocating fixed manufacturing overhead over a greater production base and to the acquisition of Metalloy that has a higher overall gross margin than the existing business. The increase in margins in the ILS segment is a result of spreading operating costs over a growing revenue base resulting from the recent acquisitions in ILS and favorable raw material sourcing. The decline in margins in the Manufactured Products segment results primarily from reduced production activity at Ajax Manufacturing Company that caused fixed overhead costs to be spread over a reduced production base.

Selling, general and administrative costs increased by 39% to \$38.1 million for the first six months of 1999 from \$27.5 million for the first six months of 1998. The increase was primarily related to acquisitions that have been consummated subsequent to June 30, 1998. Consolidated selling, general and administrative expenses as a percentage of net sales were 10.6% during the current period and 9.9% for the first six months of 1998. The increase in rate for 1999 is caused by the acquisitions having a higher administrative expense relationship to sales than the existing core operations.

Interest expense increased by \$2.6 million from \$8.5 million for the six month period ended June 30, 1998 to \$11.1 million for the six month period ended June 30, 1999 due to higher average debt outstanding during the current period offset by lower average interest rates in 1999 versus 1998. For the six month period ended June 30, 1999, the Company averaged outstanding borrowings of \$270.9 million as compared to \$194.2 million outstanding for the six months ended June 30, 1998. The \$76.7 million increase related primarily to acquisitions completed during the latter part of 1998 and the first half of 1999. The average borrowing rate of 8.2% for the six months ended June 30, 1999 is 58 basis points lower than the average rate of 8.8% for the six months ended June 30, 1998 primarily because of increased borrowings under the Company's bank revolving credit which carries lower effective interest rates.

and 1998 was 43%. At December 31, 1998, subsidiaries of the Company had \$1.1 million of net operating loss carryforwards for tax purposes.

SECOND QUARTER 1999 VERSUS SECOND QUARTER 1998

Net sales increased by \$46.1 million, or 33%, from \$140.8 million for the quarter ended June 30,1998 to \$186.9 million for the three months ended June 30,1999. This growth results primarily from acquisitions that the Company made subsequent to June 30, 1998 and relates primarily to the ILS and the Aluminum Products segments. For ILS, the growth in net sales amounted to \$16.8 million of which \$11.0 million related to acquisitive growth and the remainder to internal growth. For Aluminum Products, net sales increased by \$27.3 million and related primarily to the acquisition of Metalloy.

Gross profit increased by \$10.2 million, or 43%, from \$23.6 million for the quarter ended June 30, 1998 to \$33.8 million for the quarter ended June 30, 1999 and is directly related to acquisitions made in the preceding twelve months. The Company's consolidated gross margin increased to 18.1% for the current period from

1-

- 15

16.8% for the quarter ended June 30, 1998. All segments experienced increased margins compared to the year earlier period. The increase in Aluminum Products was due to increased production at General Aluminum thereby allocating fixed manufacturing overhead over a greater production base and to the acquisition of Metalloy, which has a higher overall gross margin than the existing business. The increase in margins in both the ILS and Manufactured Products segments is a result of spreading operating costs over a growing revenue base and in ILS favorable raw material sourcing.

Selling, general and administrative costs increased by 51% to \$20.2 million for the quarter ended June 30,1999 from \$13.4 million for the quarter ended June 30, 1998. The majority of the increase was related to acquisitions that have been consummated subsequent to the second quarter of 1998. Consolidated selling, general and administrative expenses as a percentage of net sales were 10.8% of net sales in the current period and 9.5% of net sales in the corresponding period of the prior year. The increase in rates is caused by the acquisitions having a higher administrative expense relationship to sales than the existing core operations.

Interest expense increased by \$1.4 million from \$4.3 million for the quarter ended June 30, 1998 to \$5.7 million for the quarter ended June 30, 1999 due to higher average debt outstanding during the current period offset by lower average interest rates in 1999 versus 1998. For the quarter ended June 30, 1999, the Company averaged outstanding borrowings of \$276.5 million as compared to \$204.8 million outstanding for the quarter ended June 30, 1998. The \$71.7 million increase related to acquisitions completed during the latter part of 1998 and the first half of 1999. Interest rates averaged 8.2% for the quarter ended June 30, 1999 compared to 8.5% for the quarter ended June 30, 1998.

LIQUIDITY AND SOURCES OF CAPITAL

The Company's liquidity needs are primarily for working capital and capital expenditures. The Company's primary sources of liquidity have been funds provided by operations and funds available from existing bank credit arrangements and the sale of Senior Subordinated Notes. On November 2, 1998, Park Ohio amended and restated its credit agreement with a group of banks under which it may borrow up to \$150 million on an unsecured basis. The proceeds of the new credit agreement, which expires on April 30, 2001, will be used for general corporate purposes. Amounts borrowed under the new credit agreement may be borrowed at Park Ohio's election at either (i) the bank's prime lending rate less 100 30 basis points or (ii) LIBOR plus 90 170 basis points depending on the aggregate amount borrowed under the new credit agreement. As of July 31, 1999, \$101.5 million was outstanding under the facility.

On June 3, 1999, the Company sold an additional \$50 million of its 9.25% Senior Subordinated Notes due 2007 bringing the amount of Notes outstanding to \$200 million. The Company used the net proceeds from the sale of the Notes (\$49.5 million) to repay outstanding bank borrowings.

Current financial resources (working capital and available bank borrowing arrangements) and anticipated funds from operations are expected to be adequate to meet current cash requirements. Capital expenditures for 1999 are projected to be approximately \$15 million that will be used to invest in the Company's current facilities for projected new business, for scheduled improvements and new equipment to expand existing products.

The ratio of current assets to current liabilities was 2.51 at June 30, 1999 versus 3.19 at December 31, 1998. Working capital decreased by \$2.2 million, after giving effect to acquisitions made subsequent to December 31, 1998, to \$174.7 million at June 30, 1999 from \$176.9 million at December 31, 1998.

During the first six months of 1999, the Company generated \$19.2 million from operations before changes in operating assets and liabilities. After giving effect to the use of \$12.2 million in the operating accounts, the Company provided \$7.0 million from operating activities compared to the use of \$16.2 million for the first half of 1998. During the period, the Company invested \$9.1 million in capital expenditures, used \$35.7 for acquisitions and used \$2.6 million for other purposes, primarily the purchase of treasury shares. These activities were funded by issuing \$49.5 million of 9.25% Senior Subordinated Notes with a net decrease of \$6.6 million in long term debt, primarily bank borrowings.

15

 $\frac{-16}{}$

YEAR 2000 CONVERSION

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of our computer programs or hardware that have date sensitive software or embedded chips may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruption of operations, including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities.

During 1996, we developed a Year 2000 Task Force, which was established to monitor and track the Year 2000 compliance at our operating units. The Task Force developed a Year 2000 plan in order to minimize the risk to our operating units and its customers. The plan to resolve the Year 2000 issues involves four phases: assessment, remediation, testing and implementation.

To date, the Task Force has completed its assessment of our computer hardware and software applications, process control equipment, and other non-information technology equipment. After taking into consideration investments in new equipment and systems that have already been made, this assessment has determined that with only a few exceptions, the systems are Year 2000 compliant. The exceptions require upgrades of software programs or changes to existing programs. The remediation and testing phases are currently underway, and upgrades and software corrections are being completed. The target for completion of all phases is by the third quarter of 1999. We also expect critical contingency plans to be developed by the end of the third quarter of 1999. Based upon the assessments and remediations completed to date, we do not expect that the Year 2000 issue will have a material effect on our business operations, consolidated financial condition, cash flows, or results of operations.

In addition, the Task Force is reviewing the Year 2000 compliance of our key suppliers, customers and service providers ("significant third parties") in an effort to reduce the potential adverse effect on our operations from non compliance by those parties. This review has begun and is expected to be completed by September 30, 1999. Interfaces to external suppliers and customers are part of this assessment and validation process. As these significant third parties are reviewed, the Task Force intends to develop contingency plans, if necessary, for those parties that exhibit possible Year 2000 problems. We have identified the most likely risk of Year 2000 non compliance as the risk that significant third parties will not be Year 2000 compliant. Due to the general uncertainty inherent in the Year 2000 problem, we are unable to determine at this time whether the consequence of Year 2000 compliance failures will have a material affect on our results of operations or financial condition. If Year 2000 compliance is not achieved by these significant third parties, over which we have no control, it could, depending on duration, have a material adverse effect on our operations.

We are utilizing both internal and external resources to remedy, test, and implement the software and operating equipment for Year 2000 modifications. The total cost to achieve Year 2000 compliance is estimated at \$9 million. Approximately 75% of this cost represents new systems, which the Company may have initiated during the period, notwithstanding the Year 2000 issue. To date, the Company has incurred approximately \$8.5 million for new systems and equipment, with the majority of these costs for the conversion/development of systems. The remaining \$.5 million will be funded through operating cash flows. We generally do not separately identify the direct costs of internal employees working on Year 2000 projects.

As a result of the significant growth in our net sales and operating income in recent years, seasonal fluctuations have been substantially mitigated. However, we perform scheduled plant maintenance in the third quarter to coincide with customer plant shut downs.

The timing of orders placed by our customers has varied with, among other factors, orders for customers' finished goods, customer production schedules, competitive conditions and general economic conditions. The variability of the level and timing of orders has, from time to time, resulted in significant periodic and quarterly fluctuations in the operations of our business units. This variability is particularly evident at the capital equipment businesses, included in the Manufactured Products segment, which typically ship a few large systems per year.

FORWARD LOOKING STATEMENTS

This Form 10-Q contains certain statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Certain statements in this Management's Discussion and Analysis of Financial Condition and Results of Operations contain forward looking statements, including without limitation, discussion regarding the Company's anticipated levels and funding of capital expenditures and the Year 2000 conversion. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside our control, which could cause actual results to differ materially from such statements. These uncertainties and other factors include such things as: general business conditions, competitive factors, including pricing pressures and product innovation and quality; raw material availability and pricing; changes in our relationships with customers and suppliers; our ability to successfully integrate recent and future acquisitions into its existing operations; changes in general domestic economic conditions such as inflation rates, interest rates and tax rates; increasingly stringent domestic and foreign governmental regulations including those affecting the environment; inherent uncertainties involved in assessing our potential liability for environmental remediation-related activities; the outcome of pending and future litigation and other claims; dependence on the automotive industry; dependence on key management; dependence on information systems; and our ability, as well as the ability of our vendors and customers to achieve Year 2000 compliance. Any forward looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward looking statement, whether as a result of new information, future events or otherwise. In light of these and other uncertainties, the inclusion of a forward looking statement herein should not be regarded as a representation by us that the our plans and objectives will be achieved.

REVIEW BY INDEPENDENT ACCOUNTANTS

The consolidated financial statements at June 30, 1999, and for the three and six month periods ended June 30, 1999 and 1998, have been reviewed, prior to filing, by Ernst & Young LLP, our independent accountants, and their report is included herein.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to market risk including changes in interest rates. We are subject to interest rate risk on our floating rate revolving credit facility which consisted of borrowings of \$85.5 million at June 30, 1999. A 100 basis point increase in the interest rate would result in an increase in interest expense of \$.2 million during the period.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

We held our annual meeting of stockholders on April 29, 1999. The stockholders approved the election of three directors to serve until the annual meeting of stockholders in the year 2002. The votes cast for each nominee were as follows:

	FOR	WITHHELD
Kevin R. Greene		4 893, 462
Thomas E. McGinty	, ,	4 895 , 862
Felix J. Tarorick	9,898,59	4 893, 662
Directors whose term of offi		
meeting were: Edward F. Crawford, Lawrence O. Selhorst and James W.		ford, Lewis E. Hatch Jr.,
No other matters were submit	ted to a vote of	the stockholders.
ITEM 6. EXHIBITS AND REPORTS ON F	ORM 8 K	
The following exhibits are i	ncluded herein:	
(4) Indenture dated Jun	e 3, 1999 by and	among Park Ohio Industries,
		A., as trustee (filed as
		Inc. Registration Statement
on Form S-4, filed incorporated by ref		EC File No. 333-83117 and part hereof).
(15) Totton no mondit	ad financial info	
(15) Letter re: unaudit	ed linancial inic	orniacion
(27) Financial data sch	edule (Electronic	c filing only)
We did not file any reports 30, 1999.	on Form 8-K durir	ng the three months ended June
30, 1999.		
	18	
	SIGNATURE	
Pursuant to the requirements	of the Securitie	es Exchange Act of 1934, the
Registrant has caused this report	to be signed on	its behalf by the undersigned,
thereunto duly authorized.		PARK-OHIO HOLDINGS CORP.
		(Registrant)
	Br	/s/ J. S. WALKER
	ъу	757 0. 5. WALIKLIK
		J. S. Walker
		: Vice President and Chief Enancial Officer
	Dated	August 13, 1999
00	19	
20		
	EXHIBIT INDEX	
QUARTERL	Y REPORT ON FORM	10 Q
PARK-OHIO HOLD	INGS CORP. AND SU	JBSIDIARIES
FOR THE QUA	RTER ENDED JUNE 3	30, 1999
я.	XHIBIT	
(4) Indenture dated Ju	une 3, 1999 by an	d among Park Ohio
——————————————————————————————————————		
trustee (filed as Exhi		
Registration Statement File No. 333 83117 and		-
	part hereof)	
— (15) Letter re: un — (27) Financial data s	audited financial	
(2., I I I I I I I I I I I I I I I I I I I		

Description (15) Lected BB: UNMARKETED FINANCIAL INDEPENDENT ON PROPERTY OF THE PROPERTY OF TH		
DUMINITATION LETTER NO. SHANDTED TIMENCIAL INFORMATION thord of distribution and distribution by reference in the following Registration Statements of Park Chio Holdings Copp., for the registration of its common stock, of our report deed July 20, 1909 relating to the unsuited consolidated intern Simunosi statements of the Chio Holdings Copp., which are disclosed in its form 10 for the quarter ended June 30, 1997. RESISTRATION STATEMENT BOACHIPTON BRANTSTAND TO THE PROPERTY OF THE PARK TO T	—· -·	
Description (15) Institut 88: EARNOSTED PREMARIAL INFORMATION Description incidings torp: The are considered by the incorposation by reference in the following Registration of its common stock, of our report detect our 20, 1999 relating to the registration of its common stock, of our report detect our 20, 1999 relating to the registration of its common stock, of our report detect our 20, 1999 relating to the registration of its common stock, of our report detect our 20, 1999 relating to the registration of its common stock, of our report at entering a statement of Task Otto Education Statement our 20, 1999. PRINTED AND STATEMENT DESCRIPTION RECEIPTION RECEIPTION RECEIPTION Plan and 1990 roun of 0. 1333 204910 minded and instated 1992 stock option Plan and 1990 roun of 0. 1333 204910 minded and instated 1992 stock option Plan and 1990 roun of 0. 1333 204910 minded and instated 1992 stock option Plan and 1990 roun of 0. 1333 204910 minded and instated 1992 stock option Plan and 1990 roun of 0. 1333 204910 plan plan reported our restricted by accommon to 11,600,000 roun of 0. 1333 204910 plan plan reported our restricted by accommon within the meaning of Section Total of the Securities Act of 1993 our reported are not a part of the registration obstanced proported or restricted by accommon within the meaning of Section Total of the Securities Act of 1993 run plan plan plan plan plan plan plan pla		
EXAMPLE 15) LETTER RE-UNABDITED FINANCIAL INFORMATION Board of Directors and Sharcholders 2nth-Orio Boldings Copy. We are aware of the incorporation by reference in the following Degistration Statements of Tark (Nio Buldings Copy. for the registration of its common stock, of our report dated only #2, 2009 reliating to the transdiced common stock, of our report dated only #2, 2009 reliating to the transdiced ancioded in 1st Scan 10 0 for the quarter ended June 30, 2009. REGISTRATION STATEMENT PO. n. S.O. (33-66400) 1992 Stock Option Plan FOR N. S.O. (33-66400) 1992 Stock Option Plan FOR N. S.O. (33-66400) 1992 Stock Option Plan FOR N. S.O. (33-66400) 1993 Stock Opt		
Deard of Directors and Sharcholders Fork-Office Directors and Sharcholders We are owners of the incorporation by reference in the following Sepistation Sharements of Tark Shire Holdings Copy, for the registration of its common stock, of our regist dated Shiry 20, 1909 resisting to the unmiddled Annual Shire S		
Scard of Directors and Shareholders Park Onto Holdings Copy. We are dware of the incorporation by reference in the following Segistration Statements of Park Shin Holdings Copy., for the registration of its common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999 relating to the unadded common stock, of our report dated willy 29, 1999. BESCRIFTEND Perm 3-0 (33-64420) Perm 3-1 (391-24427) Amended and Restated 1992 Stock Option Plan Perm 3-0 (33-64420) Perm 3-0 (-1	
Scard of Directors and Shareholders Park Onto Holdings Corp. We are dware of the incorporation by reference in the following Segistration Statements of Park Onto Holdings Corp., for the registration of the common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our report dated with 76, 1939 relating to the unaudited common stock, of our relationship of the Securities Act of 1933 our reports are not a port of the relating stock of the Securities Act of 1933 our reports are not a port of the registration statements prepared or contributed by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933 our reports are not a port of the registration statements prepared or contributed by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933 our reports are not a port of the registration statements prepared or contributed by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933 our reports are not a port of the registration of the report of the repor	EXHIBIT (15) LETTER RE. INAUDITED FINANCIAL INFORMATION	
We are aware of the incorporation by reference in the following Registration of Statements of Ends Ohio Dickings Coopy, for the registration of its common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated July 20, 1939 relating to the unambited common stock, of our report dated REGISTRATION STATEMENT REGISTRATION REGISTRAT	EMILDII (10) EDIIEN ID GIRIOTIED TINIGIED INCONTINU	
We are aware of the incorporation by reference in the following Registration Of the common stock, of our report dated July 20, 1999 relating to the unambited consolidated interin financial statements of Fax: Onio Holdings Corp., which are included in the Form 10-0 for the quarter ended June 30, 1999. REGISTRATION STATEMENT DESCRIPTION BREGISTRAN PORM 50-0 (33-64420) 1992 stock Option Plan Form 50-0 (33-64420) 199		
Pursuant to Fule 436(c) of the Securities Act of 1933 our reports are not a part of the constitution of our ports of the constitution of the const	Park-Ohio Holdings Corp.	
Pursuant to Fule 436(c) of the Securities Act of 1930 our reports are not a part of the equipment of the Securities and the registration of the Securities and the registration of the Securities of the Securities and the registration of the securities and th	— We are aware of the incorporation by reference in the following	
SHARES/COLLARS		
### SECREPTION STATEMENT DESCRIPTION STATEMENT DESCRIPTION STATEMENT DESCRIPTION STATEMENT DESCRIPTION STATEMENT DESCRIPTION DESCRIPTI		
REGISTRATION STATEMENT DESCRIPTION REGISTRATED Form 8.8 (33 64420) 1992 Stock Option Plan Form 8.8 (33 64420) 1992 Stock Option Plan and 1996 750,000 Form 8.4 (333 45461) Formation of FWOH Roiding Corporation 11,000,000 Form 8.8 (333 59161) 1996 Long Term Incentive Plan Formation of Stock Option Plan Formation of FWOH Roiding Corporation 11,000,000 Form 8.8 (33 64461) 1996 Long Term Incentive Plan Formation of FWOH Roiding Corporation 11,000,000 Form 8.8 (33 64461) 1996 Long Term Incentive Plan Formation of FWOH Roiding Corporation 11,000,000 Formation of Fwoh Roiding Corporation 11,000,000 Formation of Fwoh Roiding Corporation 11,000,000 Formation of Stock Option Plan Formation of Fwoh Roiding Corporation 11,000,000 Formation of Fwoh Roiding Corporat		
### RECISTRATION STATEMENT DESCRIPTION ####################################	included in its form 10 Q for the quarter ended June 30, 1999.	
RECISTRATION STATEMENT DESCRIPTION RECISTRED		
Porm 9-8 (33-64420) 1.992-3tock Option Plan		,
Porm 3		REGISTERED
Form S = 0.33 20407) Individual Account Retirement Plan	<u></u>	
Form S = 0.33 20407) Individual Account Retirement Plan	Form S-8 (33-64420) 1992 Stock Option Plan	350,000
Non-Employee Director Stock Option Flam Form 3-4 (333-46931) Formation of FMONI Holding Cooperation 11,000,000 Form 3-0 (333-50161) 1990 long-Term Incentive Flam 550,000 Pursuant to Ruis 436(c) of the Securities Act of 1933 our reports are not a part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. /a/ Ernst & Young LLP Cheveland, Ohio August 11, 1999 21 EN 27 3 FMITS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE CHARTERLY FERROD ENERD JUNE 30, 1999 AND 15 QUALIFIED IN ITS ENTIRETY DY NETERING TO HOLDINGS CORP. 1000075282 FARK OHIO HOLDINGS CORP. 1000 1000 JUN 30 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 40,7550 3,7660 109,821 290,309 203,092 78,717	Form S-8 (33-01047) Individual Account Retirement Plan	1,500,000
Porm 8-4 (333-46931) Pormation of PROH Holding Corporation 11,000,000 Form 8-8 (333-58161) 1990 Long-Term Incentive Plan 550,000 Pursuant to Rule 436(e) of the Securities Act of 1933 our reports are not a part of the registration Statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. /s/ Ernst 6 Young LLP Cleveland, Ohio August 11, 1999 21 EM 27 3 THIS SCHEDULE CONTAINS SEMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q POR THE QUARTERLY PERMOD EMBED JUNE 30, 1999 AND 15 QUALIFIED IN 175 ENFIREPT DY REFERENCE TO SUCH FINANCIAL STATEMENTS		750,000
Porm 8-8 (333-50161) 1990 Long-Term Incentive Plan 550,000		11 000 000
Pursuant to Rule 436(c) of the Securities Act of 1933 our reports are not a part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. /s/ Ernst 6 Young LLF Cleweland, Ohio August 11, 1999 21 EX 27 3 EX 27 5 THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 g FOR THE QUANTIEST FERNOR EMED JUNE 30, 1999 AND 18 QUALIFIED IN 175 ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS		
part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. /s/ Ernst 6 Young LLP Cleweland, Ohio August 11, 1999 21 EX 27 SHITDIT 27 THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE CONTAINS FINANCIAL STATEMENTS 0000076292 TANK OHIO HOLDINGS CORP. 1009 U.S. POLLARS 6 MOS DEC 31 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 JOHN 1999 JOHN 1999 JOHN 1999 105,750 3,000 169,921 290,309 203,7092 70,717		, , , , , , , , ,
part of the registration statement prepared or certified by accountants within the meaning of Section 7 or 11 of the Securities Act of 1933. /s/ Ernst 6 Young LLP Cleweland, Ohio August 11, 1999 21 EX 27 SHITDIT 27 THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE CONTAINS FINANCIAL STATEMENTS 0000076292 TANK OHIO HOLDINGS CORP. 1009 U.S. POLLARS 6 MOS DEC 31 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 JAN 01 1999 JOHN 1999 JOHN 1999 JOHN 1999 105,750 3,000 169,921 290,309 203,7092 70,717		
the meaning of Section 7 or 11 of the Securities Act of 1933. /// Ernst & Young LLP Cleveland, Ohio August 11, 1999 21 EX 27 3 EMILIDIT 27		
### Cleweland, Ohio August 11, 1999 #### 27 ##### 27 ##### 27 ##### 27 ##### 27 ##### 27 ##### 27 ##### 27 ##### 27 ##########		
Cleveland, Ohio August 11, 1999 21 EX. 27 3 EXHIBIT 27		
EX 27 3 EXHIBIT 27	/s/ Ernst & Young LLP	
EX 27 3 EXHIBIT 27		
EX 27 3 EXHIBIT 27	, , , , , , , , , , , , , , , , , , ,	
EX. 27 3 EXHIBIT 27	August 11, 1999	
### ##################################		
### ##################################		
### ##################################		
### ##################################	EX 27	
-5 THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS -0000076282 -PARK OHIO HOLDINGS CORP1000 -U.S. DOLLARS	3	
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY DY REFERENCE TO SUCH FINANCIAL STATEMENTS	EXHIBIT 27	
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY DY REFERENCE TO SUCH FINANCIAL STATEMENTS		
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY DY REFERENCE TO SUCH FINANCIAL STATEMENTS	_	
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10 Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS		
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS	-5	
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS		
### REFERENCE TO SUCH FINANCIAL STATEMENTS -0000076282 PARK-OHIO HOLDINGS CORP1000		
-0000076282 -PARK OHIO HOLDINGS CORP1000 -U.S. DOLLARS		
PARK-OHIO HOLDINGS CORP. -1000 -U.S. DOLLARS	Table to both thrutte binibality	
-1000 -U.S. DOLLARS	-0000076282	
U.S. DOLLARS 6-MOS DEC 31 1999 JAN 01 1999 JUN 30 1999 1 6,345 0 105,750 3,080 169,821 290,309 78,717		
6 MOS DEC 31 1999 JAN 01 1999 JUN 30 1999 1 6,345 0 105,750 3,080 169,821 290,309 203,092		
DEC 31 1999 JAN 01 1999 JUN 30 1999 1 6,345 0 105,750 3,080 169,821 290,309 203,092	-0.5. DOLLARS	
DEC 31 1999 JAN 01 1999 JUN 30 1999 1 6,345 0 105,750 3,080 169,821 290,309 203,092		
JAN 01 1999 JUN 30 1999 1 6,345 0 105,750 3,080 169,821 290,309 203,092	V	
1 6,345	******	
105,750 3,080 169,821 290,309 203,092	<u> </u>	
105,750 3,080 169,821 290,309 203,092		
3,080 ———————————————————————————————————	· ·	
169,821 	,	
290,309 203,092 	·	
	,	
·	•	
	·	
	F01 776	
		

115,562
287,766

358,320 358,320
293,540 293,540
0
11,071 15,562
8,885 0
8,885
.83