

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

The Timken Co. Q2 2008 Earnings Call

Question-and-Answer Session

[Operator Instructions] Your first question comes from the line of Eli Lustgarten of Longbow.

Eli Lustgarten - Longbow Research

Good morning, gentlemen.

James W. Griffith - President and Chief Executive Officer

Good morning.

Eli Lustgarten - Longbow Research

Couple of quick questions; one, how much was foreign currency in the quarter, you get top line and bottom line impact?

Glenn A. Eisenberg - Executive Vice President, Finance and Administration

Yes. Eli, obviously we'll provide the top line. We normally haven't commented on the bottom line, but for the company, currency impacted us by around \$45 million or call it around 3% of the 14% growth that we had.

Eli Lustgarten - Longbow Research

And I assume that it did help earnings to some degree, is that a fair statement?

Glenn A. Eisenberg - Executive Vice President, Finance and Administration

Yes, it is a fair statement. It does help earnings.

Eli Lustgarten - Longbow Research

And the tax rate, it looks like you added a couple... about \$0.03 to the quarter and to get to 33.5% in the first half. Is that tax rate now going to the second half distribute into next year?

Glenn A. Eisenberg - Executive Vice President, Finance and Administration

I think at this stage of the game it's fair to use that for the remainder of this year and our current outlook of what next year would be.

Eli Lustgarten - Longbow Research

Okay. Now, in your guidance segment, you've got a reasonable third quarter, but it looks like an exceptionally weak fourth quarter shaping up versus what we have been seeing in the comparison. Is there anything going on other than conservatism or so because with you guiding \$2.95 for \$3.10 and sort of a \$0.70 implied third quarter something in that range. But fourth quarter dropped off an awful lot, just to get to the upper of your guidance, let alone if you don't get to the upper end of your guidance. I am just wondering is there anything going on in your outlook that's causing that bigger drop.

Glenn A. Eisenberg - Executive Vice President, Finance and Administration

I guess, it's clearly the uncertainties that are out there, but our fourth quarter while being low for the full year is still expected to be higher than the same period a year ago. We do expect that within at least the different groups, mobile should be down in the second half just given what's going on within the auto industry albeit we are leveraging well on the declining volumes.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.