

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 18, 2004

HURCO COMPANIES, INC.

(Exact name of registrant as specified in its charter)

INDIANA	0-9143	35-1150732
(State or other jurisdiction of incorporation or organization)	(Commission File No.)	(I.R.S. Employer Identification No.)

ONE TECHNOLOGY WAY
INDIANAPOLIS, INDIANA 46268

(Address of principal executive offices and zip code)

(317) 293-5309

(Registrants' telephone number, including area code)

NOT APPLICABLE

(Former name or former address, if changed since last report)

ITEM 12. RESULTS OF OPERATION AND FINANCIAL CONDITION

On February 18, 2004, Hurco Companies, Inc. (the "Registrant") reported its results of operations for the first quarter ended January 31, 2004. The Registrant's earnings release for the quarter is attached as Exhibit 99(a) and the information set forth therein is incorporated herein by reference and constitutes a part of this report. The attached Exhibit is furnished pursuant to Item 12 of Form 8-K.

SIGNATURE

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

Dated: February 18, 2004

HURCO COMPANIES, INC.

By: /s/ Roger J. Wolf

Roger J. Wolf
Senior Vice President and
Chief Financial Officer

FOR IMMEDIATE RELEASE
Wednesday, February 18, 2004

HURCO REPORTS FIRST QUARTER 2004 RESULTS

INDIANAPOLIS, INDIANA, -- February 18, 2004, Hurco Companies, Inc. (NASDAQ: HURC) today reported net income of \$669,000, or \$.12 per share, for its first fiscal quarter, which ended January 31, 2004, compared to a net loss of \$582,000, or \$.10 per share, for the 2003 corresponding period.

The Company attributed its return to profitability to a substantial increase in computerized machine tool sales, along with the favorable effect of stronger European currencies in relation to the U.S. Dollar.

Sales and service fees for the first quarter of fiscal 2004 were \$22,718,000, an increase of 42% from the \$15,953,000 recorded in the first fiscal quarter of 2003. Sales and service fees reported in U.S. dollars benefited from significantly stronger European currencies during the first quarter of 2004, when translating foreign sales into U.S. dollars for financial reporting purposes. When measured at constant exchange rates, sales and service fees for the 2004 first quarter increased \$4,631,000, or 29%, from the corresponding 2003 period, due in large part to shipments of new machine tool models introduced in late 2002 and during 2003.

New order bookings for the first quarter of fiscal 2004 were \$23,547,000, an increase of 64% from the \$13,884,000 recorded in the first fiscal quarter of 2003. When measured in constant dollars, new order bookings in the first quarter of 2004 increased \$7,512,000, or 54% over those in the first quarter of fiscal 2003, due to increases in the United States, Europe and Asia of \$2,152,000, \$4,558,000 and \$802,000, respectively. Backlog was \$9,483,000 at January 31, 2004, compared to \$8,153,000 at October 31, 2003.

Michael Doar, Chief Executive Officer, stated, "In addition to the favorable impact of new product models, our first quarter orders reflect an improvement in worldwide computerized machine tool demand from the depressed levels of the past three years."

Gross margin for the first quarter of 2004 was 29%, a substantial increase over the 25% margin in the corresponding 2003 period, due principally to the benefits of stronger European currencies as well as a greater percentage of higher-margin European shipments in the total sales mix. Selling, general and administrative expenses were \$4,927,000, an increase of approximately \$500,000, or 11%, from the prior year period, due to currency translation effects and increased commissions to European selling agents associated with the increase in European sales.

Total debt was \$6,463,000 at January 31, 2004, as compared to \$9,222,000 at October 31, 2003, and was 18% of total debt and shareholders' equity, which aggregated \$36,489,000. As of January 31, 2004, the Company had unutilized credit facilities of \$9,900,000 available for direct borrowing or commercial letters of credit.

Mr. Doar further noted, "We are pleased with our first quarter results, which demonstrate that the efforts we made during the past two years to focus on our core product lines, invest in new products and reduce our costs and operating expenses are paying off."

Hurco Companies, Inc. is an industrial technology company that designs and produces interactive computer controls, software and computerized machine tools for the worldwide metal cutting and metal forming industry. The end market for the Company's products consists primarily of independent job shops and short-run manufacturing operations within large corporations in industries such as the aerospace, defense, medical equipment, energy, transportation and computer equipment. The Company is based in Indianapolis, Indiana, and has sales, application engineering and service subsidiaries in High Wycombe, England; Munich, Germany; Paris, France; Milan, Italy; Shanghai, China and Singapore, along with manufacturing operations in Taiwan. Products are sold through independent agents and distributors in the United States, Europe and Asia. The Company also has direct sales forces in the United Kingdom, Germany, France, Italy, and Asia.
Web Site: www.hurco.com

This news release contains forward looking statements which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others, changes in general economic and business conditions that affect demand for computerized machine systems, computer numerical control systems and software products, changes in manufacturing markets, innovations by competitors, quality and

delivery performance by our contract manufacturers and governmental actions and initiatives including import and export restrictions and tariffs.

Hurco Companies, Inc.
 CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
 (In thousands, except per-share data)

	Three Months Ended	
	January 31, 2004	January 31, 2003
	----- (unaudited)	
Sales and service fees	\$ 22,718	\$ 15,953
Cost of sales and service	16,187	11,959
	-----	-----
Gross profit	6,531	3,994
Selling, general and administrative expenses	4,927	4,428
	-----	-----
Operating income (loss)	1,604	(434)
Interest expense	144	159
Variable options expense	255	-
Other income (expense), net	(170)	116
	-----	-----
Income (loss) before taxes	1,035	(477)
Provision for income taxes	366	105
	-----	-----
Net income (loss)	\$ 669	\$ (582)
	=====	=====
Earnings (loss) per common share		
Basic	\$ 0.12	\$ (0.10)
	=====	=====
Diluted	\$ 0.12	\$ (0.10)
	=====	=====
Weighted average common shares outstanding		
Basic	5,588	5,583
	=====	=====
Diluted	5,753	5,583
	=====	=====

OTHER CONSOLIDATED FINANCIAL DATA

	Three Months Ended	
	January 31, 2004	January 31, 2003
	----- (unaudited)	
Operating Data:		
Gross margin	28.7%	25.0%
SG&A expense as a percentage of sales	21.7%	27.8%
Operating income (loss) as a percentage of sales	7.1%	-2.7%
Pre-tax income (loss) as a percentage of sales	4.6%	-3.0%
Depreciation	331	351
Capital expenditures	471	168
Balance Sheet Data:	1/31/2004	1/31/2003
	-----	-----
Working capital (excluding short term debt)	\$ 20,163	\$ 21,948
Days sales outstanding	43	54
Inventory turns	2.6	2.3
Net assets per \$ of revenue (trailing twelve months)		
Working capital, net	\$ 0.26	\$ 0.32
All other	0.19	0.23
	-----	-----
Total	\$ 0.45	\$ 0.55
	=====	=====

Hurco Companies, Inc.
 CONDENSED CONSOLIDATED BALANCE SHEET
 (In thousands, except per-share data)

January 31,
2004

October 31,
2003

	----- (unaudited)	----- (audited)
ASSETS		
Current assets:		
Cash - restricted	\$ 1,092	\$ 622
Cash and cash equivalents	5,604	5,289
Accounts receivable	12,734	12,823
Inventories	23,250	22,247
Other	1,730	1,409
Total current assets	----- 44,410	----- 42,390
Property and equipment:		
Land	761	761
Building	7,242	7,239
Machinery and equipment	10,809	10,568
Leasehold improvements	602	544
	----- 19,414	----- 19,112
Less accumulated depreciation and amortization	(11,018)	(10,730)
	----- 8,396	----- 8,382
Software development costs, less amortization	2,113	1,922
Investments and other assets	5,357	5,264
	----- \$ 60,276	----- \$ 57,958
	=====	=====
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 13,843	\$ 9,461
Accrued expenses	9,406	10,048
Bank debt	998	-
Current portion of long-term debt	310	645
Total current liabilities	----- 24,557	----- 20,154
Non-current liabilities:		
Long-term debt	5,155	8,577
Deferred credits and other obligations	538	486
Total liabilities	----- 30,250	----- 29,217
Shareholders' equity:		
Preferred stock: no par value per share; 1,000,000 shares authorized; no shares issued		
Common stock: no par value; \$.10 stated value per share; 12,500,000 shares authorized; and 5,650,687 and 5,575,987 shares issued, respectively	565	557
Additional paid-in capital	45,025	44,695
Accumulated deficit	(9,042)	(9,711)
Accumulated other comprehensive income	(6,522)	(6,800)
Total shareholders' equity	----- 30,026	----- 28,741
	----- \$ 60,276	----- \$ 57,958
	=====	=====