

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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) December 7, 2007

Hurco Companies, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Indiana

(State or Other Jurisdiction of Incorporation)

0-9143

(Commission File Number)

35-1150732

(I.R.S. Employer Identification Number)

One Technology Way
Indianapolis, Indiana

(Address of principal executive offices)

46268

(Zip code)

(317) 293-5309

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operation and Financial Condition

On December 7, 2007, Hurco Companies, Inc. (the "Registrant") reported its results of operations for the fourth quarter ended October 31, 2007. The Registrant's earnings release for the period is attached as Exhibit 99 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 2.02 of Form 8-K.

Item 9.01 Financial Statements and Exhibits.

99 Press Release dated December 7, 2007

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: December 7, 2007

HURCO COMPANIES, INC

By: /s/ John G. Oblazney

Vice President and
Chief Financial Officer

EXHIBIT INDEX

Exhibit 99

Press Release of Hurco Companies, Inc. dated December 7, 2007

FOR IMMEDIATE RELEASE
FRIDAY, DECEMBER 7, 2007

HURCO REPORTS STRONG FULL-YEAR AND FOURTH QUARTER RESULTS

INDIANAPOLIS, INDIANA, — December 7, 2007, Hurco Companies, Inc., (Nasdaq, Global Select Market: HURC) today reported for its fiscal year ending October 31, 2007, net income of \$20,889,000, or \$3.24 per share, which is an increase of 35% over fiscal 2006 net income of \$15,479,000, or \$2.42 per share. For the fourth quarter of fiscal 2007, Hurco recorded net income of \$5,648,000, or \$0.88 per share, which is an increase of 20% over \$4,714,000, or \$0.74 per share, for the corresponding period in fiscal 2006.

Sales and service fees for fiscal 2007 totaled \$188,047,000, an increase of \$39,530,000, or 27%, over fiscal 2006. Sales and service fees for the fourth quarter of fiscal 2007 were \$50,120,000, an increase of \$6,956,000, or 16%, over the prior year period. The effect of a weaker U.S. dollar when translating foreign sales to U.S. dollars for financial reporting purposes had a favorable impact on the year over year sales comparison of approximately 7%, or \$11,011,000. The currency translation impact on fourth quarter sales comparison was also 7%, or \$3,179,000.

The following table sets forth net sales and service fees by geographic region for the three and twelve month periods ended October 31, 2007 and 2006, respectively:

Net Sales and Service Fees by Geographic Region

	Three Months Ended October 31,			Twelve Months Ended October 31,		
	2007	2006	% Change	2007	2006	% Change
North America	\$ 14,242	\$ 14,386	-1%	\$ 52,133	\$ 50,563	3%
Europe	32,215	25,498	26%	125,446	87,735	43%
Asia Pacific	3,663	3,280	12%	10,468	10,219	2%
Total	<u>\$ 50,120</u>	<u>\$ 43,164</u>	<u>16%</u>	<u>\$ 188,047</u>	<u>\$ 148,517</u>	<u>27%</u>

The annual and fourth quarter sales growth was primarily driven by a strong European market and continued demand for our higher end VMX product line across all three geographical regions. The effect of a weaker U.S. dollar when translating foreign sales dollars for financial reporting purposes had a favorable impact of approximately 12% on the European sales comparison for both the full year and fourth quarter. Sales in the United States, for the fourth quarter and full year, reflected market softening primarily in the Midwest. Asia Pacific sales remained relatively unchanged for the year, as Hurco continues the development of its selling channels in China and India.

New order bookings in fiscal 2007, were \$198,975,000, an increase of \$44,208,000, or 29%, over the prior year. Fourth quarter new order bookings totaled \$54,782,000, an increase of \$12,695,000, or 30%, over the corresponding 2006 period. Europe was the primary contributor to both the annual and quarterly increases. The impact of currency translation on new orders booked was consistent with the impact on sales and service fees year over year.

Hurco's gross margin for fiscal 2007 was 38%, compared to 36% for the prior year, reflecting the impact of higher sales and improved mix. Gross margin for the fourth quarter of fiscal 2007, was 38%, unchanged from the corresponding period in fiscal 2006. Selling, general and administrative expenses were \$40,124,000 for fiscal 2007, an increase of \$9,427,000 over the amount for fiscal 2006, and \$11,241,000 for the fourth quarter of fiscal 2007, an increase of \$1,372,000 over the fourth quarter of fiscal 2006. The increases for both the full year and the fourth quarter were primarily attributable to expenses supporting sales growth and market expansion.

Hurco's effective tax rate for fiscal 2007 was 36%, compared to 33% for the same period in the prior year. The 2006 lower effective tax rate was primarily due to a deduction generated from a change in tax code. The effective tax rate for the fourth quarter of fiscal 2007 was 30%, compared to 31% for the same period in the prior year. The reduction in the fourth quarter effective tax rate was due to year to year differences in the relative income of various foreign subsidiaries and the utilization of foreign net operating losses and domestic tax credits.

Cash and cash equivalents totaled \$39,760,000 as of October 31, 2007, compared to \$29,846,000 as of October 31, 2006. Working capital, excluding cash and short-term debt, was \$33,290,000 as of October 31, 2007, compared to \$26,832,000 as of October 31, 2006. The increase in working capital relates to inventory to support increased order volume, particularly for Hurco's larger machines.

Michael Doar, Chief Executive Officer, stated, "This was another great year for Hurco as we achieved even greater milestones. It is fitting that Hurco is in the best financial position of its history as we kick off our 40-year anniversary."

Doar attributed the Company's successful financial position to the strategic plan that was implemented in 2001. "Focusing on our core competencies has allowed Hurco to develop the Hurco brand and strengthen its presence globally. Using a disciplined approach, Hurco has leveraged its extendable platforms to support its global business model and expansion in emerging markets. These platforms encompass all areas of the business, including product development, software development, marketing and sales, manufacturing and information technology," stated Doar.

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; Mississauga, Canada and Singapore, along with manufacturing operations in Taiwan and China. Products are sold through independent agents and distributors in North America, Europe and Asia. The Company also has direct sales forces in the United Kingdom, Germany, France, Italy, Canada, 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, our ability to protect our intellectual property, fluctuations in exchange rates, fluctuations in prices of raw materials, changes in market demands, quality and delivery performance by our contract manufacturers and governmental actions and initiatives including import and export restrictions and tariffs.

Contact: John Oblazney
Vice President & Chief Financial Officer
317-293-5309

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

	October 31, 2007 (unaudited)	October 31, 2006 (audited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 39,760	\$ 29,846
Accounts receivable	25,645	22,248
Inventories	61,121	43,343
Deferred tax assets, net	5,909	2,768
Other	4,481	2,677
Total current assets	<u>136,916</u>	<u>100,882</u>
Property and equipment:		
Land	776	761
Building	7,135	7,234
Machinery and equipment	13,629	12,952
Leasehold improvements	1,473	1,147
	<u>23,013</u>	<u>22,094</u>
Less accumulated depreciation and amortization	<u>(11,617)</u>	<u>(12,944)</u>
	<u>11,396</u>	<u>9,150</u>
Deferred tax assets, net		
	774	1,121
Software development costs, less amortization		
	5,960	5,580
Investments and other assets		
	<u>7,160</u>	<u>7,381</u>
	<u>\$ 162,206</u>	<u>\$ 124,114</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 35,486	\$ 26,605
Accrued expenses	28,380	17,599
Current portion of long-term debt	-	136
Total current liabilities	<u>63,866</u>	<u>44,340</u>
Non-current liabilities:		
Long-term debt	-	3,874
Deferred credits and other obligations	737	525
Total liabilities	<u>64,603</u>	<u>48,739</u>
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 6,392,220 and 6,346,520 shares issued, respectively	639	635
Additional paid-in capital	50,971	50,011
Retained earnings	49,367	28,480
Accumulated other comprehensive income	<u>(3,374)</u>	<u>(3,751)</u>
Total shareholders' equity	<u>97,603</u>	<u>75,375</u>
	<u>\$ 162,206</u>	<u>\$ 124,114</u>

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

	Three Months Ended October 31,		Twelve Months Ended October 31,	
	2007	2006	2007	2006
	(unaudited)		(unaudited)	
Sales and service fees	\$ 50,120	\$ 43,164	\$ 188,047	\$ 148,517
Cost of sales and service	31,128	26,780	116,965	95,192
Gross profit	18,992	16,384	71,082	53,325
Selling, general and administrative expenses	11,241	9,869	40,124	30,697
Operating income	7,751	6,515	30,958	22,628
Interest expense (income)	(17)	18	(65)	259
Other income (expense), net	335	337	1,742	745
Income before taxes	8,103	6,834	32,765	23,114
Provision for income taxes	2,455	2,120	11,876	7,635
Net income	\$ 5,648	\$ 4,714	\$ 20,889	\$ 15,479
Earnings per common share				
Basic	\$ 0.88	\$ 0.75	\$ 3.27	\$ 2.45
Diluted	\$ 0.88	\$ 0.74	\$ 3.24	\$ 2.42
Weighted average common shares outstanding				
Basic	6,382	6,317	6,382	6,317
Diluted	6,445	6,396	6,440	6,397
OTHER CONSOLIDATED FINANCIAL DATA				
	Three Months Ended October 31,		Twelve Months Ended October 31,	
	2007	2006	2007	2006
	(unaudited)		(unaudited)	
Operating Data:				
Gross margin	37.9%	38.0%	37.8%	35.9%
SG&A expense as a percentage of sales	22.4%	22.9%	21.3%	20.7%
Operating income as a percentage of sales	15.5%	15.1%	16.5%	15.2%
Income before taxes as a percentage of sales	16.2%	15.8%	17.4%	15.6%
Effective Tax Rate	30.3%	31.0%	36.2%	33.0%
Depreciation	730	387	2,106	1,504
Capital expenditures	2,212	1,183	4,510	3,301
Balance Sheet Data:	10/31/2007	10/31/2006		
Working capital (excluding short term debt)	\$ 73,050	\$ 56,678		
Days sales outstanding	33	41		
Inventory turns	2.0	2.2		
Capitalization				
Total debt	\$ -	\$ 4,010		
Shareholders' equity	97,603	75,375		
Total	\$ 97,603	\$ 79,385		

