



## Company Profile

Hardinge is a leading global designer and manufacturer of high precision, computer-controlled machine tool solutions developed for critical, hard-to-machine metal parts and of technologically advanced workholding accessories. The Company's strategy is to leverage its global brand strength to further penetrate global market opportunities where customers will benefit from the technologically advanced, high quality, reliable products Hardinge produces. With approximately two thirds of its sales outside of North America, Hardinge serves the worldwide metal working market. Hardinge's machine tool and accessory solutions can also be found in a broad base of industries to include aerospace, agricultural, automotive, construction, consumer products, defense, energy, medical, technology and transportation.

Hardinge applies its engineering design and manufacturing expertise in high performance machining centers, high-end cylindrical and jig grinding machines, SUPER-PRECISION® and precision CNC lathes and technologically advanced workholding accessories. Hardinge has manufacturing operations in China, France, Germany, India, Switzerland, Taiwan, the United Kingdom and the United States.

## Investment Considerations

- Comprehensive product and service offering with market leading brands
- Loyal customer base serving blue chip companies in a wide range of end markets
- Globally diverse sales and manufacturing platform
- Highly experienced management team; record of successful strategic acquisitions and alliances in higher margin businesses
- Strong balance sheet

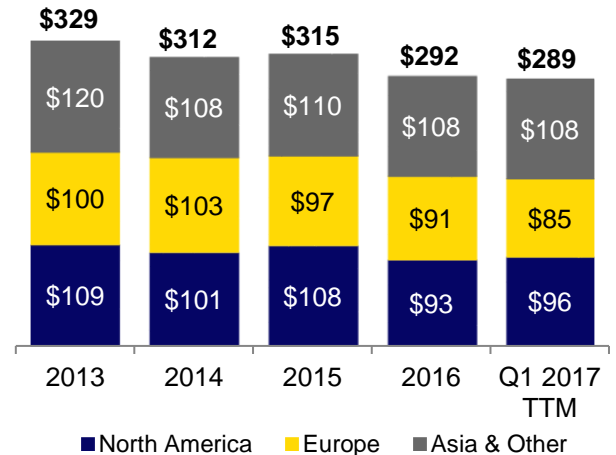
## Market Highlights

Recent Price	\$10.36
Shares Outstanding	12.9 million
Market Cap	\$133.9 million
Average Daily Volume (3 mos.)	31,700
52 week Range	\$8.24 - \$13.72
Book Value per Share	\$12.23
Annual Dividend Rate	\$0.08
Annual Dividend Yield	0.78%
Institutional Ownership	72.3%
Insider Ownership	11.5%

Market data as of May 3, 2017 (Source: Nasdaq); Shares Outstanding and Book Value as of March 31, 2017; Ownership as of most recent filing

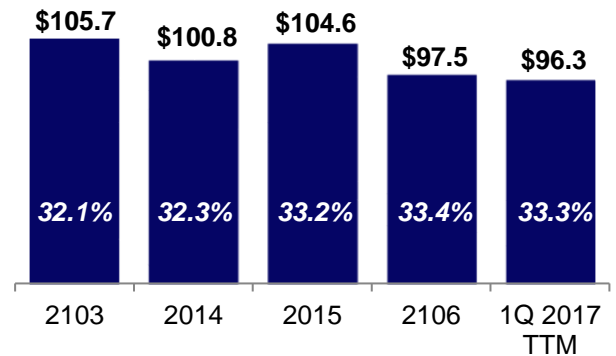
## Sales by Region

(\$ in million)



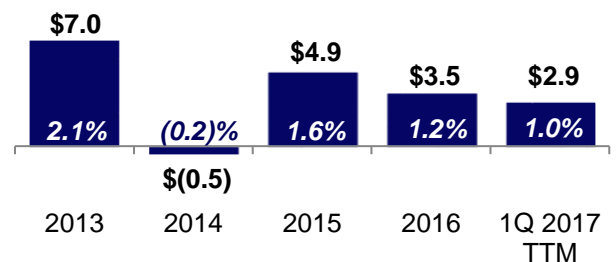
## Gross Profit and Margin

(\$ in millions)



## Operating Profit and Margin

(\$ in millions)





## Quarterly Financial Data

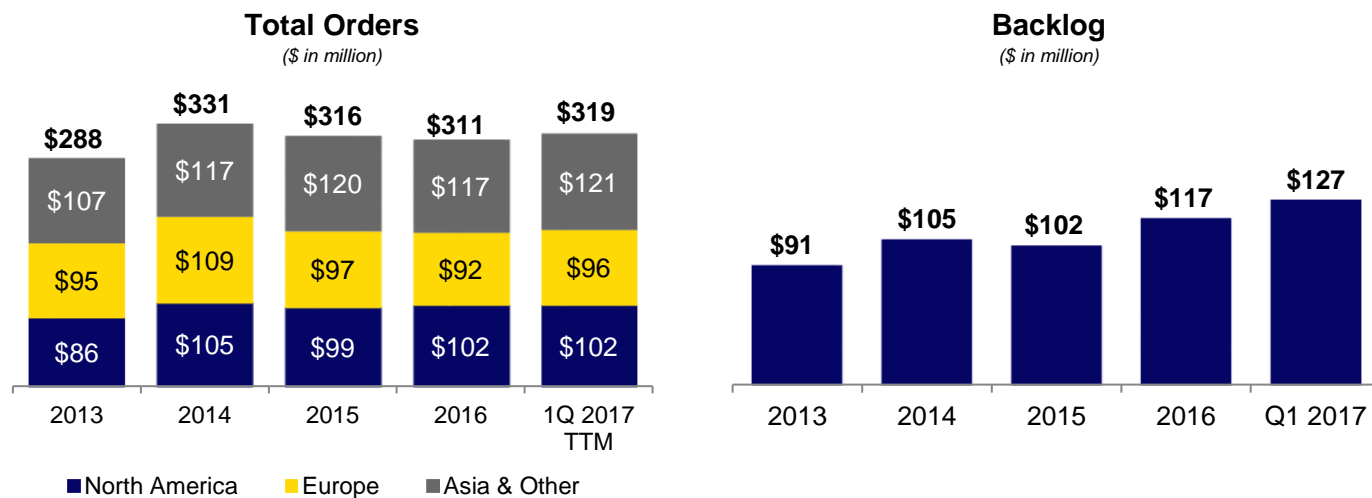
(Actual amounts may differ due to rounding)

	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017
Orders	\$ 77.2	\$ 72.0	\$ 74.0	\$ 64.9	\$ 80.9	\$ 74.6	\$ 90.4	\$ 72.9
Sales	\$ 82.4	\$ 76.8	\$ 87.0	\$ 67.8	\$ 70.2	\$ 67.2	\$ 86.8	\$ 64.6
Cost of sales	55.4	51.4	56.6	45.1	46.6	44.0	58.7	43.2
Gross profit	27.0	25.4	30.4	22.7	23.6	23.2	28.1	21.4
Gross profit margin	32.8%	33.1%	34.9%	33.5%	33.6%	34.4%	32.4%	33.1%
Income (loss) from operations	2.4	0.7	3.2	(1.2)	0.3	(0.6)	5.0	(1.8)
Operating margin	2.9%	1.0%	3.7%	(1.8)%	0.4%	(0.9)%	5.8%	(2.8)%
Income (loss) before income taxes	2.3	0.6	3.1	(1.3)	0.2	(0.7)	4.9	(1.9)
Income tax expense (benefit)	0.7	0.9	0.4	(0.1)	0.1	0.7	1.2	0.2
Net income (loss)	\$ 1.6	\$ (0.3)	\$ 2.7	\$ (1.2)	\$ 0.1	\$ (1.4)	\$ 3.7	\$ (2.0)
Diluted earnings (loss) per share:	\$ 0.12	\$ (0.03)	\$ 0.21	\$ (0.10)	\$ 0.01	\$ (0.11)	\$ 0.29	\$ (0.16)
Cash dividends declared per share	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Weighted avg. shares outstanding: Diluted	12.9	12.8	12.9	12.8	12.9	12.8	12.9	12.9

## First Quarter 2017 Highlights

- Orders for the first quarter increased 12% to \$72.9 million compared with the prior-year period on strength in Europe, up 24%, and Asia, up 17%. North America was down a moderate 1%.
- As expected, sales for the quarter were soft at \$64.6 million, down 5% from the prior year's first quarter. Excluding the \$1.5 million impact of foreign currency exchange, sales were down 3%.
- A new restructuring program was initiated to generate \$2.0 million to \$2.5 million annualized pre-tax savings; \$1.4 million in restructuring charges in quarter.

## Solid Orders & Backlog



## Management Team

Richard L. Simons, *President and CEO*  
 Douglas J. Malone, *Vice President and CFO*  
 James P. Langa, *Senior Vice President, Machine Solutions*  
 Urs Baumgartner, *Vice President, Grinding*  
 Bill Sepanik, *Vice President, Workholding*

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