

Fairness Opinions Research Service

**Request
a Demo**

Contact BVR for
pricing options

A groundbreaking resource with access to filed fairness opinions

With the absence of regulation surrounding the issuance of fairness opinions, market practices have become de facto standards. BVR's Fairness Opinion Research Service (FORS) is a groundbreaking resource that provides immediate and complete access to 3,400+ filed fairness opinions and enables professionals to easily know "what's market." Plus, for the first time, users can access all key valuation assumptions, methodologies, multiples, comps, and links to original filings all in one place.

Benefits of the Fairness Opinions Research Service

- **Score the advantage:** Be privy to all the valuation methods, weightings, and comps your competition used in an engagement
- **Save countless hours with FORS' customizable interface:** Screen by 68 criteria and efficiently filter information-rich documents within minutes with access to board books, opinion summaries, and letters
- **Ensure your methods and conclusions meet the highest standards:** Choose the best comparables by pulling straight from actual fairness opinions prepared by expert analysts from the top investment banks, advisory, and valuation firms



Year introduced at BVR:
2017

Product Updated:
Monthly




Data Type

Company information and high level financials, plus transaction information with valuations performed and multiples

Information Sources:

SEC and foreign regulatory bodies where mandatory documents must be lodged

Fairness Opinion Research Service

Target	Hardinge	State	New York	Country	United States	Opinion Issuer	BMO Capital Markets	Opinion Issuer for Target						
Documents														
Effective Date	2018-02-11	Board Book		Opinion Letter		Opinion Summary		Press Release						
Transaction														
Currency	Corporate Action	Consideration Type	Deal Value (MM)	Equity Value (MM)	Shares to Be Acquired	Shares Outstanding	Acquisition	Premium	Unaffected Share Price	Unaffected Price Date				
USD	Merger	Cash	\$222.35	\$247.76	12,018,873	13,392,693	89.74%	12.12%	\$16.50	2017-11-01				
Consideration														
Target	Per Share Consideration		Exchange Consideration		Per Share Combo		Exchange Combo		Pro Format Ownership					
	\$18.50													
Bidder	Unaffected Share Price													
Participants														
Bidder	Privet Fund Management		Seller		Target Counsel		Wachtell, Lipton, Rosen & Katz		Bidder Counsel		Bryan Cave		Seller Counsel	
Fees														
Firm	Total Fee (000)	Engagement	Execution	Opinion	Vote	Banking	Discretionary	Liability	Expense	Discretionary				
BMO Capital Markets	\$3,230.00			\$750.00		\$2,480.00		Y	Y					
Business Overview														
SIC	3541		SIC (Secondary)		NAICS		333517		NAICS (Secondary)					
Business Description														
Hardinge is a 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 the company produces. With approximately two-thirds of its sales outside of North America, it serves the worldwide metalworking market. The company applies its engineering design and manufacturing expertise to a broad base of industries to include aerospace, agricultural, automotive, defense, food processing, industrial machinery, medical, and power generation. The company's product lines include SUPER-PRECISION and precision CNC lathes and technologically advanced machine tools. The company is headquartered in the United States, with manufacturing facilities in Germany, India, Switzerland, Taiwan, the United Kingdom and the United States.														
Valuations Summary														
Target - \$ Per Share														
Other Method														
Min Indicated														
Indicated														
Max Indicated														
Min Prem Offer														
BGF														
\$15.68														
\$19.51														
\$2.82														
Target														
Currency														
USD														
Revenue (MM)														
\$326.00														
GPC														
\$14.89														
\$18.35														
\$3.61														
Bidder														
USD														
GPC														
\$14.37														
\$17.68														
\$4.13														

of its sales outside of North America, it serves the worldwide me
broad base of industries to include aerospace, agricultural, autom
The company applies its engineering design and manufacturing
SUPER-PRECISION and precision CNC lathes and technologically
Germany, India, Switzerland, Taiwan, the United Kingdom and the

Valuations Summary														
Target - \$ Per Share														
United States		Other Method Used	Min Indicated	Indicated	Max Indicated	Min Prem Offer	Prem Offer	Max Prem Offer	Note	For Reference				
	DCF		\$15.68		\$19.51	\$2.82		(\$1.01)	Growth: 2.0% - 4.0%, Discount: 14.0% - 16.0%					
Target	Currency	USD												
Bidder		USD												
	GPC		\$14.89		\$18.35	\$3.61		\$0.15	5-Y Avg EV/2017E Adj. EBITDA: 6.5x - 8.5x					
	GPC		\$14.37		\$17.68	\$4.13		\$0.82	5-Y Avg EV/2017E Adj. EBITDA: 6.5x - 8.5x					
	GPC		\$17.49		\$20.95	\$1.01		(\$2.40)	EV/2017E Adj. EBITDA: 8.0x - 10.0x					
	GPC		\$16.85		\$20.15	\$1.65		(\$1.65)	EV/2017E Adj. EBITDA: 8.0x - 10.0x					
	M&A		\$15.20		\$18.50	\$3.30		\$0.00	EV/2017E Adj. EBITDA: 7.0x - 9.0x					
	M&A		\$15.76		\$19.22	\$2.74		(\$0.72)	EV/2017E Adj. EBITDA: 7.0x - 9.0x					
Multiples Observed														
GPC Method														
Role	Multiple		Mean		Median		Range Min		Range Max		Note			
Target	EV/EBITDA		8.0x		8.1x		4.6x		12.0x					
M&A Method														
Role	Multiple		Mean		Median		Range Min		Range Max		Note			
Target	EV/EBITDA		8.2x		8.9x		5.6x		15.7x					
Cost of Capital														
Target	WACC		15.0%		Min WACC		14.0%		Max WACC		16.0%	Debt/Equity	33.33%	
	Cost of Equity		18.00%		Min Cost of Equity		16.80%		Max Cost of Equity		19.20%	Equity Risk	6.94%	
Bidder	WACC				Min WACC				Max WACC				Debt/Equity	
	Cost of Equity				Min Cost of Equity				Max Cost of Equity				Equity Risk	
Terminal Value														
Target	Terminal Value Type		Growth		TV Rate - Multiple		3.00		TV Rate - Multiple Min		2.00		TV Rate - Multiple Max	4.00
Bidder														