

The Colfax logo is displayed in a bold, black, sans-serif font. The letters are thick and blocky, with a distinctive design for the 'X' which features a small square cutout in the center. The logo is set against a light gray rectangular background.

**COLFAX**

**SECOND QUARTER 2017 | EARNINGS CONFERENCE CALL**

# Important Statements

The following information contains forward-looking statements, including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Colfax's plans, objectives, expectations and intentions and other statements that are not historical or current facts. Forward-looking statements are based on Colfax's current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause Colfax's results to differ materially from current expectations include, but are not limited to, factors detailed in Colfax's reports filed with the U.S. Securities and Exchange Commission including its 2016 Annual Report on Form 10-K under the caption "Risk Factors". In addition, these statements are based on a number of assumptions that are subject to change. This presentation speaks only as of this date. Colfax disclaims any duty to update the information herein.

Colfax has provided in this presentation financial information that has not been prepared in accordance with GAAP. These non-GAAP financial measures are adjusted net income, adjusted net income per share, projected adjusted net income per share, adjusted operating income, adjusted operating income margin, adjusted EBITDA, adjusted EBITDA margin, organic sales growth (decline) and organic order growth (decline). Adjusted net income, adjusted net income per share, projected adjusted net income per share, adjusted operating income, adjusted operating income margin, adjusted EBITDA, and adjusted EBITDA margin exclude Restructuring and other related charges. Adjusted EBITDA and adjusted EBITDA margin also exclude depreciation and amortization charges. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 29.9% and 28.8% for the three and six months ended June 30, 2017, respectively. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 30.9% and 30.1% for the three and six months ended July 1, 2016. Organic sales growth (decline) and organic order growth (decline) exclude the impact of acquisitions and foreign exchange rate fluctuations. These non-GAAP financial measures assist Colfax in comparing its operating performance on a consistent basis because, among other things, they remove the impact of restructuring and other related charges, depreciation and amortization.

Sales and order information by end market are estimates. We periodically update our customer groupings order to refine these estimates.

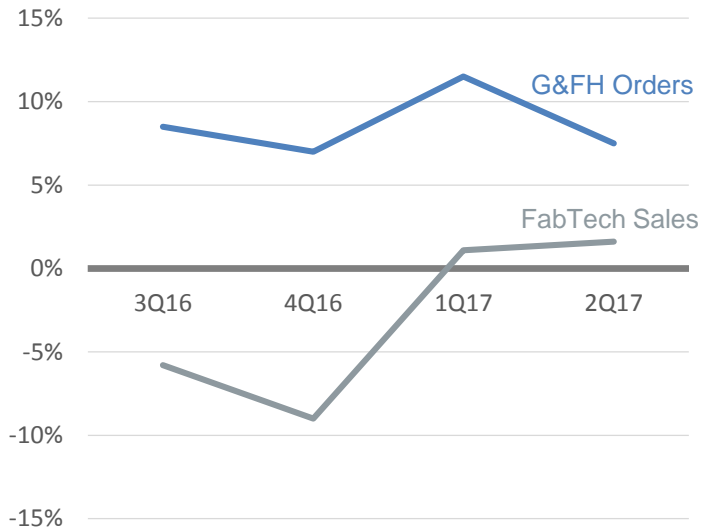
# Q2 2017 Highlights

- Achieved financial performance expectations
- Delivering growth on internal initiatives and improving end markets
- Structural cost reductions improving margins
- Strengthening the Fabrication Technology product portfolio with technology focused M&A

# Back to Growth

## Orders and Sales

(YOY Organic Growth)



- 4 quarters of strong Gas & Fluid Handling orders growth
  - Success penetrating industrial applications such as transportation and cement
  - Improving markets in General Industrial, Mining, and Oil & Gas
- Fabrication Technology's three largest regions now growing

Delivering growth on the strength of internal initiatives and improving market conditions

# Leveraging Industrial Fans Globally



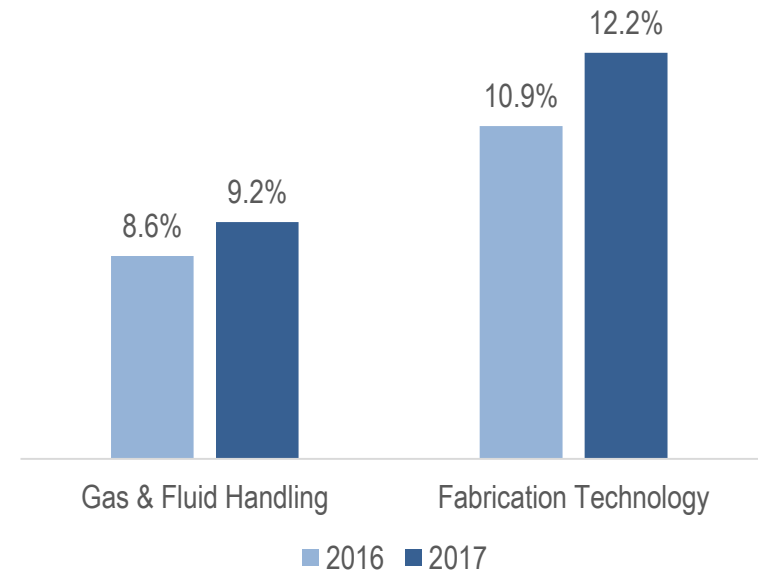
## Transportation System Cooling Fans

- \$200M global market growing at 4% across Asia
    - driven by urbanization and demand for cleaner, more efficient transport
    - Transition to electric locomotion
  - Proven solutions with key European and NA OEM's
  - Manufacturing capability in key regions
- 
- Project award in India on new Alstom high speed train
  - Investments in commercial and engineering resources in the region

# Colfax on Path to Segment Mid-teen Margins

- 50 bps improvement in Q2 Adjusted Operating Profit Margin
- On track to deliver incremental \$50M savings in 2017
- Price management, productivity, and engineering improvements largely offsetting short-term mix and material cost pressure

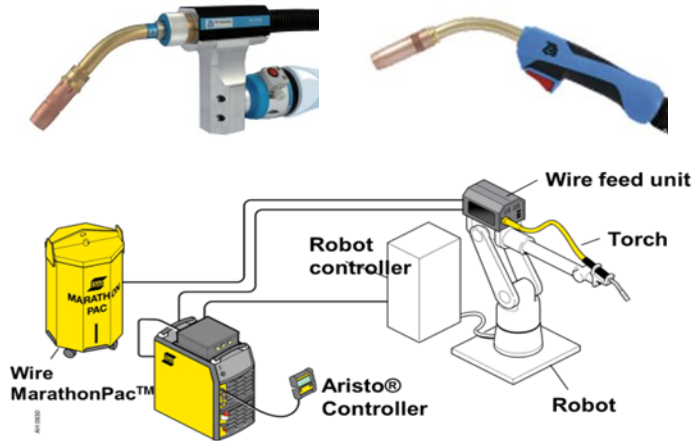
## Adj. Operating Margin Improvement (1<sup>st</sup> Half AOP Margin)



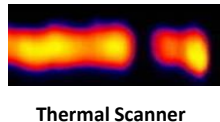
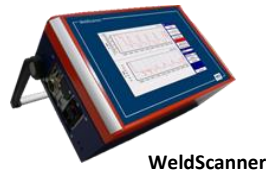
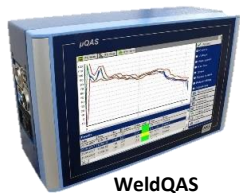


# Accelerating Technology Leadership Inorganically

## TBi: manual and robotic torches



## HKS: advanced welding process analytics



- Acquiring leading technology and talent in key application areas
- Creating optimized welding systems
  - TBi, a recognized leader in robotic torch technology, to complement with ESAB power supply and process expertise
  - HKS adds advanced process analytics, sensors and capabilities to increase technical differentiation for ESAB's Aristo and WeldCloud platforms

Using acquisitions to accelerate process and product technology solutions

# Q2 2017 Financial Highlights

(Millions, except EPS)

	Q2 2016	Q2 2017
G&FH Orders	\$432.6	\$457.8
Total Sales	\$957.2	\$965.8
Gross Profit	\$301.1	\$300.7
% of sales	31.5%	31.1%
SG&A Expense	\$213.6	\$208.2
% of sales	22.3%	21.6%
Adjusted Operating Profit	\$87.6	\$92.5
% of sales	9.1%	9.6%
Adjusted EBITDA	\$121.1	\$124.9
% of sales	12.7%	12.9%
Adjusted Net Income per Share	\$0.41	\$0.43

- Strong G&FH order growth
- FabTech revenue growth offset the expected G&FH volume decline
- Price management and productivity largely offsetting short-term project mix and material cost increases
- 50 bps AOP improvement on the continued read-through of structural cost reductions
- Lower restructuring expense from gain on property sale

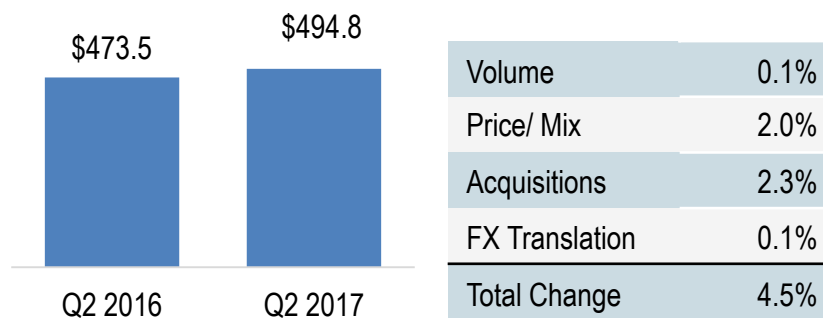
*Dollars in millions, except per share amounts  
Refer to Appendix for Non-GAAP reconciliation and footnotes.*



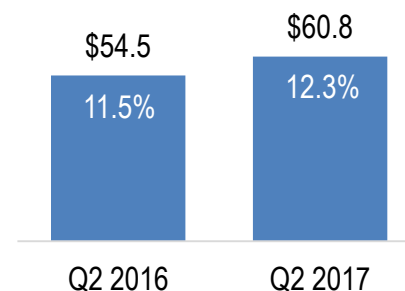
# Fabrication Technology

## Q2 2017 Results

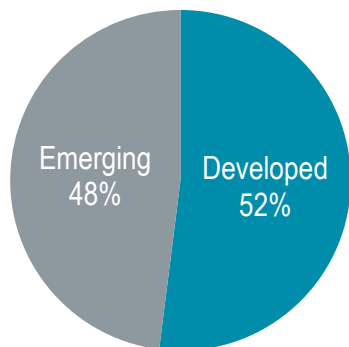
### Sales



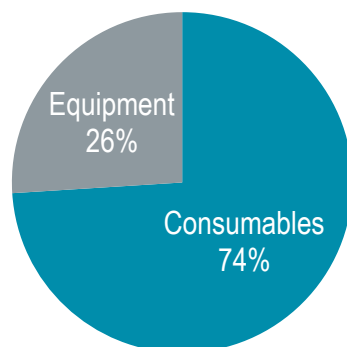
### Adjusted Operating Profit & Margin



### Geographic Exposure YTD



### Consumable Mix YTD



- Organic growth in most regions with continuing recovery in North and South America
- Price realization addressing material cost inflation
- 80 bps margin improvement on flat volume

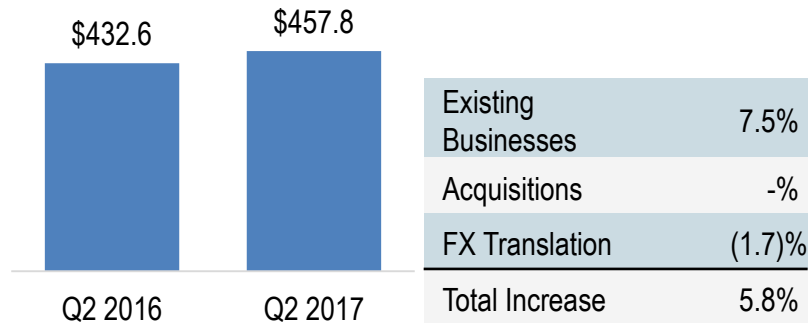
Note: Dollars in millions (unaudited).

**COLFAX**

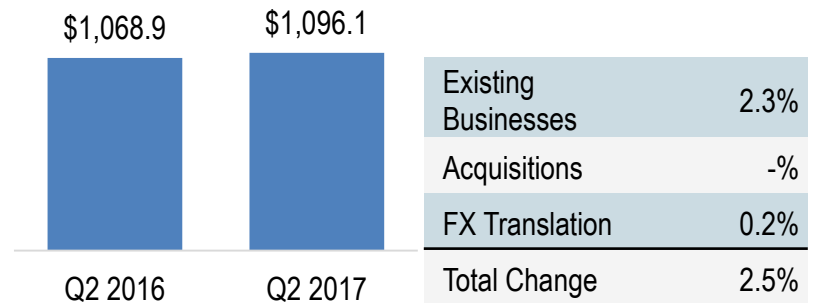
# Gas & Fluid Handling

## Q2 2017 Results

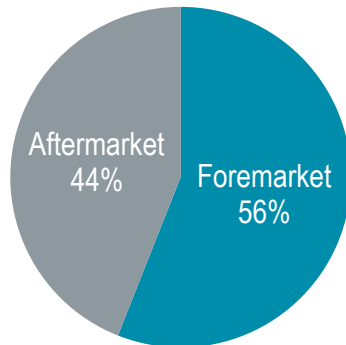
### Orders



### Backlog



### Revenue Profile YTD



- Fourth consecutive quarter of strong orders growth
- Traction on strategy to increase general industrial penetration
- Project funnels continue to strengthen in O&G and Mining

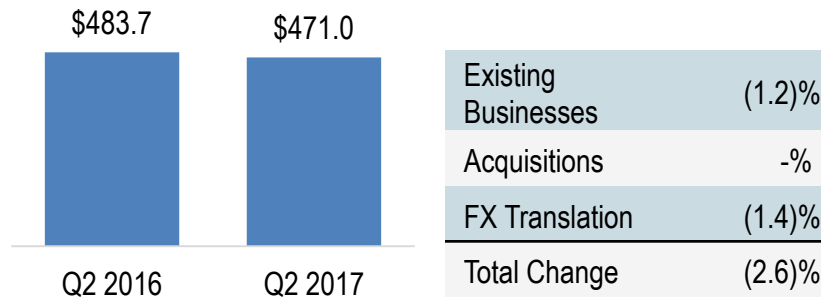
Note: Dollars in millions (unaudited).

Backlog measured as of the end of the quarter.

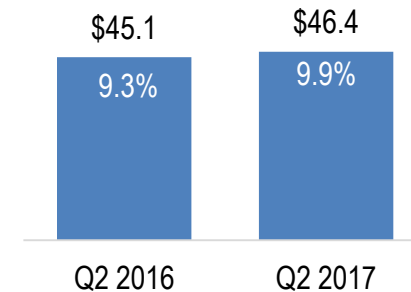
# Gas & Fluid Handling

## Q2 2017 Results (continued)

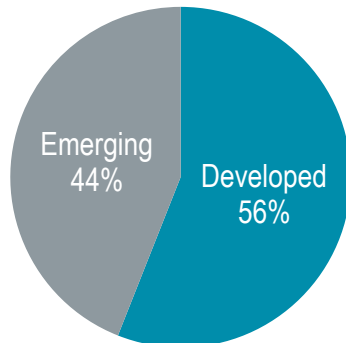
### Sales



### Adjusted Operating Profit & Margin



### Geographic Exposure YTD



- Orders performance expected to drive revenue growth in Q3
- Structural cost savings delivering AOP growth and margin expansion

Note: Dollars in millions (unaudited).

**COLFAX**

# Outlook

- Back to growth in an improving market environment
- Improving cost structure furthers progress toward mid-teen margin goal for business segments
- Active M&A pipeline focused on accelerating growth initiatives
- Improving 2017 Adjusted EPS guidance range to \$1.65 to \$1.75

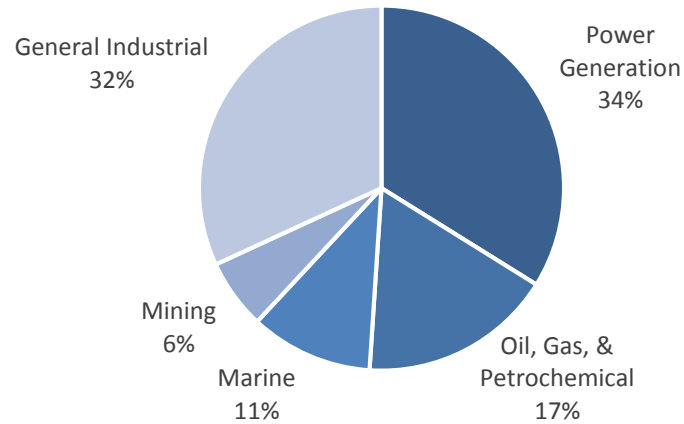
The COLFAX logo is rendered in a bold, black, sans-serif typeface. The letters are closely spaced, and the 'X' features a distinctive design with a small gap in the center. The logo is positioned on a light gray rectangular background.

**COLFAX**

**APPENDIX**

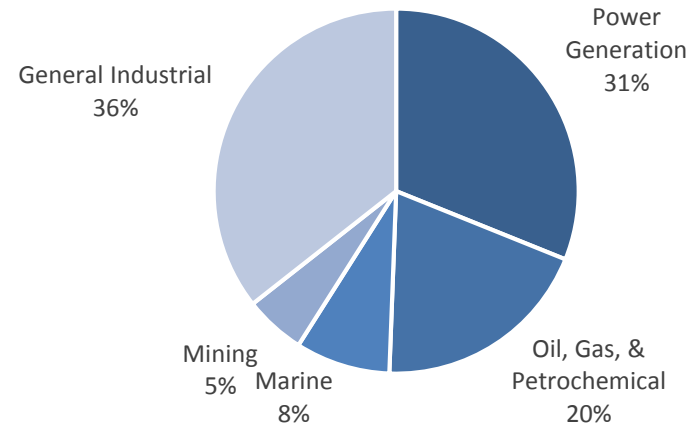
# YTD 2017 Gas & Fluid Handling Sales and Orders by End Market

**Sales: \$855.9 million**



	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	(6.2)%	(5.0)%
Oil, Gas & Petrochemical	(25.5)%	(22.0)%
Marine	(0.1)%	1.6%
Mining	53.5%	48.1%
General Industrial & Other	(3.2)%	(1.8)%
<b>Total</b>	<b>(6.6)%</b>	<b>(5.0)%</b>

**Orders: \$903.0 million**



	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	(7.0)%	(4.9)%
Oil, Gas & Petrochemical	38.0%	41.3%
Marine	(11.6)%	(9.9)%
Mining	43.6%	33.8%
General Industrial & Other	11.0%	13.2%
<b>Total</b>	<b>7.6%</b>	<b>9.4%</b>

# Change in Sales, Orders and Backlog

(unaudited)

	Net Sales		Gas and Fluid Handling Orders	
	\$	%	\$	%
<b>For the three months ended July 1, 2016</b>	\$ 957.2		\$ 432.6	
<i>Components of Change:</i>				
Existing Businesses <sup>(1)</sup>	4.4	0.5%	32.4	7.5%
Acquisitions <sup>(2)</sup>	10.8	1.1%	—	—%
Foreign Currency Translation	(6.6)	(0.7)%	(7.2)	(1.7)%
	8.6	0.9%	25.2	5.8%
<b>For the three months ended June 30, 2017</b>	<b>\$ 965.8</b>		<b>\$ 457.8</b>	

	Net Sales		Gas and Fluid Handling Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the six months ended July 1, 2016</b>	\$ 1,834.1		\$ 838.9		\$ 1,068.9	
<i>Components of Change:</i>						
Existing Businesses <sup>(1)</sup>	(31.3)	(1.7)%	78.9	9.4%	24.9	2.3%
Acquisitions <sup>(2)</sup>	17.3	0.9%	—	—%	—	—%
Foreign Currency Translation	(9.3)	(0.5)%	(14.8)	(1.8)%	2.3	0.2%
	(23.3)	(1.3)%	64.1	7.6%	27.2	2.5%
<b>As of and for the six months ended June 30, 2017</b>	<b>\$ 1,810.8</b>		<b>\$ 903.0</b>		<b>\$ 1,096.1</b>	

<sup>(1)</sup> Excludes the impact of foreign exchange rate fluctuations and acquisitions, thus providing a measure of growth due to factors such as price, product mix and volume.

<sup>(2)</sup> Represents the incremental sales as a result of our acquisitions completed in our Fabrication Technology segment.

Note: Dollars in millions.

**COLFAX**



# Non-GAAP Reconciliation

(unaudited)

	Three Months Ended June 30, 2017								Three Months Ended July 1, 2016							
	Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation	
Net sales	\$ 471,035		\$ 494,797		\$ —		\$ 965,832		\$ 483,692		\$ 473,557		\$ —		\$ 957,249	
Operating income (loss)	53,763	11.4%	52,958	10.7%	(14,718)		92,003	9.5%	37,997	7.9%	47,077	9.9%	(12,012)		73,062	7.6%
Restructuring and other related charges	(7,396)		7,867		—		471		7,096		7,394		—		14,490	
Adjusted operating income (loss)	46,367	9.8% —	60,825	12.3%	\$ (14,718)		\$ 92,474	9.6%	\$ 45,093	9.3%	\$ 54,471	11.5%	\$ (12,012)		\$ 87,552	9.1%

	Six Months Ended June 30, 2017								Six Months Ended July 1, 2016							
	Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation	
Net sales	\$855,900		\$954,858		\$ —		\$ 1,810,758		916,430		917,662		—		1,834,092	
Operating income (loss)	81,756	9.6%	105,855	11.1%	(29,387)		158,224	8.7%	61,327	6.7%	85,887	9.4%	(25,686)		121,528	6.6%
Restructuring and other related charges	(3,038)		10,609		—		7,571		17,689		14,469		—		32,158	
Adjusted operating income (loss)	78,718	9.2%	116,464	12.2%	\$ (29,387)		165,795	9.2%	\$ 79,016	8.6%	\$ 100,356	10.9%	\$ (25,686)		\$ 153,686	8.4%

Note: Dollars in thousands.

**COLFAX**

# Non-GAAP Reconciliation

(unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2017	July 1, 2016	June 30, 2017	July 1, 2016
<b>Adjusted Net Income and Adjusted Net Income Per Share</b>				
Net income attributable to Colfax Corporation	53,394	\$ 39,754	\$ 91,936	\$ 62,369
Restructuring and other related items	471	14,490	7,571	32,158
Tax adjustment <sup>(1)</sup>	3	(3,970)	(1,956)	(7,368)
Adjusted net income	53,868	50,274	97,551	87,159
Adjusted net income margin	5.6%	5.3%	5.4%	4.8%
Weighted-average shares outstanding - diluted	123,954	123,036	123,881	123,143
Adjusted net income per share	\$ 0.43	\$ 0.41	\$ 0.79	\$ 0.71
Net income per share—diluted (in accordance with GAAP)	\$ 0.43	\$ 0.32	\$ 0.74	\$ 0.51

<sup>(1)</sup> The effective tax rate used to calculate adjusted net income and adjusted net income per share are 29.9% and 28.8% for the second quarter and six months ended June 30, 2017. The effective tax rate for the six months ended June 30, 2017 includes a \$0.9 million discrete tax benefit primarily associated with a South American jurisdiction. The effective tax rate used to calculate adjusted net income and adjusted net income per share for the second quarter and six months ended July 1, 2016 are 30.9% and 30.1%, respectively.

*Note: In thousands, except per share amounts.*

**COLFAX**

# Non-GAAP Reconciliation

(unaudited)

	Three Months Ended	
	June 30, 2017	July 1, 2016
Net income	\$ 58,475	\$ 43,963
Interest expense	8,418	8,711
Provision for income taxes	25,110	20,388
Depreciation and amortization	32,425	33,555
Restructuring and other related items	471	14,490
Adjusted EBITDA	\$ 124,899	\$ 121,107
Adjusted EBITDA margin	12.9%	12.7%

*Note: Dollars in thousands.*

**COLFAX**

# Non-GAAP Reconciliation

(unaudited)

	2017 EPS Range	
Projected net income per share – diluted	\$ 1.45	\$ 1.55
Restructuring costs <sup>(1)</sup>	0.28	0.28
Tax Adjustment	(0.08)	(0.08)
Projected adjusted net income per share - diluted	\$ 1.65	\$ 1.75

<sup>(1)</sup> Restructuring costs include a \$12 million gain on disposal and a \$4 million non-cash impairment charge for two facilities that were previously closed as part of restructuring activities. This represents an approximate net pre-tax impact of \$0.06 per share.