COLFAX

FOURTH QUARTER 2018 | EARNINGS CONFERENCE CALL

Forward Looking Statements & Non-GAAP Disclaimer

The following information may contain forward-looking statements, including forward-looking statements within the meaning of the U.S. 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 fact. 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 2017 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the period ended September 28, 2018 under the caption "Risk Factors." In addition, these statements are based on a number of assumptions that are subject to change. This press release speaks only as of the date hereof. 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, adjusted operating income, adjusted operating income margin, adjusted EBITDA, adjusted EBITDA margin, Core or organic sales growth (decline), and organic order growth (decline). Adjusted net income, adjusted net income per share, adjusted operating income, adjusted operating income margin, adjusted EBITDA and adjusted EBITDA margin exclude Restructuring and other related items, goodwill and intangible asset impairment charges, and Portfolio Transformation costs to the extent they impact the periods presented. Adjusted net income and adjusted net income per share also exclude the impact of acquisition-related amortization, inventory step up, pension settlement (gain) loss, and gain or loss on short term investments, to the extent they impact the periods presented. Adjusted EBITDA and adjusted EBITDA margin also exclude the gain or loss on short term investments and inventory step-up, to the extent they impact the periods presented. The effective tax rates used to calculate adjusted net income and adjusted net income per share for the quarter and year ended December 31, 2018 are 16.8% and 18.2%, respectively. The effective tax rates used to calculate adjusted net income and adjusted net income per share for the quarter and year ended December 31, 2017 are 20.1% and 25.7%, respectively. Core or 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 management in comparing its operating performance over time because certain items may obscure underlying business trends and make comparisons of long-term performance difficult, as they are of a nature and/or size that occur with inconsistent frequency or relate to discrete restructuring plans that are fundamentally different from the ongoing productivity improvements of the Company. Colfax management also believes that presenting these measures allows investors to view its performance using the same measures that the Company uses in evaluating its financial and business performance and trends.

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

Look Back on a Pivotal Year 2018

- Grew adjusted EPS 33% from $1.74 to $2.31
- Significantly grew Fab Tech business while successfully navigating raw material cost inflation
- Created structurally-higher margin path in Air & Gas Handling business and continued strong growth in Industrial applications
- Achieved $37 million restructuring cost savings
- Increased new product / applications vitality
- Completed monetization of Fluid Handling divestiture
- Acquired four complementary businesses in focused growth markets
- Announced acquisition of DJO Global, strategic review of Air & Gas Handling business, furthering portfolio transformation

Refer to Appendix for Non-GAAP reconciliation and footnotes.

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Q4 2018 Highlights

- Delivered Q4 financial performance in-line with expectations; drove tax actions to outperform
- Achieved Fabrication Technology core growth of 11%
- Expanded Air & Gas Handling adjusted operating margins to 12%; grew organic orders 13%; continued strong performance in Industrial applications
- Signed agreement to acquire DJO Global for $3.15 billion; recently completed successful $4.5 billion of financing to support the acquisition and refinance existing bank loans

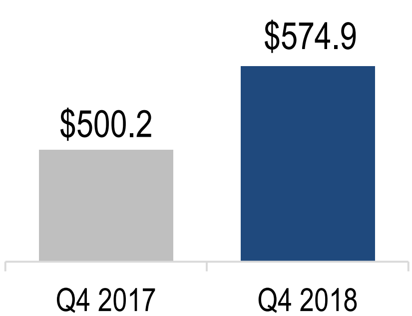
Refer to Appendix for Non-GAAP reconciliation and footnotes.

Fabrication Technology Growth

$Millions

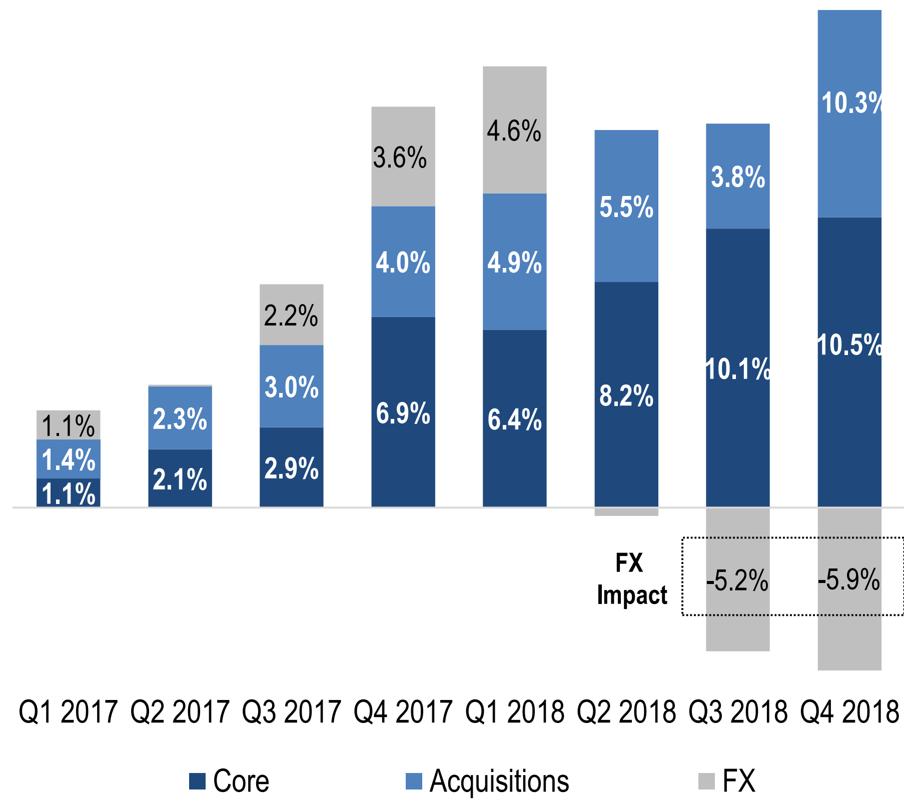
- Strong core growth across all regions and product groups
- Acquisitions performing well
- Automation and new products
- Strengthened USD impacted total sales

Q4 Sales



Volume	5.1 %
Price	5.4 %
Acquisitions	10.3%
FX Translation	(5.9)%
Total Change	14.9%

Fab Tech Core Sales Improvement

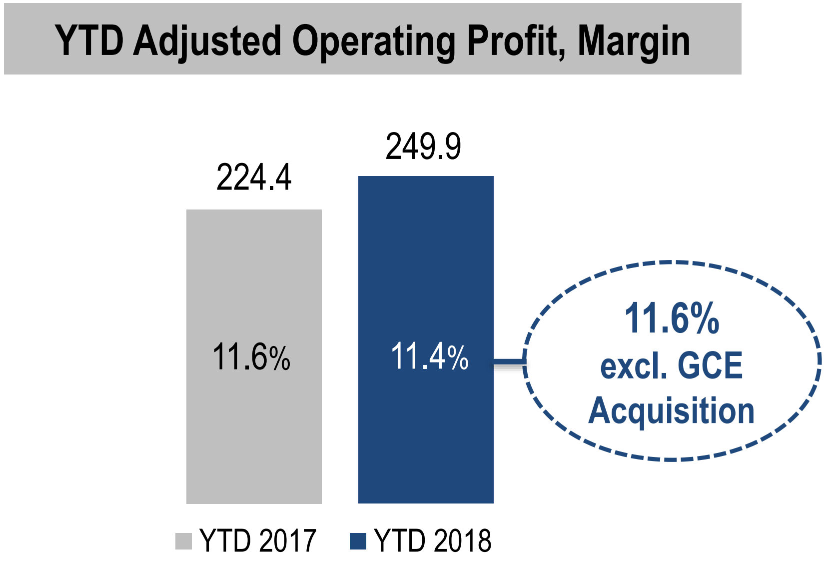


Refer to Appendix for Non-GAAP reconciliation and footnotes.

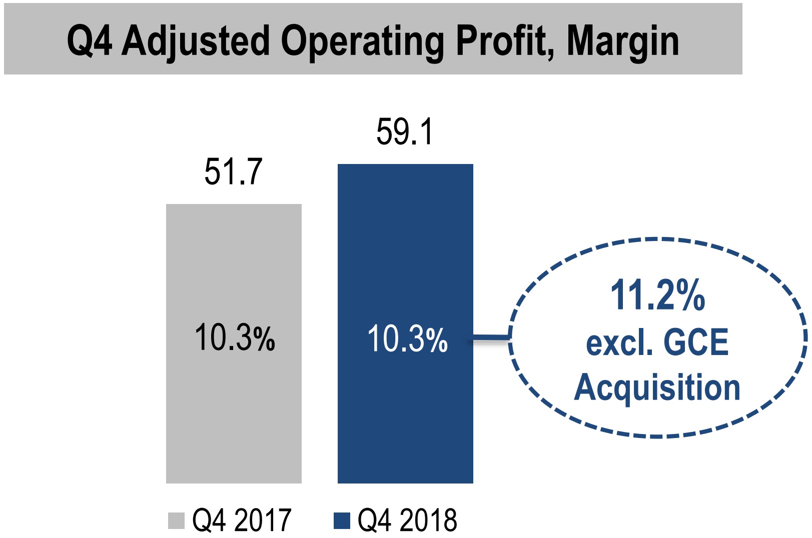
Fabrication Technology Adjusted Operating Profit

$Millions

- FY 2018 margins excluding GCE of 11.6%
  - 2018 FY results include 50 bps compression customer price pass-through of higher input costs



- Q4 margins excluding GCE of 11.2%
  - Includes property sale gain offset by non-routine charges including Argentina hyper-inflation
  - Clear path to 12%+ all-in margins in 1H 2019



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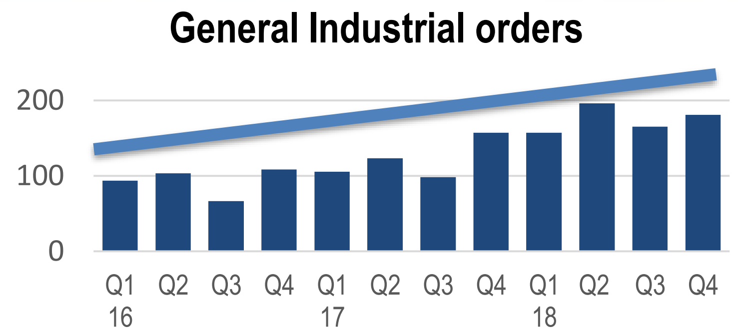
Air & Gas Handling Progress

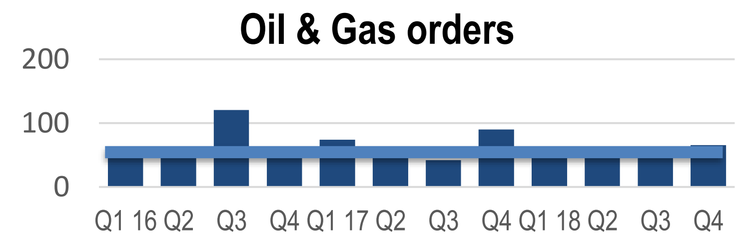
$Millions

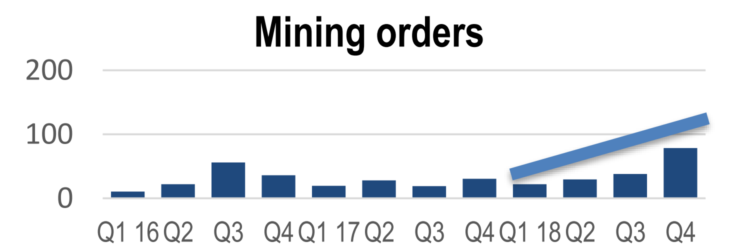
- Air & Gas Handling industrial segment orders grew organically 18%; continued momentum on diversification strategy
- Oil & Gas orders sequentially grew; margin quality improving
- Mining orders grew organically 141%; benefited from large order in the quarter
- Power applications continued at recent run-rate levels

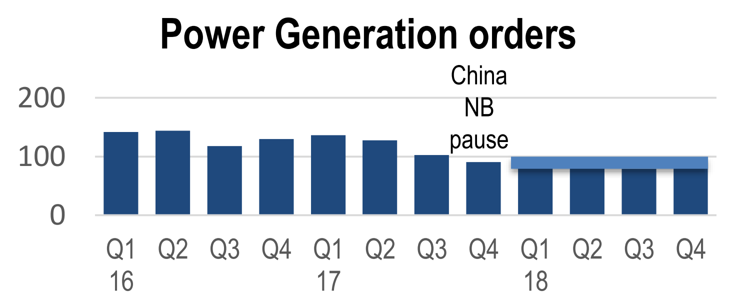
Q4 Orders

Existing Businesses	13.2%
Acquisitions	1.7%
FX Translation	(3.1)%
Total Increase	11.8%









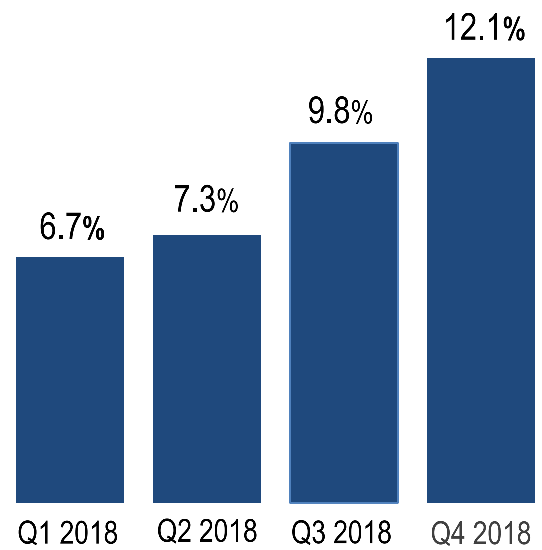
Refer to Appendix for Non-GAAP reconciliation and footnotes.

Air & Gas Handling Margin Improvement

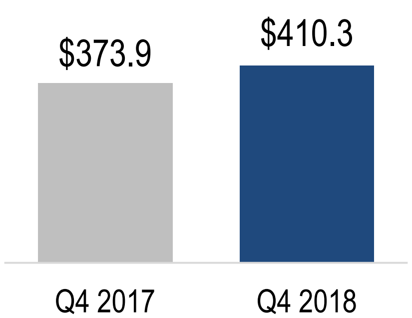
$Millions

- Delivered expected 230 bps sequential and 440 bps year-year margin improvement in Q4
  - Productivity, restructuring, project execution
  - Targeted pricing actions
  - Strategic focus on higher value Oil and Gas opportunities
- Backlog margin levels and restructuring support 2019 margin improvement

Adj. Operating Margin Improvement

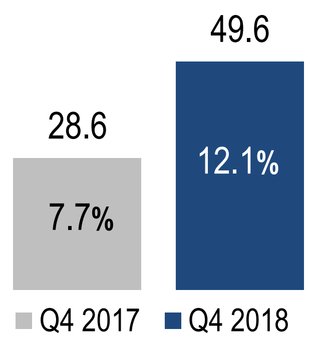


Q4 Sales



Existing Businesses	10.6%
Acquisitions	2.4%
FX Translation	(3.3)%
Total Change	9.7%

Q4 Adjusted Operating Profit



Refer to Appendix for Non-GAAP reconciliation and footnotes.

CBS Improving Our Businesses

Project Management Building Blocks

Early Engagement

Supplier Enrollment	Supplier Integration	Daily/Weekly Reviews	ROAR Implemented

Lean Project Management

Project Team Structure	Project Planning	Daily Management

Project Management Talent Program

PM Recruitment	PM Leadership Team	PM Skills Matrix	PM On-line Training

Daily Management

- Policy Deployment was used within Howden to drive improved project management
- During 2018, the business achieved:
  - Better on-time delivery
  - Enhanced project margins
  - Improved working capital

Cross functional CBS driving improved results in complex global projects

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Acquisition and Strategic Review Update

Acquisition Financing Completed

- ✓ $1.6bn Term Loan and RCF
- ✓ $460M Tangible Equity Units
- ✓ $1bn Senior Bond Offering
- ✓ $100M Cash

DJO Acquisition Progress

- Continuing to target Q1 2019 close
- Integration teams engaged and on track

Air and Gas Handling Strategic Review

- Goldman Sachs & Barclays leading efforts
- Moving with speed

Q4 2018 Financial Highlights

$Millions, except per share amounts

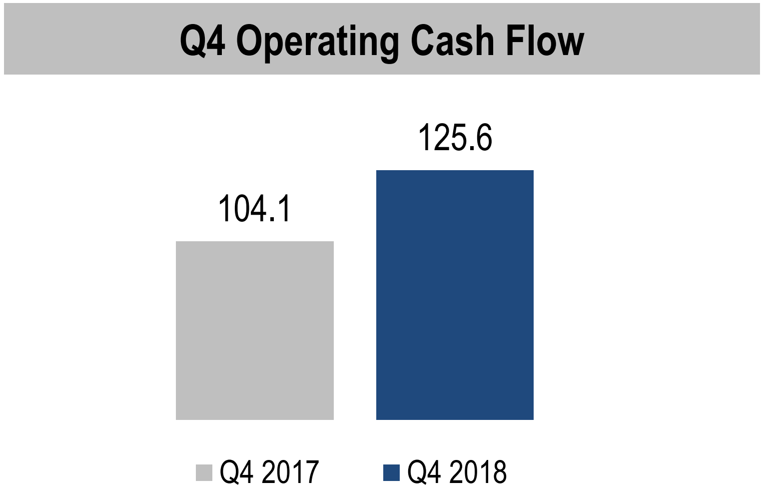
	Q4 2017	Q4 2018
Net sales	$874	$985
Gross profit	$268	$304
Margin	30.6%	30.8%
Adj Op Profit	$69	$92
Margin	7.9%	9.4%
Adjusted EBITDA	$105	$132
Margin	12.0%	13.4%
Adjusted EPS	$0.45	$0.69

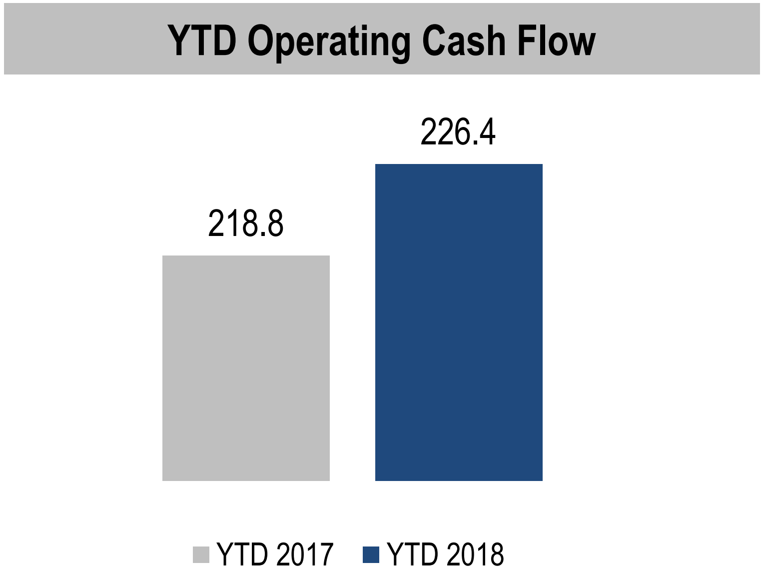
- Sales increased 13% yr-yr
  - Organic +11%, Acquisitions +7%, FX -5%
- Gross profit up $36M
  - Acquisitions, restructuring benefits, operating improvements
- Adjusted Operating Profit increased $23M
  - Net of $4M higher acquisition-related costs for GCE
- Tax strategies drove in-quarter rate to 17%
- Q4 2018 adjusted EPS increased 53% to $0.69

Refer to Appendix for Non-GAAP reconciliation and footnotes.

Operating Cash Flow

$Millions





- Improved Q4 operating cash flow performance $21M in Q4 due mostly to higher business profitability
- Increased FY operating cash flow despite prior year including $69M from divested FH business
- Additional opportunities to expand cash flow in 2019 from higher profitability, lower restructuring spending, lower pension funding, less working capital pressure

2019 Outlook

- First quarter is progressing in-line with expectations
- Re-affirming 2019 guidance for legacy businesses communicated on the December Outlook Call

Fab Tech	Sales growth	Total 7-9%; core MSD; acq. MSD; FX (LSD)
	Quarterly sales profile	23-24%, 25-26%, 24-25%, 25-26%
	Adj. OP Margins	Grow from mid-11s to 12.25-12.75%
	D&A	~$85 million
	Restructuring benefits	~$20 million
	Restructuring costs	~$25 million
A & GH	Orders growth	Total 3-7%; core M-HSD; acq LSD; FX (LSD)
	Sales growth	Total (1)-1%; core Flat +/-; acq LSD; FX (LSD)
	Quarterly sales profile	21-22%, 23-24%, 25-26%, 28-30%
	Adj. OP Margins	Grow from low-9s (>10% 2H) to 11.0-12.0%
	D&A	~$55 million
	Restructuring benefits	~$25 million
	Restructuring costs	~$20 million

- Will provide additional update after close of DJO acquisition

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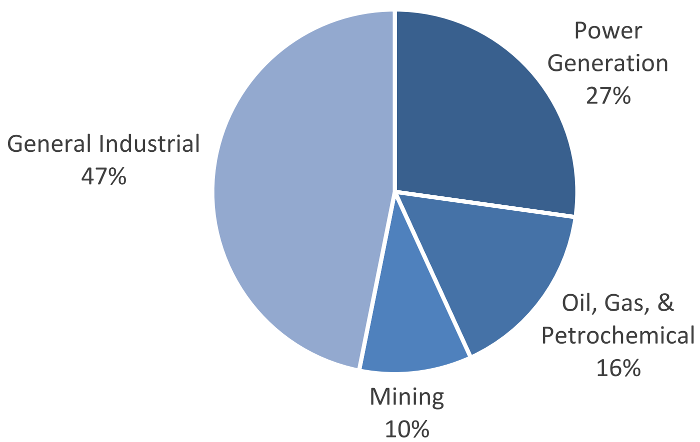
APPENDIX

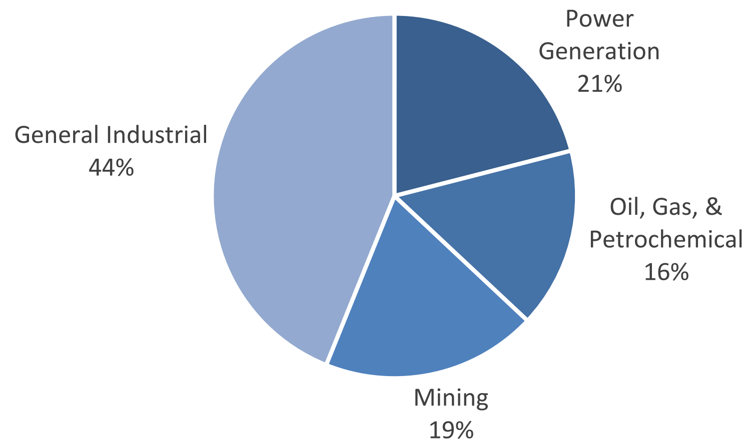
Q4 2018 Air & Gas Handling Sales and Orders by End Market

Sales: $410.3 million



	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	0.6%	3.7%
Oil, Gas & Petrochemical	(11.4)%	(13.6)%
Mining	5.3%	(1.1)%
General Industrial & Other	28.7%	31.4%
Total	**9.7%**	**10.6%**

Orders: $411.8 million

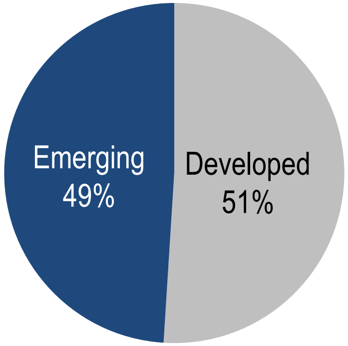


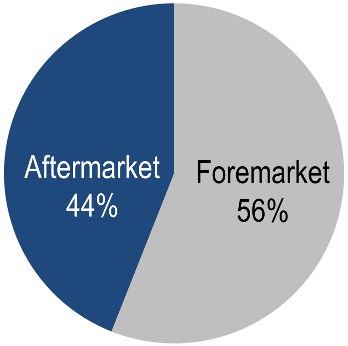
	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	(4.3)%	(1.5)%
Oil, Gas & Petrochemical	(27.1)%	(23.2)%
Mining	155.7%	140.7%
General Industrial & Other	15.2%	17.6%
Total	**11.8%**	**13.2%**

Additional Information

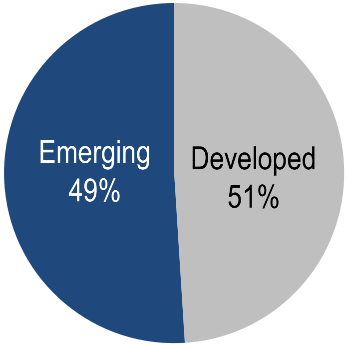
$Millions

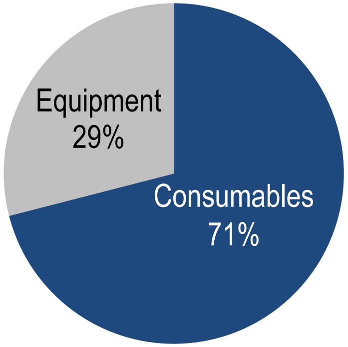
Air & Gas Handling YTD



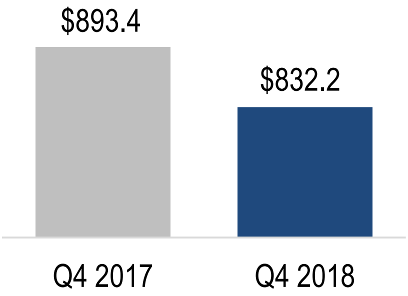


Fabrication Technology YTD





Air & Gas Handling Backlog



Existing Businesses	(5.5)%
Acquisitions	3.4%
FX Translation	(4.8)%
Total Change	(6.9)%

- 2018 backlog includes:
  - $20M sanction-related cancellation in the second quarter
  - Impact of strategic choice to focus on higher margin Oil & Gas projects

Change in Sales, Orders and Backlog
(Unaudited)

	Net Sales		Air and Gas Handling Orders	
	$	%	$	%
For three months ended December 31, 2017	$ 874.1		$ 368.5	
Components of Change:				
Existing Businesses[1]	92.8	10.6%	48.6	13.2%
Acquisitions[2]	60.5	6.9%	6.2	1.7%
Foreign Currency Translation	(42.2)	(4.8)%	(11.5)	(3.1)%
	111.1	12.7%	43.3	11.8%
For the three months ended December 31, 2018	**$ 985.2**		**$ 411.8**	

	Net Sales		Air and Gas Handling Orders		Air and Gas Handling Backlog at Period End	
	$	%	$	%	$	%
As of and for the twelve months ended December 31, 2017	$ 3,300.2		$ 1,306.5		$ 893.4	
Components of Change:						
Existing Businesses[1]	127.5	3.9%	(30.3)	(2.3)%	(49.4)	(5.5)%
Acquisitions[2]	260.8	7.9%	136.9	10.5%	30.8	3.4 %
Foreign Currency Translation	(21.7)	(0.7)%	23.3	1.7%	(42.6)	(4.8)%
	366.6	11.1%	129.9	9.9%	(61.2)	(6.9)%
As of and for the twelve months ended December 31, 2018	**$ 3,666.8**		**$ 1,436.4**		**$ 832.2**	

(1) 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.

(2) Represents the incremental sales, orders and order backlog as a result of the acquisitions completed in our Air and Gas Handling segment, and incremental sales for acquisitions completed in our Fabrication Technology segment.

Note: in millions

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Non-GAAP Reconciliation

(Unaudited)

	Three Months Ended December 31, 2018								Three Months Ended December 31, 2017							
	Air and Gas Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Air and Gas Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation	
Net sales	$ 410.3		$ 574.9		$ —		$ 985.2		$ 373.9		$ 500.2		$ —		$ 874.1	
Operating income (loss)	22.1	5.4%	49.6	8.6%	(22.8)		48.9	5.0%	(167.0)	(44.7)%	49.4	9.9%	(11.4)		(129.0)	(14.8)%
Restructuring and other related charges	27.5	6.7%	9.4	1.6%	—		36.9	3.7%	42.9	11.5%	2.3	0.5%	—		45.2	5.2%
Goodwill and intangible asset impairment charge	—		—		—		—		152.7	40.8%	—		—		152.7	17.5%
Portfolio Transformation costs	—		—		6.6		6.6	0.7%	—		—		—		—	
Adjusted operating income (loss)	$ 49.6	12.1%	$ 59.1	10.3%	$ (16.3)		$ 92.4	9.4%	$ 28.6	7.7%	$ 51.7	10.3%	$ (11.4)		$ 68.9	7.9%

	Year Ended December 31, 2018								Year Ended December 31, 2017							
	Air and Gas Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Air and Gas Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation	
Net sales	$ 1,473.7		$ 2,193.1		$ —		$ 3,666.8		1,362.9		1,937.3		—		3,300.2	
Operating income (loss)	85.4	5.8%	220.9	10.1%	(69.3)		237.0	6.5%	(78.7)	(5.8)%	208.2	10.7%	(53.5)		76.0	2.3%
Restructuring and other related charges	48.6	3.3%	29.1	1.3%	0.0		77.7	2.1%	52.2	3.8%	16.2	0.8%	—		68.4	2.1%
Goodwill and intangible asset impairment charge	—		—		—		—		152.7	11.2%	—		—		152.7	4.6%
Portfolio Transformation costs	—		—		6.6		6.6	0.2%	—		—		—		—	
Adjusted operating income (loss)	$ 134.0	9.1%	$ 249.9	11.4%	$ (62.7)		$ 321.2	8.8%	$ 126.2	9.3%	$ 224.4	11.6%	$ (53.4)		$ 297.1	9.0%

Note: In millions. Some periods may not foot due to rounding.

Non-GAAP Reconciliation

(Unaudited)

	Three Months Ended		Year Ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Adjusted Net Income and Adjusted Net Income Per Share				
Net income (loss) from continuing operations attributable to Colfax Corporation [(1)]	$ 43.0	$ (189.0)	$ 168.5	$ (73.0)
Restructuring and other related charges- pretax	36.9	45.2	77.7	68.4
Goodwill and intangible asset impairment charge - pretax		152.7		152.7
Pension settlement (gain) loss – pretax	(0.0)	46.9	(0.0)	46.9
Acquisition-related amortization and other non-cash charges- pretax[(2)]	23.1	18.7	81.8	60.1
Portfolio Transformation costs –pretax[(3)]	6.6	—	6.6	—
Loss on short term investments-pretax	—	—	10.1	—
Tax adjustment[(4)]	(28.4)	(18.8)	(65.4)	(38.8)
Adjusted net income from continuing operations	$ 81.1	$ 55.8	$ 279.3	$ 216.3
Adjusted net income per share continuing operations	$ 0.69	$ 0.45	$ 2.31	$ 1.74
Net income (loss) per share- diluted from continuing operations (GAAP)	$ 0.36	$ (1.53)	$ 1.40	$ (0.59)

(1) Net income from continuing operations attributable to Colfax Corporation for the respective periods is calculated using Net income from continuing operations less the income attributable to noncontrolling interest, net of taxes.

(2) Includes amortization of acquired intangibles and fair value charges on acquired inventory.

(3) Includes acquisition related expenses for the expected DJO acquisition and costs associated with the strategic review of the Air & Gas Handling business.

(4) The effective tax rates used to calculate adjusted net income and adjusted net income per share for the fourth quarter and year ended December 31, 2018 are 16.8% and 18.2%, respectively. The effective tax rates used to calculate adjusted net income and adjusted net income per share for the fourth quarter and year ended December 31, 2017 are 20.1% and 25.7%, respectively.

Note: In millions, except per share amounts. Some periods may not foot due to rounding.

Non-GAAP Reconciliation
(Unaudited)

	Three Months Ended	
	December 31, 2018	December 31, 2017
Operating income (loss)	$ 48.9	$ (129.0)
Depreciation and amortization	37.4	34.9
Inventory step-up	1.9	1.0
Restructuring and other related charges	36.9	45.2
Goodwill and intangible asset impairment charge	—	152.7
Portfolio transformation costs	6.6	—
Adjusted EBITDA	$ 131.7	$ 104.7
Adjusted EBITDA margin	13.4%	12.0%

Note: In millions. Some periods may not foot due to rounding.