

Colfax Corporation (the "Company") has provided certain preliminary, unaudited financial information related to its previously reported 2016 and 2017 quarters to reflect its fluid handling business as a discontinued operation, as the Company announced the signing of an agreement to sell the business on September 24, 2017. The information presented herein is subject to change and final data will be provided in connection with the Company's 2017 year-end results.

### **Non-GAAP Financial Measures and Other Adjustments**

Colfax has provided 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 and adjusted operating income. Adjusted net income, adjusted net income per share and adjusted operating income exclude Restructuring and other related items and divestiture-related expense associated with the sale of our fluid handling business to the extent they impact the periods presented. Adjusted net income, adjusted net income per share and adjusted operating income for the three months ended September 30, 2016 also exclude the loss recorded on our deconsolidation of our Venezuelan operations and the asbestos coverage adjustment. The effective tax rates used to calculate adjusted net income and adjusted net income per share for continuing operations are 26.9%, 28.6%, 23.1%, 23.0%, 25.3%, 28.8%, and 26.6% for the quarters ended April 1, 2016, July 1, 2016, September 30, 2016, December 31, 2016, March 31, 2017, June 30, 2017 and September 29, 2017, respectively. The tax adjustment for adjusted net income from discontinued operations is calculated as the tax adjustment for consolidated adjusted net income less the tax adjustment for adjusted net income from continuing operations. 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.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of non-GAAP financial measures presented to GAAP results has been provided in the financial tables included below.

**Colfax Corporation**  
**Condensed Consolidated Statements of Income**  
**Dollars in thousands, except per share amounts**  
**(Preliminary, Unaudited)**

	Three Months Ended						
	April 1, 2016	July 1, 2016	September 30, 2016	December 31, 2016	March 31, 2017	June 30, 2017	September 29, 2017
Net sales	\$ 765,708	\$ 841,116	\$ 766,521	\$ 812,408	\$ 733,630	\$ 847,962	\$ 844,509
Cost of sales	524,015	578,731	528,207	562,418	493,801	589,898	580,610
Gross profit	241,693	262,385	238,314	249,990	239,829	258,064	263,899
Selling, general and administrative expense	178,594	180,527	167,851	170,114	174,833	176,882	181,835
Restructuring and other related charges	15,206	11,040	11,752	20,498	4,773	11,060	7,298
Operating income	47,893	70,818	58,711	59,378	60,223	70,122	74,766
Interest expense	9,355	8,741	6,892	5,288	9,254	8,524	11,328
Income from continuing operations before income taxes	38,538	62,077	51,819	54,090	50,969	61,598	63,438
Provision for income taxes	11,541	18,040	11,271	10,920	12,578	19,734	13,816
Net income from continuing operations	26,997	44,037	40,548	43,170	38,391	41,864	49,622
Income (loss) from discontinued operations, net of taxes	(787)	(74)	(8,349)	(351)	3,097	16,611	2,082
Net income	26,210	43,963	32,199	42,819	41,488	58,475	51,704
Less: income attributable to noncontrolling interest, net of taxes	3,595	4,209	4,229	5,047	2,945	5,081	5,841
Net income attributable to Colfax Corporation	\$ 22,615	\$ 39,754	\$ 27,970	\$ 37,772	\$ 38,543	\$ 53,394	\$ 45,863
<i>Net income (loss) per share - basic</i>							
Continuing operations	\$ 0.19	\$ 0.32	\$ 0.30	\$ 0.31	\$ 0.29	\$ 0.30	\$ 0.36
Discontinued operations	\$ (0.01)	\$ —	\$ (0.07)	\$ —	\$ 0.03	\$ 0.13	\$ 0.02
Consolidated operations	\$ 0.18	\$ 0.32	\$ 0.23	\$ 0.31	\$ 0.31 *	\$ 0.43	\$ 0.37 *
<i>Net income (loss) per share - diluted</i>							
Continuing operations	\$ 0.19	\$ 0.32	\$ 0.30	\$ 0.31	\$ 0.29	\$ 0.30	\$ 0.35
Discontinued operations	\$ (0.01)	\$ —	\$ (0.07)	\$ —	\$ 0.03	\$ 0.13	\$ 0.02
Consolidated operations	\$ 0.18	\$ 0.32	\$ 0.23	\$ 0.31	\$ 0.31 *	\$ 0.43	\$ 0.37

\* Net income per share amount does not add due to rounding.

*The financial results above are presented on a preliminary basis; final data will be provided in connection with the Company's 2017 year-end results.*

**Colfax Corporation**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**Dollars in thousands**  
**(Preliminary, Unaudited)**

	Three Month Ended April 1, 2016				Three Month Ended July 1, 2016				Three Month Ended September 30, 2016				Three Month Ended December 31, 2016			
Continuing Operations (Preliminary, Unaudited)	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation
Orders	\$ 295,939			\$ 295,939	\$ 319,316			\$ 319,316	\$ 360,942			\$ 360,942	\$ 328,832			\$ 328,832
Net sales	\$ 321,603	\$ 444,105	\$ —	\$ 765,708	\$ 367,559	\$ 473,557	\$ —	\$ 841,116	\$ 320,436	\$ 446,085	\$ —	\$ 766,521	\$ 375,663	\$ 436,745	\$ —	\$ 812,408
Operating income (loss)	\$ 22,764	\$ 38,810	\$ (13,681)	\$ 47,893	\$ 35,705	\$ 47,077	\$ (11,964)	\$ 70,818	\$ 27,476	\$ 41,178	\$ (9,943)	\$ 58,711	\$ 37,377	\$ 36,444	\$ (14,443)	\$ 59,378
Restructuring and other related charges	8,131	7,075	—	15,206	3,646	7,394	—	11,040	4,856	6,896	—	11,752	10,175	10,323	—	20,498
Loss on deconsolidation of Venezuelan operations	—	—	—	—	—	—	—	—	—	495	—	495	—	—	—	—
Adjusted operating income (loss)	\$ 30,895	\$ 45,885	\$ (13,681)	\$ 63,099	\$ 39,351	\$ 54,471	\$ (11,964)	\$ 81,858	\$ 32,332	\$ 48,569	\$ (9,943)	\$ 70,958	\$ 47,552	\$ 46,767	\$ (14,443)	\$ 79,876
	Three Month Ended March 31, 2017				Three Month Ended June 30, 2017				Three Month Ended September 29, 2017							
Continuing Operations (Preliminary, Unaudited)	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Air and Gas Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation				
Orders	\$ 335,580			\$ 335,580	\$ 339,793			\$ 339,793	\$ 262,642			\$ 262,642				
Net sales	\$ 273,569	\$ 460,061	\$ —	\$ 733,630	\$ 353,165	\$ 494,797	\$ —	\$ 847,962	\$ 362,310	\$ 482,199	\$ —	\$ 844,509				
Operating income (loss)	\$ 20,792	\$ 52,897	\$ (13,466)	\$ 60,223	\$ 31,320	\$ 52,958	\$ (14,156)	\$ 70,122	\$ 36,173	\$ 52,995	\$ (14,402)	\$ 74,766				
Restructuring and other related charges	2,031	2,742	—	4,773	3,193	7,867	—	11,060	4,061	3,237	—	7,298				
Adjusted operating income (loss)	\$ 22,823	\$ 55,639	\$ (13,466)	\$ 64,996	\$ 34,513	\$ 60,825	\$ (14,156)	\$ 81,182	\$ 40,234	\$ 56,232	\$ (14,402)	\$ 82,064				

*The financial results above are presented on a preliminary basis; final data will be provided in connection with the Company's 2017 year-end results.*

**Colfax Corporation**  
**Reconciliation of GAAP to Non-GAAP Financial Measures - (Continued)**  
**Dollars in thousands, except per share amounts**  
**(Preliminary, Unaudited)**

<b>Adjusted Net Income and Adjusted Net Income Per Share from Continuing Operations</b>	<b>Three Months Ended</b>						
	<b>April 1, 2016</b>	<b>July 1, 2016</b>	<b>September 30, 2016</b>	<b>December 31, 2016</b>	<b>March 31, 2017</b>	<b>June 30, 2017</b>	<b>September 29, 2017</b>
Net income from continuing operations attributable to Colfax Corporation	\$ 23,402	\$ 39,828	\$ 36,319	\$ 38,123	\$ 35,446	\$ 36,783	\$ 43,781
Restructuring and other related charges- pretax	15,206	11,040	11,752	20,498	4,773	11,060	7,298
Loss on deconsolidation of Venezuelan operations- pretax	—	—	495	—	—	—	—
Tax adjustment	(2,933)	(2,863)	(3,529)	(6,238)	(1,442)	(1,254)	(5,172)
Adjusted net income from continuing operations	\$ 35,675	\$ 48,005	\$ 45,037	\$ 52,383	\$ 38,777	\$ 46,589	\$ 45,907
Weighted-average shares outstanding - diluted	123,243	123,036	123,102	123,385	123,795	123,954	124,081
Adjusted net income per share from continuing operations	\$ 0.29	\$ 0.39	\$ 0.37	\$ 0.42	\$ 0.31	\$ 0.38	\$ 0.37
Net income per share from continuing operations - diluted (GAAP)	\$ 0.19	\$ 0.32	\$ 0.30	\$ 0.31	\$ 0.29	\$ 0.30	\$ 0.35

<b>Adjusted Net Income and Adjusted Net Income Per Share from Discontinued Operations</b>	<b>Three Months Ended</b>						
	<b>April 1, 2016</b>	<b>July 1, 2016</b>	<b>September 30, 2016</b>	<b>December 31, 2016</b>	<b>March 31, 2017</b>	<b>June 30, 2017</b>	<b>September 29, 2017</b>
Net income from discontinued operations attributable to Colfax Corporation	\$ (787)	\$ (74)	\$ (8,349)	\$ (351)	\$ 3,097	\$ 16,611	\$ 2,082
Restructuring and other related charges- pretax	2,462	3,450	5,407	4,355	2,327	(10,589)	634
Loss on deconsolidation of Venezuelan operations- pretax	—	—	1,874	—	—	—	—
Asbestos coverage adjustment- pretax	—	—	8,226	—	—	—	—
Divestiture-related expense, net- pretax	—	—	—	—	800	800	5,675
Tax adjustment	(465)	(1,107)	(4,385)	480	(823)	952	(2,187)
Adjusted net income from discontinued operations	\$ 1,210	\$ 2,269	\$ 2,773	\$ 4,484	\$ 5,401	\$ 7,774	\$ 6,204
Weighted-average shares outstanding - diluted	123,243	123,036	123,102	123,385	123,795	123,954	124,081
Adjusted net income per share from discontinued operations	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.05	\$ 0.06	\$ 0.05
Net income per share from discontinued operations - diluted (GAAP)	\$ (0.01)	\$ —	\$ (0.07)	\$ —	\$ 0.03	\$ 0.13	\$ 0.02

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