



3Q 2009 Preliminary Earnings Call

November 3, 2009



The preliminary financial results reflect management's best estimate of the Company's net asbestos liability based upon information currently available. The preliminary results do not reflect any potential adjustments from the favorable asbestos ruling on October 14, 2009 for the Company's Warren Pumps subsidiary. The Company expects additional information related to this matter to become available prior to filing its third quarter Form 10-Q with the SEC on or before November 16, 2009. Any adjustments that result from the Company's evaluation of this information will be reflected in the Company's financial statements included in its third quarter Form 10-Q.

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 as well as its 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.

- Adjusted net income of \$10.0 million (23 cents per share) compared to \$12.1 million (28 cents per share) in Q3 2008, including negative currency effects of 1 cent per share
- Net sales of \$128.5 million compared to \$153.5 million in Q3 2008, a decrease of 16.2% (organic decline of 12.0%)
- Adjusted operating income of \$16.5 million compared to \$20.3 million in Q3 2008, including negative currency effects of \$0.8 million
- Adjusted EBITDA of \$20.2 million compared to \$24.0 million in Q3 2008, including negative currency effects of \$1.0 million
- Third quarter orders of \$124.3 million compared to \$173.8 in Q3 2008, a decrease of 28.5% (organic decline of 25.5%)
- Backlog of \$298.0 million



Q3 2009 Highlights Continued

Q3 2009 Earnings Call

- Lower results for Q3 2009 vs. Q3 2008 but held margin
 - Organic sales down 12% overall driven by general industrial; strong growth in global navy (up 79%) and power generation (up 17%)
 - Gross profit margin up 40 bps to 35.9% and adjusted EBITDA margin held at 15.7%
- Global business conditions still weak; seeing signs of improvement
 - Organic orders declined 26% - commercial marine (down 27%), oil & gas (down 49%), and general industrial (down 33%)
 - Weakness in most general industrial submarkets including chemical, machinery support and building products
 - Marine cancellations minimal (\$0.5 million in Q3 2009)
 - Organic orders up 15% sequentially, backlog up slightly
 - Solid increases in commercial marine (up 25%), power generation (up 44%), global navy (up 55%) and general industrial (up 15%)
- Purchased PD-Technik, a provider of commercial marine products and services in Hamburg, Germany – enhances aftermarket opportunities





YTD 2009 Highlights

Q3 2009 Earnings Call

- Adjusted net income of \$28.9 million (67 cents per share) compared to \$36.2 million (82 cents per share) in 2008, including negative currency effects of 10 cents per share
- Net sales of \$394.1 million compared to \$445.5 million in 2008, a decrease of 11.6% (organic decline of 2.5%)
- Adjusted operating income of \$47.9 million compared to \$62.2 million in 2008, including negative currency effects of \$6.4 million
- Adjusted EBITDA of \$58.5 million compared to \$73.5 million in 2008, including negative currency effects of \$7.2 million
- Orders of \$349.2 million compared to \$542.9 million in 2008, a decrease of 35.7% (organic decline of 29.9%)



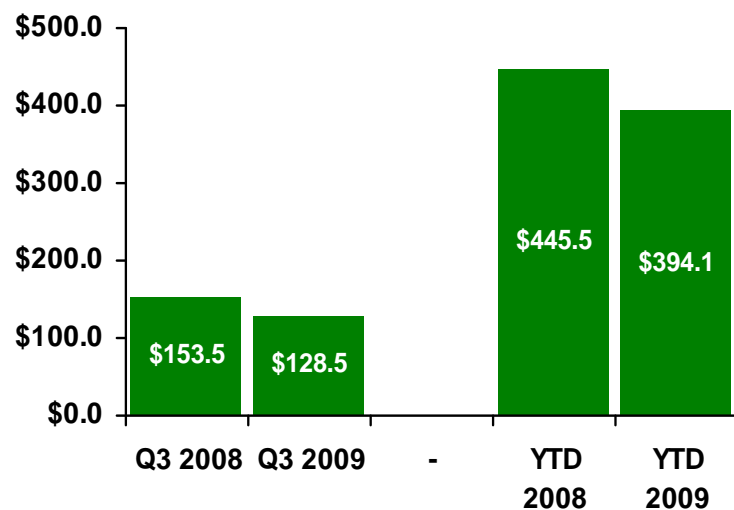
- Continuing to rightsize to align capacity with demand
- Major actions since the beginning of the year:
 - Reduced temporary, contract and full-time employees (approximately 230 associates)
 - Implemented furlough programs in Germany (approximately 628 associates, 100 full-time equivalents)
 - Closed facility in Aberdeen, NC
 - Closing Sanford, NC facility by year end
- Expect savings of about \$16 million in 2009, including furlough-related savings
- Expect restructuring expenses of about \$14 million in 2009 for activities announced to date
- Additional restructuring anticipated in 4Q
- Will remain agile and respond as conditions warrant
- CBS activity continues in all areas



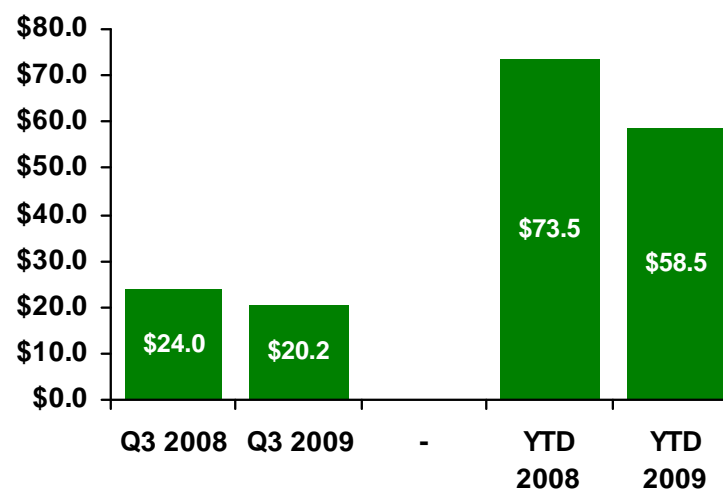
Revenue and Adjusted EBITDA

Q3 2009 Earnings Call

Revenue



Adjusted EBITDA ⁽¹⁾



	Q3 2008	Q3 2009	-	YTD 2008	YTD 2009
Existing Businesses	--	(12.0)%	--	--	(2.5)%
Acquisitions	--	0.3%	--	--	0.1%
FX Translation	--	(4.6)%	--	--	(9.1)%
Total Growth (Decline)	--	(16.2)%	--	--	(11.6)%

% Margin	Q3 2008	Q3 2009	-	YTD 2008	YTD 2009
	15.7%	15.7%	--	16.5%	14.8%

(1) Refer to Appendix for Non-GAAP reconciliation.

Note: Dollars in millions.

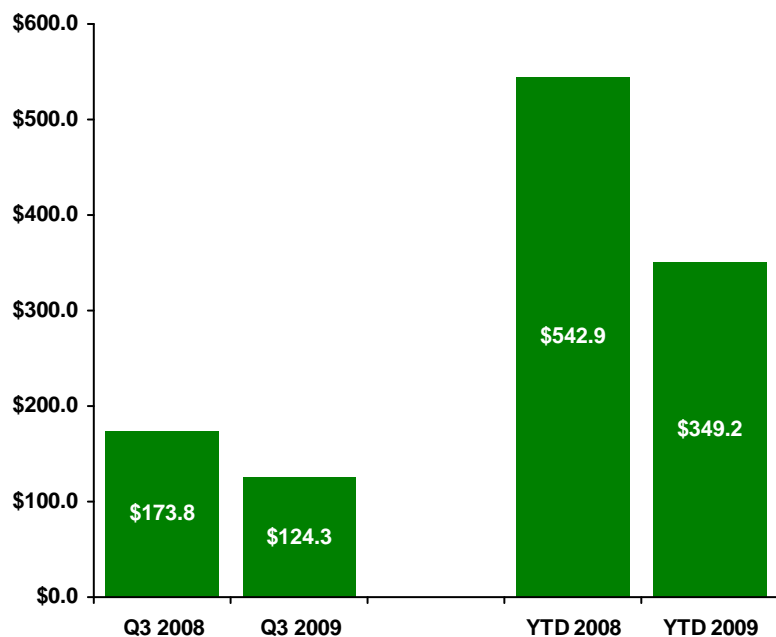




Orders and Backlog

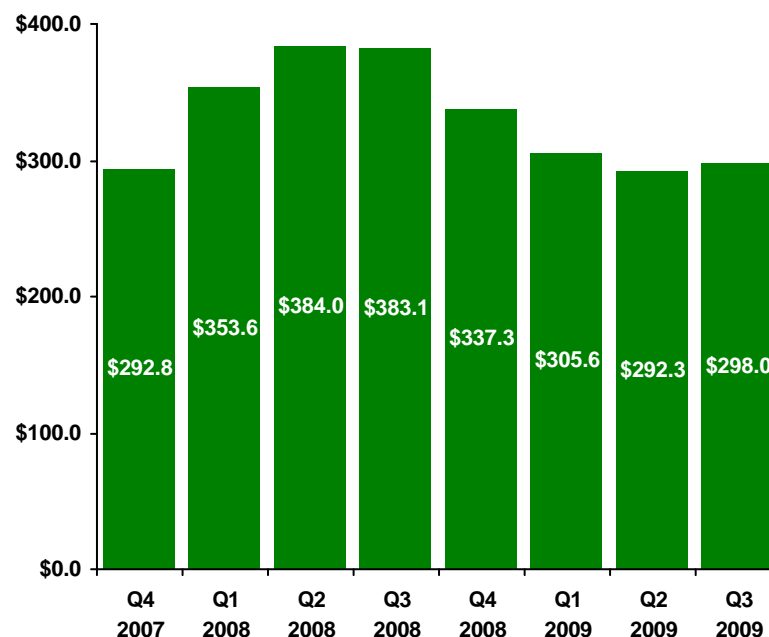
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Orders



Existing Businesses	--	(25.5)%	--	(29.9)%
Acquisitions	--	0.2%	--	0.1%
FX Translation	--	(3.2)%	--	(5.8)%
Total Growth		(28.5)%		(35.7)%

Backlog



Note: Dollars in millions.

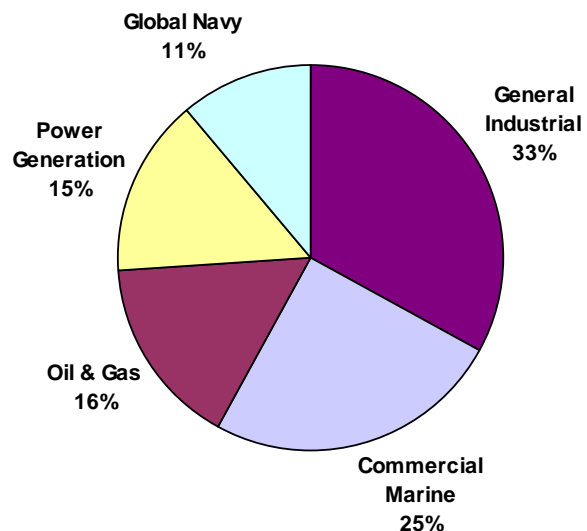




Q3 2009 Sales and Orders by End Market

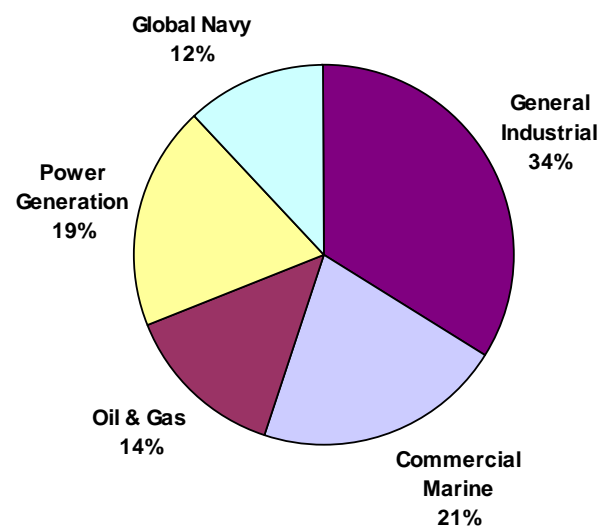
Q3 2009 Earnings Call

Sales: \$128.5 million



	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	(18)%	(9)%
Oil & Gas	(8)%	(8)%
Power Generation	12%	17%
Global Navy	78%	79%
General Industrial	(36)%	(34)%
Total	(16)%	(12)%

Orders: \$124.3 million



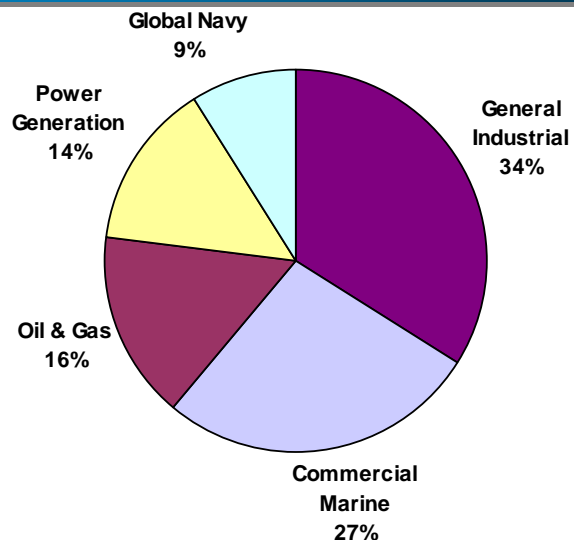
	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	(33)%	(27)%
Oil & Gas	(49)%	(49)%
Power Generation	(9)%	(7)%
Global Navy	55%	59%
General Industrial	(35)%	(33)%
Total	(29)%	(26)%



2009 YTD Sales and Orders by End Market

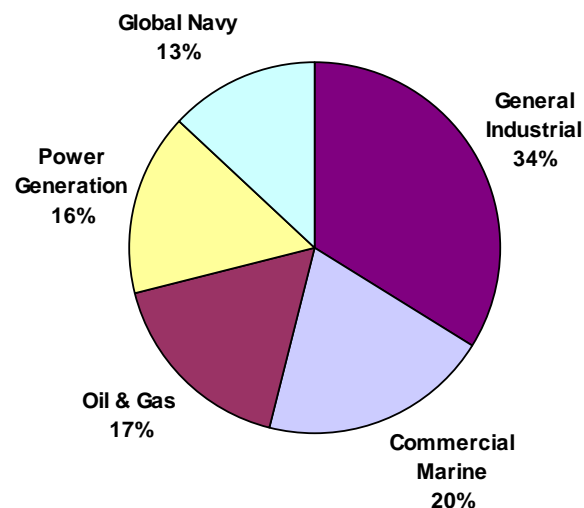
Q3 2009 Earnings Call

Sales: \$394.1 million



	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	(4)%	13%
Oil & Gas	-	4%
Power Generation	(8)%	-
Global Navy	43%	46%
General Industrial	(28)%	(21)%
Total	(12)%	(3)%

Orders: \$349.2 million



	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	(56)%	(48)%
Oil & Gas	(27)%	(23)%
Power Generation	(20)%	(14)%
Global Navy	29%	32%
General Industrial	(41)%	(35)%
Total	(36)%	(30)%



2009 Q3 vs. Q2 Sales and Orders by End Market

Q3 2009 Earnings Call

Sales

	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	(8)%	(16)%
Oil & Gas	(6)%	(7)%
Power Generation	1%	(2)%
Global Navy	40%	39%
General Industrial	(2)%	(5)%
Total	(0)%	(4)%

Orders

	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	36%	25%
Oil & Gas	(27)%	(28)%
Power Generation	49%	44%
Global Navy	56%	55%
General Industrial	19%	15%
Total	20%	15%

- Strong balance sheet
 - Debt to adjusted EBITDA - approximately 1X
 - Debt of \$93 million, principal payments of \$9 million in 2010, matures in 2013
 - Cash = \$51 million
 - \$136 million available on revolver
- Strong cash flow
 - Adjusted EBITDA (LTM) of \$84 million

Note: As of 10/2/09





Preliminary Income Statement Summary

Q3 2009 Earnings Call

	Three Months Ended		Delta	
	October 2, 2009	September 26, 2008	\$	%
Orders	\$ 124.3	\$ 173.8	\$ (49.5)	(28.5)%
Sales	\$ 128.5	\$ 153.5	\$ (24.9)	(16.2)%
Gross Profit	\$ 46.2	\$ 54.5	\$ (8.3)	(15.2)%
% of Sales	35.9%	35.5%		
Adjusted SG&A Expenses	\$ 28.1	\$ 32.7	\$ (4.5)	(13.8)%
R&D Expense	1.5	1.5	0.0	3.0 %
Operating Expenses	\$ 29.7	\$ 34.1	\$ (4.5)	(13.1)%
% of Sales	23.1%	22.2%		
Adjusted Operating Income	\$ 16.5	\$ 20.3	\$ (3.8)	(18.7)%
% of Sales	12.9%	13.3%		
Adjusted EBITDA	\$ 20.2	\$ 24.0	\$ (3.8)	(15.9)%
% of Sales	15.7%	15.7%		
Adjusted Net Income	\$ 10.0	\$ 12.1	\$ (2.1)	(17.6)%
% of Sales	7.8%	7.9%		
Adjusted Net Income Per Share	\$ 0.23	\$ 0.28	\$ (0.05)	(16.3)%

Refer to Appendix for Non-GAAP reconciliation.

Note: Dollars in millions.





Preliminary Income Statement Summary

Q3 2009 Earnings Call

	Nine Months Ended		Delta	
	October 2, 2009	September 26, 2008	\$	%
Orders	\$ 349.2	\$ 542.9	\$ (193.7)	(35.7)%
Sales	\$ 394.1	\$ 445.5	\$ (51.5)	(11.6)%
Gross Profit	\$ 138.8	\$ 159.4	\$ (20.6)	(12.9)%
% of Sales	35.2%	35.8%		
Adjusted SG&A Expense	\$ 86.2	\$ 92.8	\$ (6.6)	(7.1)%
R&D Expense	4.6	4.4	0.2	4.1 %
Operating Expenses	\$ 90.9	\$ 97.2	\$ (6.4)	(6.6)%
% of Sales	23.1%	21.8%		
Adjusted Operating Income	\$ 47.9	\$ 62.2	\$ (14.3)	(23.0)%
% of Sales	12.2%	14.0%		
Adjusted EBITDA	\$ 58.5	\$ 73.5	\$ (15.0)	(20.4)%
% of Sales	14.8%	16.5%		
Adjusted Net Income	\$ 28.9	\$ 36.2	\$ (7.3)	(20.2)%
% of Sales	7.3%	8.1%		
Adjusted Net Income Per Share	\$ 0.67	\$ 0.82	\$ (0.16)	(18.9)%

Refer to Appendix for Non-GAAP reconciliation.

Note: Dollars in millions.





Preliminary Statement of Cash Flows Summary

Q3 2009 Earnings Call

	Nine Months Ended	
	October 2, 2009	September 26, 2008
Net income (loss)	\$ 13.0	\$ (11.0)
Non-cash expenses	14.0	9.5
Change in working capital and accrued liabilities	6.1	(26.3)
Other	0.9	(2.9)
Total Operating Activities	\$ 34.0	\$ (30.7)
Capital expenditures	\$ (7.8)	\$ (13.3)
Acquisitions, net of cash acquired	(1.3)	-
Other	0.3	-
Total Investing Activities	\$ (8.8)	\$ (13.3)
Repayments of borrowings	\$ (3.8)	\$ (107.8)
Proceeds from IPO, net of offering costs	-	193.0
Dividends paid to preferred shareholders	-	(38.5)
Other	(0.4)	(3.4)
Total Financing Activities	\$ (4.2)	\$ 43.3
Effect of exchange rates on cash	1.0	0.5
Increase (decrease) in cash	22.0	(0.2)
Cash, beginning of period	28.8	48.1
Cash, end of period	\$ 50.8	\$ 47.9

Note: Dollars in millions.





2009 Outlook Summary

Q3 2009 Earnings Call

Revenue Range			
2009 Organic growth ⁽¹⁾	(8)%	To	(10)%
2009 Total	\$515 million	To	\$525 million

EPS Range			
2009 Net income per share	\$0.35	To	\$0.41
2009 Adjusted net income per share ⁽²⁾	\$0.88	To	\$0.94

Assumptions	
Asbestos coverage litigation	\$12 million
Asbestos liability and defense costs	\$7 million
Euro	\$1.46
Tax rate	32%
Interest expense	\$8 million
Incremental public company costs	\$2.5 million
Outstanding shares	43.3 million

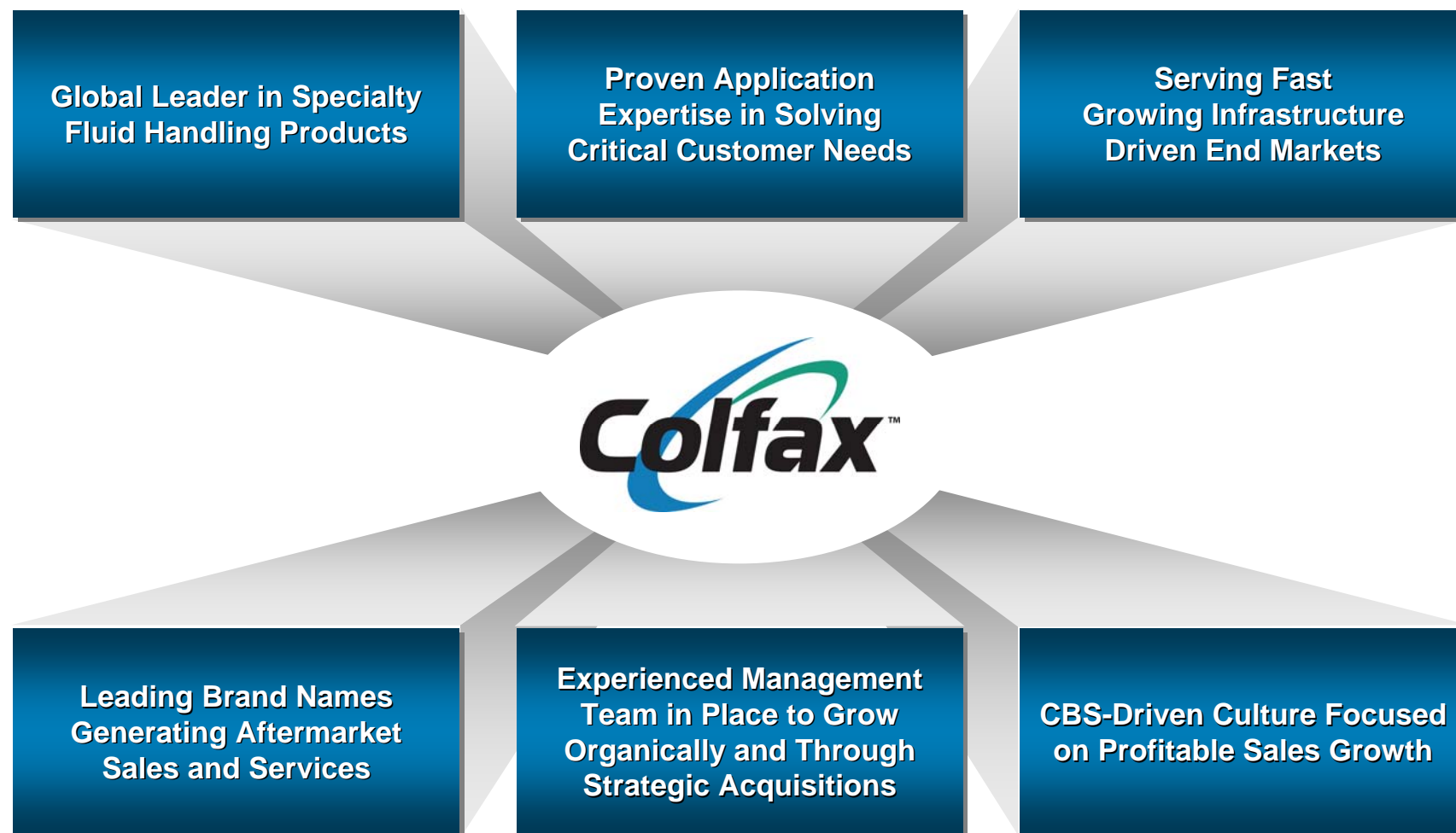
(1) Excludes impact of acquisitions and foreign exchange rate fluctuations

(2) Excludes impact of asbestos coverage litigation, asbestos liability and defense costs, and restructuring and other related charges

(See Appendix for Non-GAAP reconciliation)

NOTE: Guidance as of 11/3/09





Appendix

Adjusted net income, adjusted net income per share, adjusted operating income and adjusted EBITDA exclude asbestos liability and defense costs (income) and asbestos coverage litigation expenses, certain legacy legal charges, certain due diligence costs, restructuring and other related charges as well as one time initial public offering-related costs to the extent they impact the periods presented. Adjusted selling, general and administrative expenses exclude certain legacy legal adjustments and certain due diligence costs. Adjusted net income also reflects interest expense as if the initial public offering (IPO) had occurred at the beginning of 2007 and presents income taxes at an effective tax rate of 32% in 2009 and 34% in 2008. Adjusted net income per share in 2008 assumes the 44,006,026 shares outstanding at the closing of the IPO to be outstanding since January 1, 2007. Projected adjusted net income per share excludes actual and estimated restructuring and other related charges, asbestos coverage litigation expenses and asbestos liability and defense costs. 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 changes in our capital structure and asset base, non-recurring items such as IPO-related costs, legacy asbestos issues (except in the case of EBITDA) and items outside the control of its operating management team.

Sales and order information by end market are estimates. We periodically update our customer groupings in order to refine these estimates. During 2009, reclassifications of previously reported amounts were made to conform to current period presentation. No changes have been made to total sales or orders.



Non-GAAP Reconciliation

Q3 2009 Earnings Call

(Preliminary¹ and unaudited)

	Three Months Ended		Nine Months Ended	
	October 2, 2009	September 26, 2008	October 2, 2009	September 26, 2008
EBITDA				
Net income (loss)	\$ 1,819	\$ 13,651	\$ 13,046	\$ (10,950)
Interest expense	1,834	1,951	5,466	9,684
Provision (benefit) for income taxes	64	5,329	5,309	(3,772)
Depreciation and amortization	3,681	3,695	10,592	11,345
EBITDA	<u>\$ 7,398</u>	<u>\$ 24,626</u>	<u>\$ 34,413</u>	<u>\$ 6,307</u>
EBITDA margin	5.8%	16.0%	8.7%	1.4%
Adjusted EBITDA				
Net income (loss)	\$ 1,819	\$ 13,651	\$ 13,046	\$ (10,950)
Interest expense	1,834	1,951	5,466	9,684
Provision (benefit) for income taxes	64	5,329	5,309	(3,772)
Depreciation and amortization	3,681	3,695	10,592	11,345
Restructuring and other related charges	9,608	-	10,755	-
IPO-related costs	-	-	-	57,017
Legacy legal adjustment	-	-	-	4,131
Due diligence costs	-	582	-	582
Asbestos liability and defense costs (income)	1,377	(6,312)	4,504	(6,749)
Asbestos coverage litigation expense	1,845	5,148	8,838	12,257
Adjusted EBITDA	<u>\$ 20,228</u>	<u>\$ 24,044</u>	<u>\$ 58,510</u>	<u>\$ 73,545</u>
Adjusted EBITDA margin	15.7%	15.7%	14.8%	16.5%

¹ The preliminary financial results as of and for the three and nine months ending October 2, 2009 reflect management's best estimate of the Company's net asbestos liability based upon information currently available. The preliminary results do not reflect any potential adjustments from the favorable asbestos ruling on October 14, 2009 for the Company's Warren Pumps subsidiary. The Company expects additional information related to this matter to become available prior to filing its third quarter Form 10-Q with the SEC on or before November 16, 2009. Any adjustments that result from the Company's evaluation of this information will be reflected in the Company's financial statements included in its third quarter Form 10-Q.

Note: Dollars in thousands.



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Non-GAAP Reconciliation

Q3 2009 Earnings Call

(Preliminary¹ and unaudited)

	Three Months Ended		Nine Months Ended	
	October 2, 2009	September 26, 2008	October 2, 2009	September 26, 2008
Adjusted Net Income and Adjusted Earnings per Share				
Net income (loss)	\$ 1,819	\$ 13,651	\$ 13,046	\$ (10,950)
Restructuring and other related charges	9,608	-	10,755	-
IPO-related costs	-	-	-	57,017
Legacy legal adjustment	-	-	-	4,131
Due diligence costs	-	582	-	582
Asbestos liability and defense costs (income)	1,377	(6,312)	4,504	(6,749)
Asbestos coverage litigation expense	1,845	5,148	8,838	12,257
Interest adjustment to effect IPO at beginning of period	-	-	-	2,302
Tax adjustment to effective rate of 32% and 34%, respectively	(4,644)	(926)	(8,276)	(22,410)
Adjusted net income	<u>\$ 10,005</u>	<u>\$ 12,143</u>	<u>\$ 28,867</u>	<u>\$ 36,180</u>
Adjusted net income margin	7.8%	7.9%	7.3%	8.1%
Weighted average shares outstanding - diluted	43,324,995	-	43,274,177	-
Shares outstanding at closing of IPO	-	44,006,026	-	44,006,026
Adjusted net income per share	<u>\$ 0.23</u>	<u>\$ 0.28</u>	<u>\$ 0.67</u>	<u>\$ 0.82</u>
Net income per share-basic and diluted in accordance with GAAP	<u>\$ 0.04</u>	<u>\$ 0.31</u>	<u>\$ 0.30</u>	<u>\$ (0.43)</u>
Adjusted Operating Income				
Operating income (loss)	\$ 3,717	\$ 20,931	\$ 23,821	\$ (5,038)
Restructuring and other related charges	9,608	-	10,755	-
IPO-related costs	-	-	-	57,017
Legacy legal adjustment	-	-	-	4,131
Due diligence costs	-	582	-	582
Asbestos liability and defense costs (income)	1,377	(6,312)	4,504	(6,749)
Asbestos coverage litigation expense	1,845	5,148	8,838	12,257
Adjusted operating income	<u>\$ 16,547</u>	<u>\$ 20,349</u>	<u>\$ 47,918</u>	<u>\$ 62,200</u>
Adjusted operating income margin	12.9%	13.3%	12.2%	14.0%

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Note: Dollars in thousands, except per share amounts.





Sales & Order Growth

Q3 2009 Earnings Call

	Sales		Orders	
	\$	%	\$	%
Three Months Ended September 26, 2008	\$ 153.5		\$ 173.8	
<i>Components of Change:</i>				
Existing Businesses	(18.4)	(12.0)%	(44.3)	(25.5)%
Acquisitions	0.5	0.3 %	0.4	0.2 %
Foreign Currency Translation	(7.1)	(4.6)%	(5.6)	(3.2)%
Total	(25.0)	(16.2)%	(49.5)	(28.5)%
Three Months Ended October 2, 2009	\$ 128.5		\$ 124.3	

	Sales		Orders		Backlog at Period End	
	\$	%	\$	%		
Nine Months Ended September 26, 2008	\$ 445.5		\$ 542.9		\$ 383.1	
<i>Components of Change:</i>						
Existing Businesses	(11.4)	(2.5)%	(162.6)	(29.9)%	(83.9)	(21.9)%
Acquisitions	0.5	0.1 %	0.4	0.1 %	0.5	0.1 %
Foreign Currency Translation	(40.5)	(9.1)%	(31.5)	(5.8)%	(1.7)	(0.4)%
Total	(51.4)	(11.6)%	(193.7)	(35.7)%	(85.1)	(22.2)%
Nine Months Ended October 2, 2009	\$ 394.1		\$ 349.2		\$ 298.0	

Note: Dollars in millions.





Non-GAAP Reconciliation

Q3 2009 Earnings Call

	Three Months Ended		Nine Months Ended	
	October 2, 2009	September 26, 2008	October 2, 2009	September 26, 2008
Adjusted SG&A Expense				
Selling, general and administrative expenses	\$ 28,136	\$ 33,233	\$ 86,248	\$ 97,516
Legacy legal adjustment	-	-	-	4,131
Due diligence costs	-	582	-	582
Adjusted selling, general and administrative expenses	<u>\$ 28,136</u>	<u>\$ 32,651</u>	<u>\$ 86,248</u>	<u>\$ 92,803</u>
	21.9%	21.3%	21.9%	20.8%

Note: Dollars in thousands.





Non-GAAP Reconciliation

Q3 2009 Earnings Call

Colfax Corporation
Reconciliation of Projected 2009 Net Income Per Share¹ to Adjusted Net Income Per Share
Amounts in Dollars
(unaudited)

	<u>EPS Range</u>	
Projected net income per share - fully diluted	\$ 0.35	\$ 0.41
Restructuring and other related charges incurred year-to-date	0.17	0.17
Estimated fourth quarter restructuring and other related charges ²	0.06	0.06
Asbestos coverage litigation	0.19	0.19
Asbestos liability and defense costs	<u>0.11</u>	<u>0.11</u>
Projected adjusted net income per share - fully diluted	<u>\$ 0.88</u>	<u>\$ 0.94</u>

¹ Does not reflect any potential adjustments from the favorable asbestos ruling on October 14, 2009 for the Company's Warren Pumps subsidiary. The Company expects additional information related to this matter to become available prior to filing its third quarter Form 10-Q with the SEC on or before November 16, 2009. Any adjustments that result from the Company's evaluation of this information will be reflected in the Company's financial statements included in its third quarter Form 10-Q.

² Represents estimated costs related to restructuring actions implemented through November 3, 2009.

