

The background of the slide features a series of horizontal, wavy lines in various shades of blue, creating a sense of motion and depth. The lines are more pronounced in the center and fade towards the top and bottom edges.

COLFAX

DEUTSCHE BANK SUMMIT | JUNE 2018

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 March 30, 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 press release 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, organic sales growth (decline), and organic order growth (decline). Adjusted net income, adjusted net income per share, projected adjusted net income per share, and adjusted operating income exclude Restructuring and other related items, Goodwill and intangible asset impairment charges, Pension settlement loss, and Loss on deconsolidation of Venezuelan operations, to the extent they impact the periods presented. Adjusted net income, adjusted net income per share, and projected adjusted net income per share also exclude the impact of acquisition-related amortization and gain or loss on short term investments, to the extent they impact the periods presented. The effective tax rate used to calculate adjusted net income and adjusted net income per share is 25.7% for the year ended December 31, 2017. 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.

Colfax - A Winning Model

Acquire Good Companies

- Attractive markets
- Strong brands and solutions
- Opportunities to improve and expand



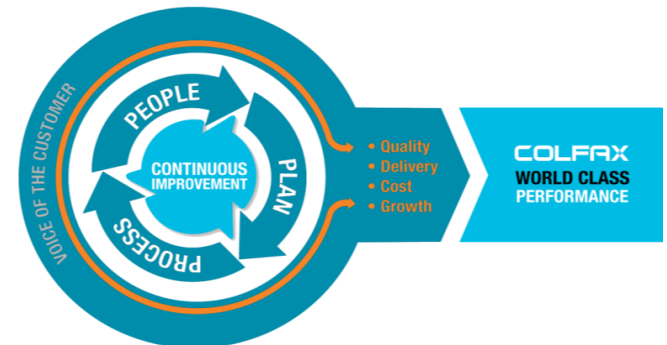
Focus and Empower Top Talent

- Independent businesses
- Great leaders, strong teams, winning spirit
- Lean, high value corporate



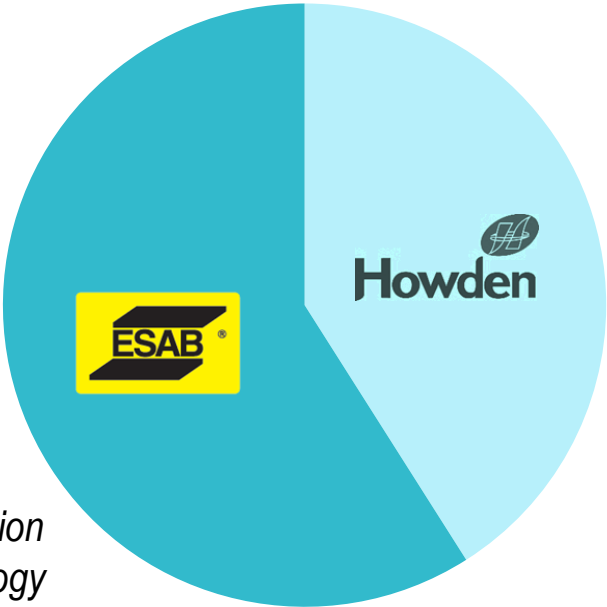
Use CBS to Make Them Great

- Values
- Tools & processes
- Way of working

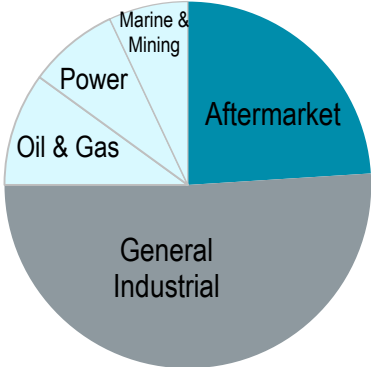


Colfax Overview

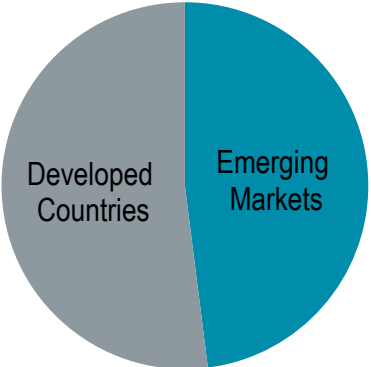
\$3.3 BILLION 2017 REVENUES



DIVERSIFIED END MARKETS



GLOBAL PRESENCE

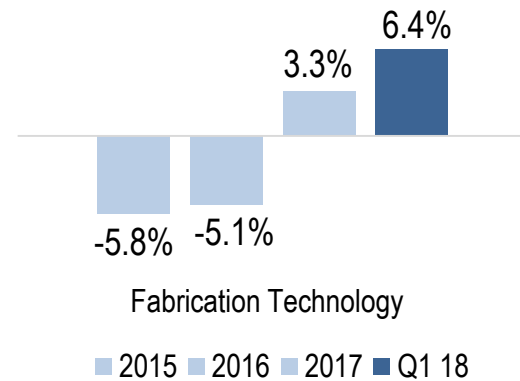


Diverse Markets, Strong Global Footprint

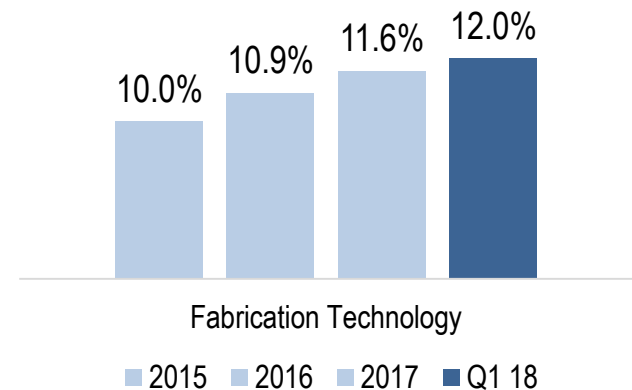
FabTech Delivering Growth & Margin Improvement

- Accelerating organic growth
- Strengthening our core through CBS and talent development
- Building on our global leadership position in filler metal
- Accelerating pace of innovation in equipment
- Driving connectivity & automation
- Completed restructuring actions contributing to higher margins

Sales Organic Growth

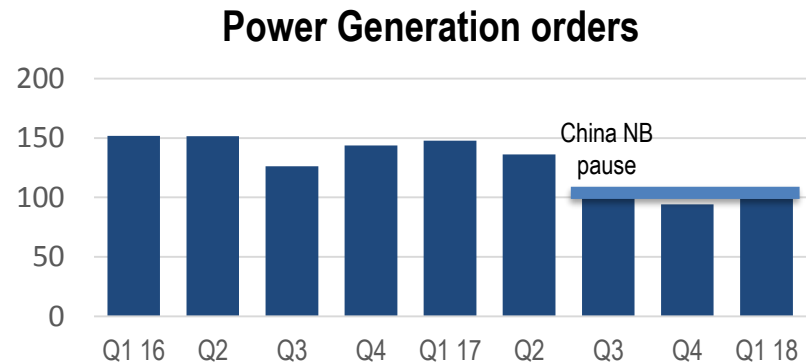
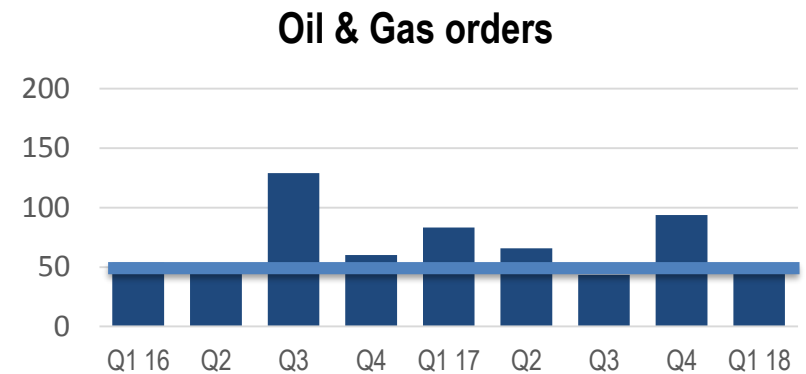
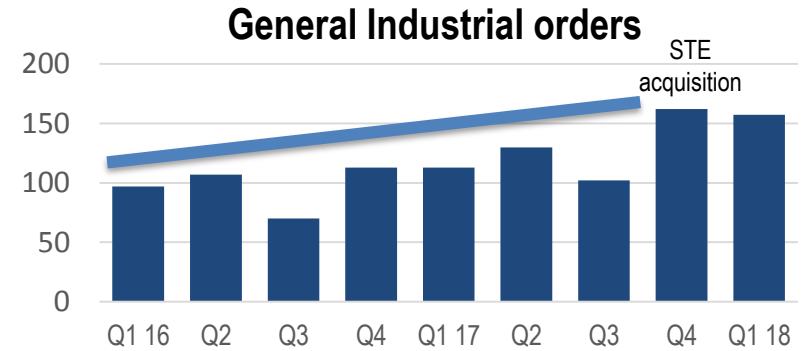


Adj. Operating Margin Improvement



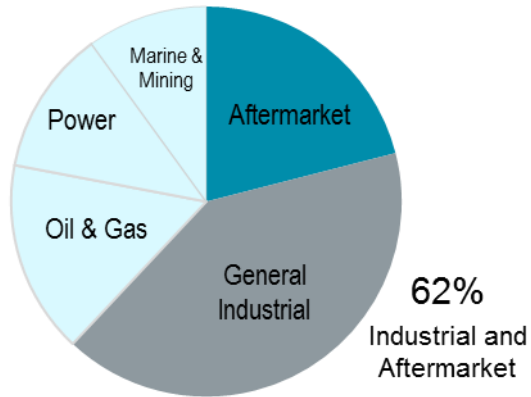
Air & Gas Handling Ready to Grow

- Successful strategic shift demonstrated by growth in General Industrial applications
- Oil & Gas funnels continue to support a fundamentally improving market
- Power markets stabilized
- Margins on new orders improving
- 2018 restructuring actions progressing well and on target to deliver \$20-25M of benefits

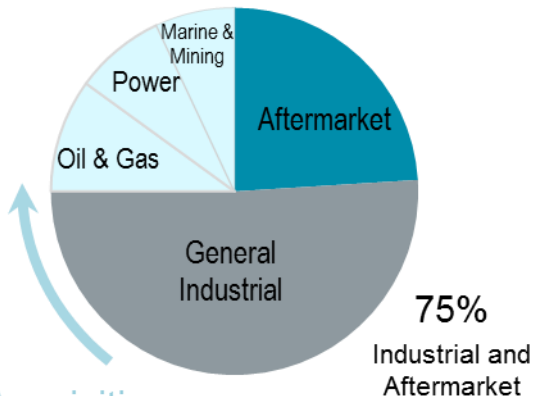


Shaping the Colfax Portfolio for the Future

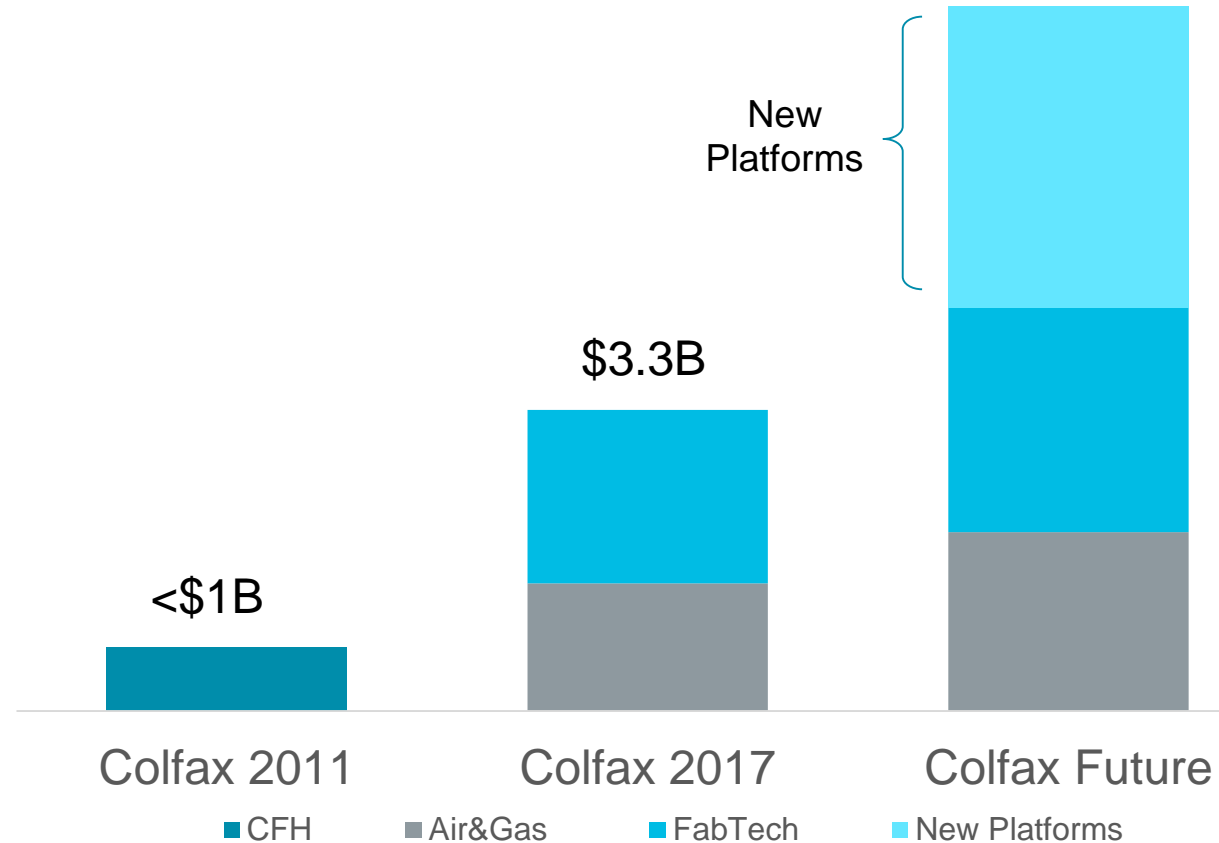
COLFAX 2012



COLFAX 2017



Acquisitions



- Charter Acquisition 2012
- 21 Bolt-on acquisitions
- Industrial & aftermarket organic growth
- FH divestiture

- Higher margins
- Higher vitality
- Lower cyclicality
- Less volatility

Acquisitions Supporting Growth

- Recent acquisitions on track to deliver commitment
- Advance key strategies in industrial, specialty filler metal, automation and analytics
- Acquisitions have provided additional momentum to DDA (Data Driven Advantage) strategy
- Continuing to pursue an active pipeline of attractive bolt-on acquisitions
- New platforms remain a focus

Sandvik
Welding
Consumables



Siemens
Turbo
Equipment

Recent Acquisitions Adding Financial and Strategic Value

Acquisitions Cross Platform Synergy Example

SITUATION

- EWAC acquisition completed in Q4 2017; leading Indian provider of hard facing welding products and services
- Howden industrial fans require hard faced blades for a longer life



SYNERGY

- EWAC replacing existing suppliers of hard faced welding solutions to Howden
- Howden/EWAC engaged in cross marketing to accelerate EWAC's expansion from leading Indian to leading Global supplier



Acquisitions FabTech Synergy Example

SITUATION

- Sandvik customer with high productivity machinery reported issues due to welding faults

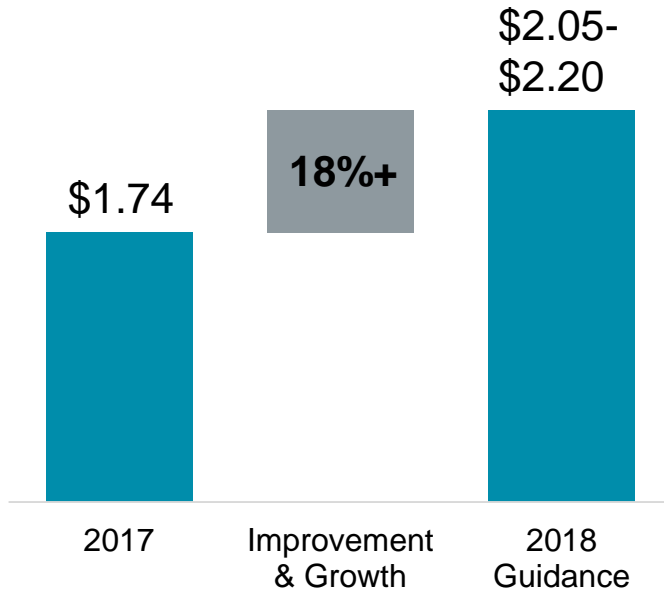
SOLUTION

- ESAB team audited the customers end to end welding process
- Result for the customer was:
 - Improved end to end welding processes and reduced risk of faults
 - Real time detection of weld defects through the implementation of the HKS developed WeldQAS system



2018 Direction & Outlook

ADJUSTED EARNINGS PER SHARE



- Accelerating growth and profitability in FabTech
 - Using CBS to drive productivity and further improve customer service
 - Increasing pace of new products
- Making the turn in A&GH
 - Howden stabilized, clear path to margin improvement
 - Restructuring to protect profitability and invest in growth markets
- Acquiring and integrating great businesses
 - Driving impact from 2017 acquisitions
 - Continuing to pursue accretive, strategic bolt-ons
 - Increasing focus on new growth platforms

Driving Strong 2018 Earnings Growth and Strategic Progress

Colfax Strategy

3-4 Year Objectives

Strengthen the foundation

- Deeper, empowered talent accelerating performance
- Colfax Business System – culture & impact
- Fixed and variable productivity journeys

**Mid-teen
segment
margins**

Pivot to growth

- Focus on segments where the growth is
- Drive new products & innovation
- Emerging Markets expansion

**GDP +1-2%
organic
growth**

Innovate and acquire

- Expand innovation and IoT pipeline
- Acquisitions to strengthen & extend platforms
- New platforms broaden, diversify portfolio

**Innovate and
acquire to
compound
returns**

The logo for COLFAX is displayed in a bold, black, sans-serif font. The letters are thick and blocky, with a slight shadow effect. The 'X' is particularly prominent, with a small white square at its center. The logo is set against a light gray rectangular background.

COLFAX

The word 'APPENDIX' is written in a white, sans-serif font. It is positioned on a dark gray rectangular background that is part of a larger gray shape on the left side of the slide.

APPENDIX

Non-GAAP Reconciliation

(unaudited)

	Three Months Ended March 30, 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	\$	347,652	\$	533,273	\$	—	\$	880,925	\$	1,362,902	\$	1,937,282	\$	—	\$	3,300,184						
Operating income		17,884	5.1%	61,724	11.6%	(17,436)	62,172	7.1%	(78,689)	(5.8)%	208,205	10.7%	(100,365)	29,151	0.9%							
Restructuring and other related charges		5,498		2,414		17	7,929		52,194		16,157		—	68,351								
Goodwill and intangible asset impairment charge		—		—		—	—		152,700		—		—	152,700								
Pension settlement loss		—		—		—	—		—		—		46,933	46,933								
Loss on deconsolidation of Venezuelan operations		—		—		—	—		—		—		—	—								
Adjusted operating income (loss)	\$	23,382	6.7%	\$	64,138	12.0%	\$	(17,419)	\$	79,101	8.0%	\$	126,205	9.3%	\$	224,362	11.6%	\$	(53,432)	\$	297,135	9.0%
		Year Ended December 31, 2016							Year Ended December 31, 2015													
		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		1,385,261		1,800,492		—	3,185,753	\$	1,449,115	\$	1,985,237	\$	—	\$	3,434,352							
Operating income		123,322	8.9%	163,509	9.1%	(50,031)	236,800	7.4%	143,849	9.9%	168,688	8.5%	(46,917)	265,620	7.7%							
Restructuring and other related charges		26,808		31,688		—	58,496		27,172		29,649		—	56,822								
Goodwill and intangible asset impairment charge		—		238		—	238		—		1,486		—	1,486								
Pension settlement loss		—		—		48	48		—		—		(582)	(582)								
Loss on deconsolidation of Venezuelan operations		—		—		495	495		—		—		—	—								
Adjusted operating income (loss)	\$	150,130	10.8%	\$	195,435	10.9%	\$	(49,488)	\$	296,077	9.3%	\$	171,022	11.8%	\$	199,823	10.1%	\$	(47,499)	\$	323,346	9.4%

Note: Dollars in thousands.

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Fabrication Technology Change in Sales

(unaudited)

	<u>2015</u>		<u>2016</u>		<u>2017</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
For the years ended December 31, 2014, 2015 and 2016, respectively	2,294.9		1,985.2		1,800.5	
Components of change:						
Existing businesses ⁽¹⁾	(134.2)	-5.8%	(102.1)	-5.1%	59.0	3.3%
Acquisitions ⁽²⁾	123.3	5.4%	1.3	0.1%	48.1	2.7%
Foreign currency translation	<u>(298.7)</u>	-13.1%	<u>(83.9)</u>	-4.3%	<u>29.7</u>	1.6%
For the years ended December 31, 2015, 2016, and 2017, respectively	<u>1,985.2</u>		<u>1,800.5</u>		<u>1,937.3</u>	
	<u>2018</u>					
	<u>\$</u>	<u>%</u>				
For the three months ended March 31, 2017	460.0					
Components of change:						
Existing businesses ⁽¹⁾	29.6	6.4%				
Acquisitions ⁽²⁾	22.7	4.9%				
Foreign currency translation	<u>20.9</u>	4.6%				
For the three months ended March 30, 2018	<u>533.2</u>					

(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 for acquisitions completed in our Fabrication Technology segment.

Note: \$ in millions.

Non-GAAP Reconciliation

(unaudited)

	<u>Year Ended</u>
	<u>December 31, 2017</u>
Adjusted Net Income and Adjusted Net Income Per Share	
Net (loss) income from continuing operations attributable to Colfax Corporation ⁽¹⁾	\$ (72,957)
Restructuring and other related charges- pretax	68,351
Goodwill and intangible asset impairment charge – pretax	152,700
Pension settlement loss – pretax	46,933
Acquisition-related amortization- pretax	60,091
Tax adjustment ⁽²⁾	(38,789)
Adjusted net income from continuing operations	<u>\$ 216,329</u>
Adjusted net income per share continuing operations	<u>\$ 1.74</u>
Net (loss) income per share- diluted from continuing operations (GAAP)	<u>\$ (0.59)</u>

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

(2) The effective tax rate used to calculate adjusted net income and adjusted net income per share is 25.7% for the year ended December 31, 2017.

Note: In thousands, except per share amounts.

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Non-GAAP Reconciliation

(unaudited)

	Updated Guidance		Previous Guidance	
	Low	High	Low	High
2018 Earnings Per Share				
Projected net income per share from continuing operations (GAAP)- diluted	\$ 1.22	\$ 1.37	\$ 1.36	\$ 1.51
Restructuring and other related charges- pretax	0.31	0.31	0.28	0.28
Acquisition-related amortization and other non-cash charges- pretax ⁽¹⁾	0.60	0.60	0.56	0.56
Loss on short term investments- pretax	0.12	0.12	—	—
Tax adjustment ⁽²⁾	<u>(0.20)</u>	<u>(0.20)</u>	<u>(0.20)</u>	<u>(0.20)</u>
Projected adjusted net income per share	<u>\$ 2.05</u>	<u>\$ 2.20</u>	<u>\$ 2.00</u>	<u>\$ 2.15</u>

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

(2) The estimated effective tax rate for adjusted net income and adjusted net income per share for the year ended December 31, 2018 is 23-24%.