

The COLFAX logo is displayed in a bold, black, sans-serif font. The letters are thick and blocky, with a modern, slightly geometric feel. The 'O' and 'X' are particularly prominent. The logo is set against a light gray rectangular background that has a subtle, fine-grained texture. This background is positioned in the lower third of the slide, overlapping the blue wavy background and the dark gray footer.

**COLFAX**

**FIRST QUARTER 2014 | EARNINGS CONFERENCE CALL**

# FORWARD-LOOKING 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 2013 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.

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The text 'Q1 2014 RESULTS' is written in a bold, white, sans-serif font. It is centered horizontally within a light gray rectangular box that has a fine grid pattern, matching the one above it.

**Q1 2014 RESULTS**

# Q1 2014 HIGHLIGHTS

- Adjusted net income of \$51.6 million (\$0.43 per share) compared to \$33.6 million (\$0.26 per share) in Q1 2013
- Net sales of \$1.05 billion, an increase of 11.3% from Q1 2013 net sales of \$947.1 million (an organic increase of 5.6%)
- Adjusted operating income of \$94.1 million compared to \$78.2 million in Q1 2013
- First quarter gas- and fluid-handling orders of \$583.4 million compared to orders of \$ 502.1 million in Q1 2013, an increase of 16.2% (an organic increase of 2.2%)
- Gas- and fluid-handling backlog of \$1.6 billion at period end



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**COLFAX**

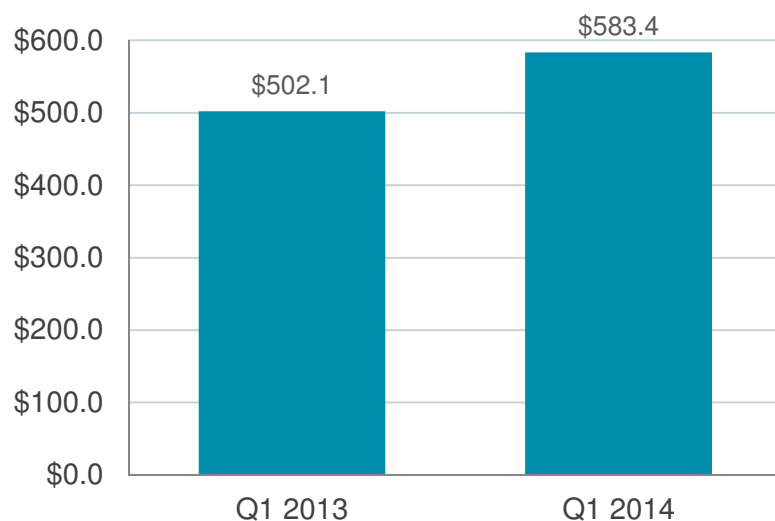
**GAS AND FLUID HANDLING**

# GAS AND FLUID HANDLING HIGHLIGHTS

- Net sales of \$573.9 million, an increase of 35.0% from Q1 net sales of \$425.1 million in Q1 2013 (an organic increase of 15.6%)
- Adjusted segment operating income of \$56.0 million and adjusted segment operating income margin of 9.8%
- First quarter orders of \$583.4 million compared to \$502.1 million in Q1 2013, an increase of 16.2% (an organic increase of 2.2%)
- Backlog of \$1.6 billion at period end

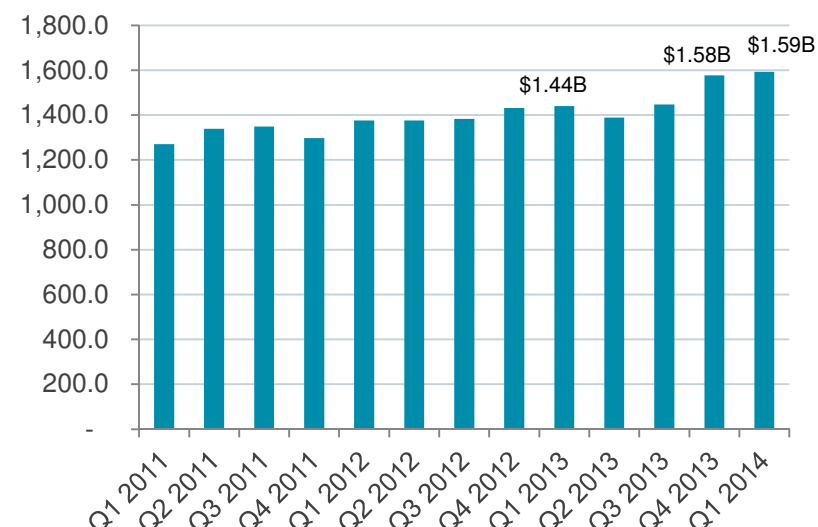
# ORDERS AND BACKLOG

## ORDERS



	Q1
Existing Businesses	2.2%
Acquisitions	14.4%
FX Translation	(0.4)%
<b>Total Growth</b>	<b>16.2%</b>

## BACKLOG<sup>(1)</sup>

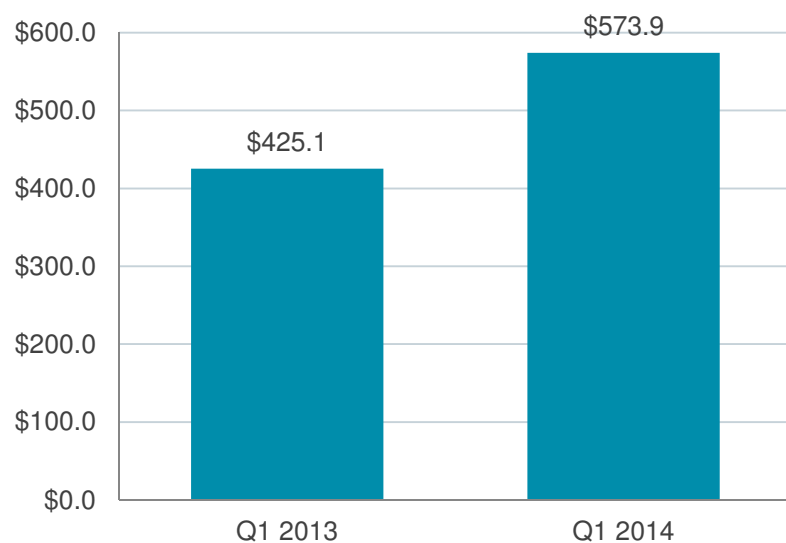


(1) Backlog data for the periods prior to Q1 2012 are presented on a proforma basis.

Note: Dollars in millions (unaudited).

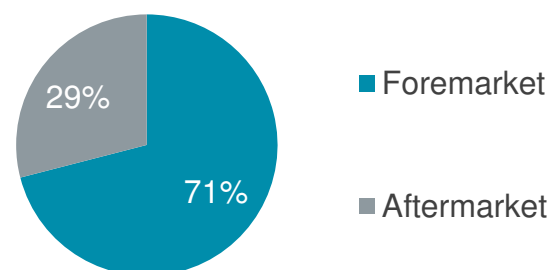
# REVENUE

## REVENUE

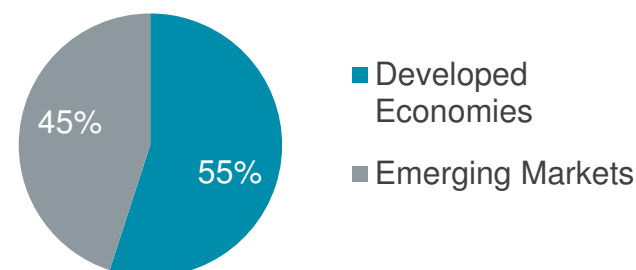


	Q1
Existing Businesses	15.6%
Acquisitions	20.0%
FX Translation	(0.6)%
<b>Total Growth</b>	<b>35.0%</b>

## AFTERMARKET REVENUE Q1 2014



## GEOGRAPHIC EXPOSURE Q1 2014

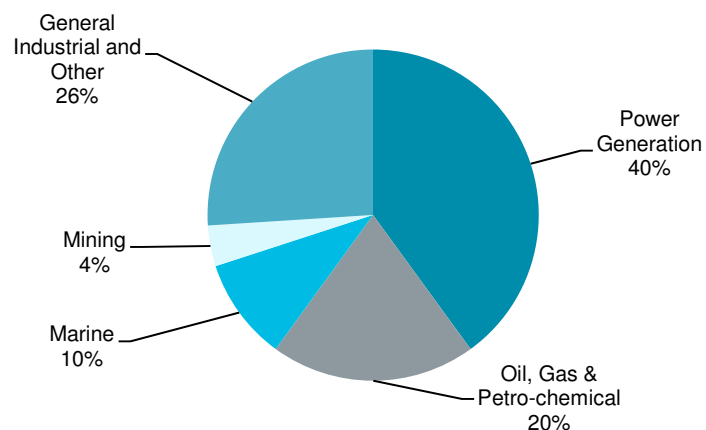


Note: Dollars in millions (unaudited).



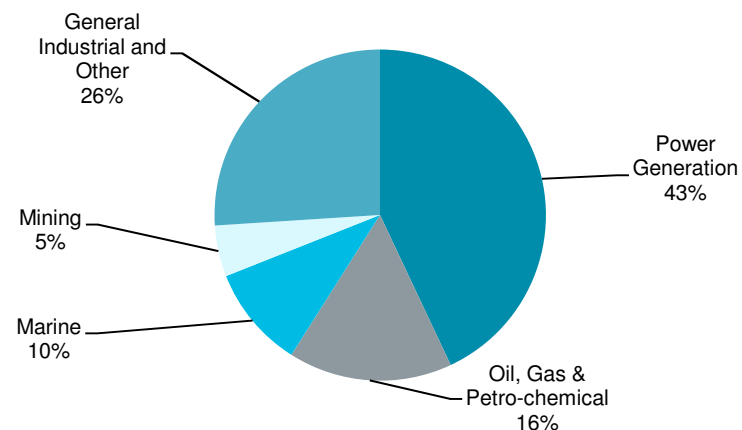
# Q1 2014 SALES AND ORDERS BY END MARKET

## SALES: \$573.9 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	46.7%	32.4%
Oil, Gas & Petrochemical	26.1%	10.1%
Marine	5.2%	3.3%
Mining	(19.6)%	(41.6)%
General Industrial & Other	57.2%	17.2%
<b>Total</b>	<b>35.0%</b>	<b>15.6%</b>

## ORDERS: \$583.4 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	19.6%	13.6%
Oil, Gas & Petrochemical	(26.6)%	(42.2)%
Marine	7.6%	5.7%
Mining	80.3%	58.6%
General Industrial & Other	59.8%	24.5%
<b>Total</b>	<b>16.2%</b>	<b>2.2%</b>

# POWER GENERATION MARKET PERSPECTIVE

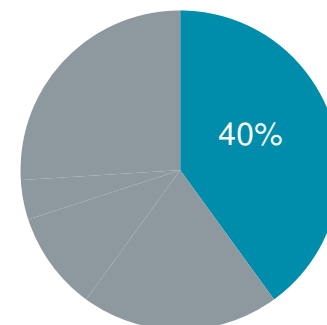
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	46.7 %	32.4 %
Orders	19.6 %	13.6 %

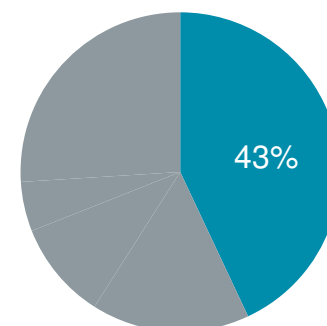
## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Driven by fundamental global undersupply of electricity
- Growth continues to be driven by further environmental upgrades in China and strength in maintenance work in South Africa
- Large \$30 million order received in Saudi Arabia across both Howden and Colfax Fluid Handling

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



# OIL, GAS & PETROCHEMICAL MARKET PERSPECTIVE

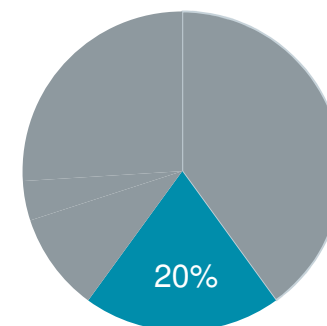
## SALES & ORDERS GROWTH (DECLINE)

	Q1 2014 vs. Q1 2013	
	Total	Organic
<b>Sales</b>	<b>26.1 %</b>	<b>10.1 %</b>
<b>Orders</b>	<b>(26.6)%</b>	<b>(42.2)%</b>

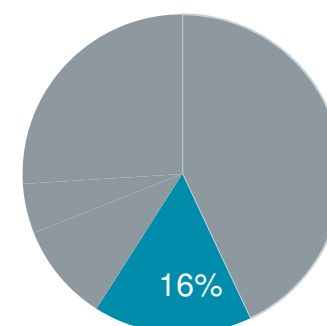
## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Period over period comparisons are difficult due to the timing of large projects
- Quoting activity strong in Middle East and Southeast Asia where we invested in local selling and technical resources
- Increasing interest across various regions in our upstream capabilities, particularly multiphase systems

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



# MARINE MARKET PERSPECTIVE

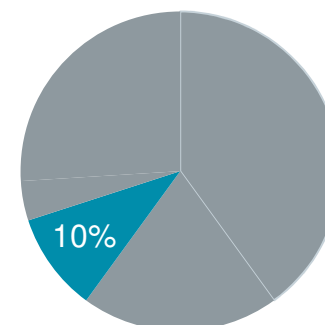
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	5.2 %	3.3 %
Orders	7.6 %	5.7 %

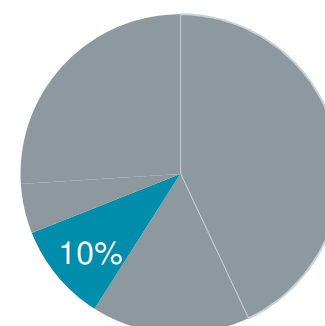
## HIGHLIGHTS

- Primarily served by Colfax Fluid Handling
- Q1 orders strong for oil & gas service vessels
- Continue to build on success of CM-1000; modest growth despite continued decline in overall shipbuilding activity
- Received first retrofit order this quarter; greatly expands addressable market

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



*Note: Marine market comprised of commercial marine and government, or defense, customers*

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# MINING MARKET PERSPECTIVE

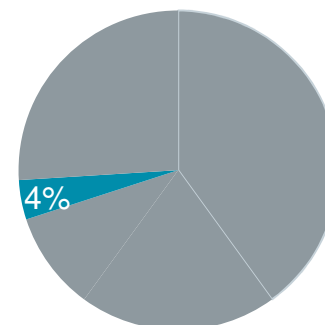
## SALES & ORDERS (DECLINE) GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
<b>Sales</b>	<b>(19.6)%</b>	<b>(41.6)%</b>
<b>Orders</b>	<b>80.3 %</b>	<b>58.6 %</b>

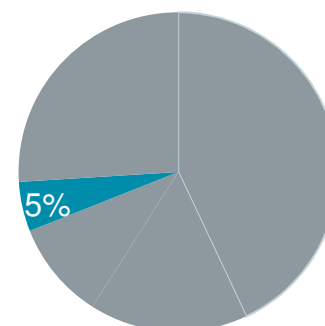
## HIGHLIGHTS

- Primarily served by Howden
- Driven by demand of mined resources, including: coal, iron ore, copper, gold, nickel and potash
- Remains a depressed market
- Some bright spots; significant \$5 million order for Australian coalmine and several key projects in South America for copper and gold mines

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



# GENERAL INDUSTRIAL & OTHER MARKET PERSPECTIVE

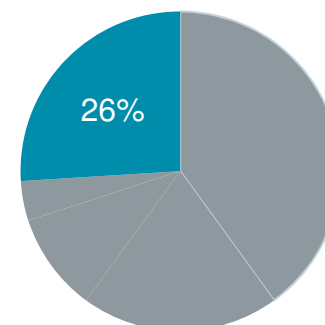
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
<b>Sales</b>	<b>57.2 %</b>	<b>17.2 %</b>
<b>Orders</b>	<b>59.8 %</b>	<b>24.5 %</b>

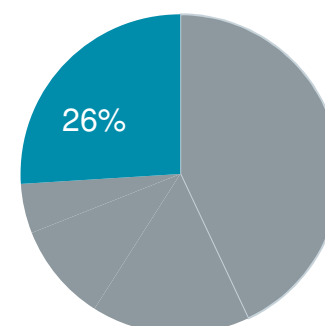
## HIGHLIGHTS

- Includes both Howden and Colfax Fluid Handling
- Volatile quarter to quarter due to large orders
- Large steel order for Howden, part of a continuing trend of plant upgrades and replacements
- Secured a number of orders for fan retrofits in the Chinese cement sector

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT





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**COLFAX**

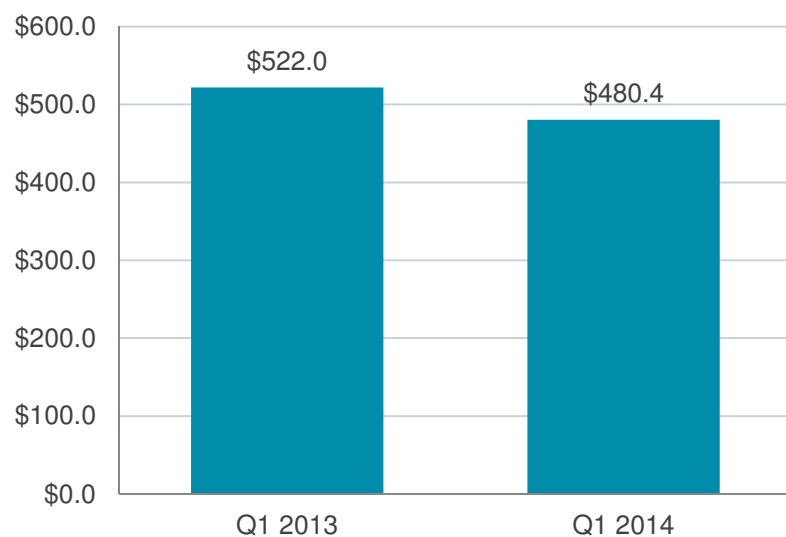
**FABRICATION TECHNOLOGY**

# FABRICATION TECHNOLOGY HIGHLIGHTS

- Net sales of \$480.4 million compared to net sales of \$ 522.0 million in Q1 2013, a decrease of 8.0% (an organic decline of 2.5%)
- Adjusted segment operating income of \$53.9 million and adjusted segment operating income margin of 11.2%
  - 270 basis point increase in comparison to Q1 2013

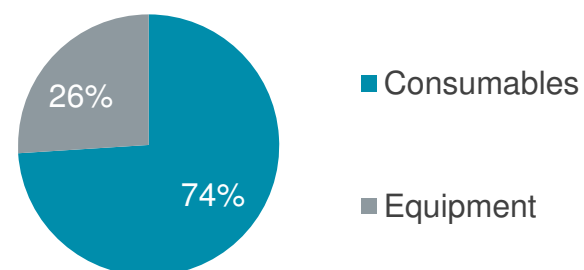
# REVENUE

## REVENUE

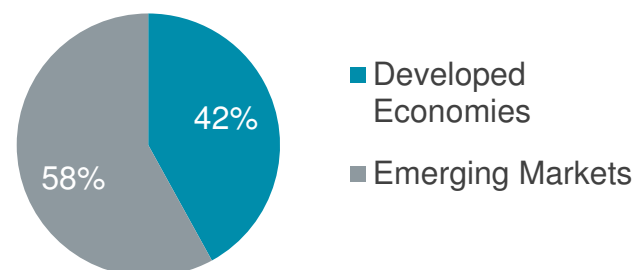


	Q1
Volume	(2.9)%
Price/ Mix	0.4%
FX Translation	(5.5)%
Total Growth	(8.0)%

## REVENUE Q1 2014



## GEOGRAPHIC EXPOSURE Q1 2014



Note: Dollars in millions (unaudited).

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**COLFAX**

The text 'RESULTS OF OPERATIONS' is written in a bold, white, sans-serif font. It is centered within a light gray rectangular box with a fine, grid-like texture, similar to the one above it. This box is also positioned on the left side of the slide, overlapping the blue background.

**RESULTS OF OPERATIONS**

# INCOME STATEMENT SUMMARY

(unaudited)

	Three Months Ended	
	March 28, 2014	March 29, 2013
Net sales	\$ 1,054.3	\$ 947.1
Gross profit	\$ 325.6	\$ 290.7
% of sales	30.9 %	30.7 %
SG&A expense	\$ 231.6	\$ 214.2
% of sales	22.0 %	22.6 %
Adjusted operating income	\$ 94.1	\$ 78.2
% of sales	8.9 %	8.3 %
Adjusted net income	\$ 51.6	\$ 33.6
% of sales	4.9 %	3.5 %
Adjusted net income per share	\$ 0.43	\$ 0.26

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



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**APPENDIX**



# DISCLAIMER

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, adjusted operating income, organic sales growth (decline) and organic order growth (decline). Projected adjusted net income, projected adjusted net income per share, adjusted net income, adjusted net income per share and adjusted operating income exclude restructuring and other related charges and, for the 2013 period, asbestos coverage litigation expense. Projected adjusted net income, projected adjusted net income per share, adjusted net income and adjusted net income per share for Q1 2014 exclude the preferred stock conversion inducement payment. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarters of 2014 and 2013, respectively. 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 asbestos insurance coverage issues, restructuring and other related charges and preferred stock conversion inducement payment.

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

# NON-GAAP RECONCILIATION

(unaudited)

	Three Months Ended	
	March 28, 2014	March 29, 2013
<b>Adjusted Net Income</b>		
Net income attributable to Colfax Corporation	\$ 46,790	\$ 27,635
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	-	1,706
Tax adjustment <sup>(1)</sup>	(1,488)	-
Adjusted net income	<u>\$ 51,614</u>	<u>\$ 33,555</u>
Adjusted net income margin	4.9 %	3.5 %
<b>Adjusted Net Income Per Share</b>		
Net income available to Colfax Corporation common shareholders	\$ 24,877	\$ 22,553
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	-	1,706
Preferred stock conversion inducement payment	19,565	-
Tax adjustment <sup>(1)</sup>	(1,488)	-
Adjusted net income available to Colfax Corporation common shareholders	<u>49,266</u>	<u>28,473</u>
Dividends on preferred stock <sup>(2)</sup>	2,348	-
Less: adjusted net income attributable to participating securities <sup>(2)</sup>	<u>-</u>	<u>3,655</u>
	<u>\$ 51,614</u>	<u>\$ 24,818</u>
Weighted-average shares outstanding - diluted	119,832,595	95,153,498
Adjusted net income per share	<u>\$ 0.43</u>	<u>\$ 0.26</u>
Net income per share— basic and diluted (in accordance with GAAP)	<u>\$ 0.22</u>	<u>\$ 0.21</u>

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarter of 2014 and 2013, respectively.

(2) Adjusted net income per share for periods prior to April 23, 2013 was calculated consistently with the two-class method in accordance with GAAP as the Series A Perpetual Convertible Preferred Stock were considered participating securities. Subsequent to April 23, 2013 and prior to February 12, 2014, adjusted net income per share was calculated consistently with the if-converted method in accordance with GAAP until the Series A Perpetual Convertible Preferred Stock were no longer participating securities. On February 12, 2014, the Series A Perpetual Convertible Preferred Stock were converted to common stock and the Company paid an \$19.6 million conversion inducement to the holders of the Series A Perpetual Convertible Preferred Stock.

Note: Dollars in thousands, except per share amounts.

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# NON-GAAP RECONCILIATION

(unaudited)

	Q1 2014				Q1 2013			
	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	\$ 573,949	\$ 480,382	\$ —	\$ 1,054,331	\$ 425,105	\$ 522,038	\$ —	\$ 947,143
Operating income (loss)	53,098 9.3 %	50,451 10.5 %	(15,811)	87,738 8.3 %	41,215 9.7 %	41,527 8.0 %	(10,415)	72,327 7.6 %
Restructuring and other related charges	2,900	3,412	—	6,312	1,273	2,941	—	4,214
Asbestos coverage litigation expense	—	—	—	—	1,706	—	—	1,706
Adjusted operating income (loss)	<u>\$ 55,998 9.8 %</u>	<u>\$ 53,863 11.2 %</u>	<u>\$ (15,811)</u>	<u>\$ 94,050 8.9 %</u>	<u>\$ 44,194 10.4 %</u>	<u>\$ 44,468 8.5 %</u>	<u>\$ (10,415)</u>	<u>\$ 78,247 8.3 %</u>

Note: Dollars in thousands.

# SALES & ORDERS GROWTH

(unaudited)

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the three months ended March 29, 2013</b>	\$ 947.1		\$ 502.1		\$ 1,438.5	
<i>Components of Change:</i>						
Existing Businesses	53.5	5.6 %	11.1	2.2 %	(87.5)	(6.1)%
Acquisitions <sup>(1)</sup>	85.1	9.0 %	72.1	14.4 %	243.5	16.9 %
Foreign Currency Translation	(31.4)	(3.3)%	(1.9)	(0.4)%	(2.5)	(0.1)%
Total	107.2	11.3 %	81.3	16.2 %	153.5	10.7 %
<b>As of and for the three months ended March 28, 2014</b>	<b>\$ 1,054.3</b>		<b>\$ 583.4</b>		<b>\$ 1,592.0</b>	

- (1) Represents the incremental sales, orders and order backlog as a result of our acquisitions of Clarus Fluid Intelligence, LLC, CKD Kompressory a.s., the global industrial and industry division of Flakt Woods Group, TLT-Babcock Inc., Alphair Ventilating Systems Inc., and Sistemas Centrales de Lubrication S.A. de C.V. ("Sicelub").

*Note: Dollars in millions.*

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# 2014 OUTLOOK SUMMARY

## (April Update)

Revenue Range			
2014 Total	\$4.85 billion	To	\$4.99 billion
EPS and Adjusted Net Income Range			
2014 Net income per share <sup>(1)</sup>	\$1.96	To	\$2.21
Adjusted net income	\$304 million	To	\$335 million
2014 Adjusted net income per share <sup>(2)</sup>	\$2.45	To	\$2.70
Assumptions			
Restructuring costs	\$60 million		
Euro	\$1.35		
Tax rate - adjusted basis/GAAP	29-30%		
Outstanding shares (if converted) – full year/Q2-Q4	124 million/125 million		
Depreciation	\$89 million		
Amortization	\$77 million		
Interest expense (based on LIBOR and EURIBOR = 25 bps)	\$58 million		

(1) A substantial gain on tax valuation allowances will increase GAAP earnings. Amount has not yet been quantified.

(2) Excludes impact of restructuring charges, preferred stock conversion and gain on reversal of tax valuation allowances, which has not yet been quantified.

(See Non-GAAP Reconciliation included in this slide deck)

*Note: Guidance as of April 24, 2014.*

# 2014 OUTLOOK SUMMARY

## (April Update)

In thousands, except per share data

	2014	
	LOW	HIGH
Revenue- Base Business	\$ 4,500,000	\$ 4,625,000
Victor Technologies	350,000	365,000
Revenue	\$ 4,850,000	\$ 4,990,000
Adjusted Operating Profit		
Base business	497,000	530,000
Victor EBITA	64,000	68,000
Amortization and transaction costs <sup>(1)</sup>	(25,000)	(25,000)
	536,000	573,000
Interest	(58,000)	(58,000)
Taxes	(143,400)	(149,350)
Noncontrolling interest	(31,000)	(31,000)
Adjusted Net Income- Colfax	303,600	334,650
Adjusted EPS	\$ 2.45	\$ 2.70

(1) Includes \$12 million of transaction costs and year-one fair value adjustments.

Note: Guidance as of April 24, 2014.



# NON-GAAP RECONCILIATION

## (April Update)

	LOW	HIGH
Projected net income per share - diluted	\$ 1.96	\$ 2.21
Restructuring costs	0.31	0.31
Preferred stock conversion <sup>(1)</sup>	0.18	0.18
Tax adjustment <sup>(2)</sup>		
Projected adjusted net income per share - diluted	<u>\$ 2.45</u>	<u>\$ 2.70</u>

(1) Reflects the impact of the preferred stock conversion for GAAP EPS due to the anti-dilution of the if-converted method.

(2) A substantial gain on tax valuation allowances will increase GAAP earnings. Amount has not yet been quantified.

*Note: Guidance as of April 24, 2014.*