

The Colfax logo is displayed in a bold, black, sans-serif font. The letters are thick and blocky, with a modern, industrial feel. The 'C' and 'O' are particularly prominent. The logo is set against a light gray rectangular background.

COLFAX

INVESTOR DAY | SEPTEMBER 13, 2016

Forward-looking Statements

These slides and accompanying oral presentation 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 2015 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. These slides speak only as of this date. Colfax disclaims any duty to update the information herein.

The term "Colfax" in reference to the activities described in these slides may mean one or more of Colfax's global operating subsidiaries and/or their internal business divisions and does not necessarily indicate activities engaged in by Colfax Corporation.

Agenda

10:00 AM	Opening Remarks	Matt Trerotola, President & CEO
10:45 AM	Howden Overview & Strategy	Ian Brander, SVP & Howden CEO
11:30 AM	Lunch & Bus to Medina	All
12:30 PM	Tours & Breakout Sessions	Howden Team
3:15 PM	Adjourn & Bus to Hotel	All
4:00 PM	Arrive at Hotel	All
4:00 PM	ESAB Demo & Reliability Services Road Show - Hotel	Open to all with time before flights

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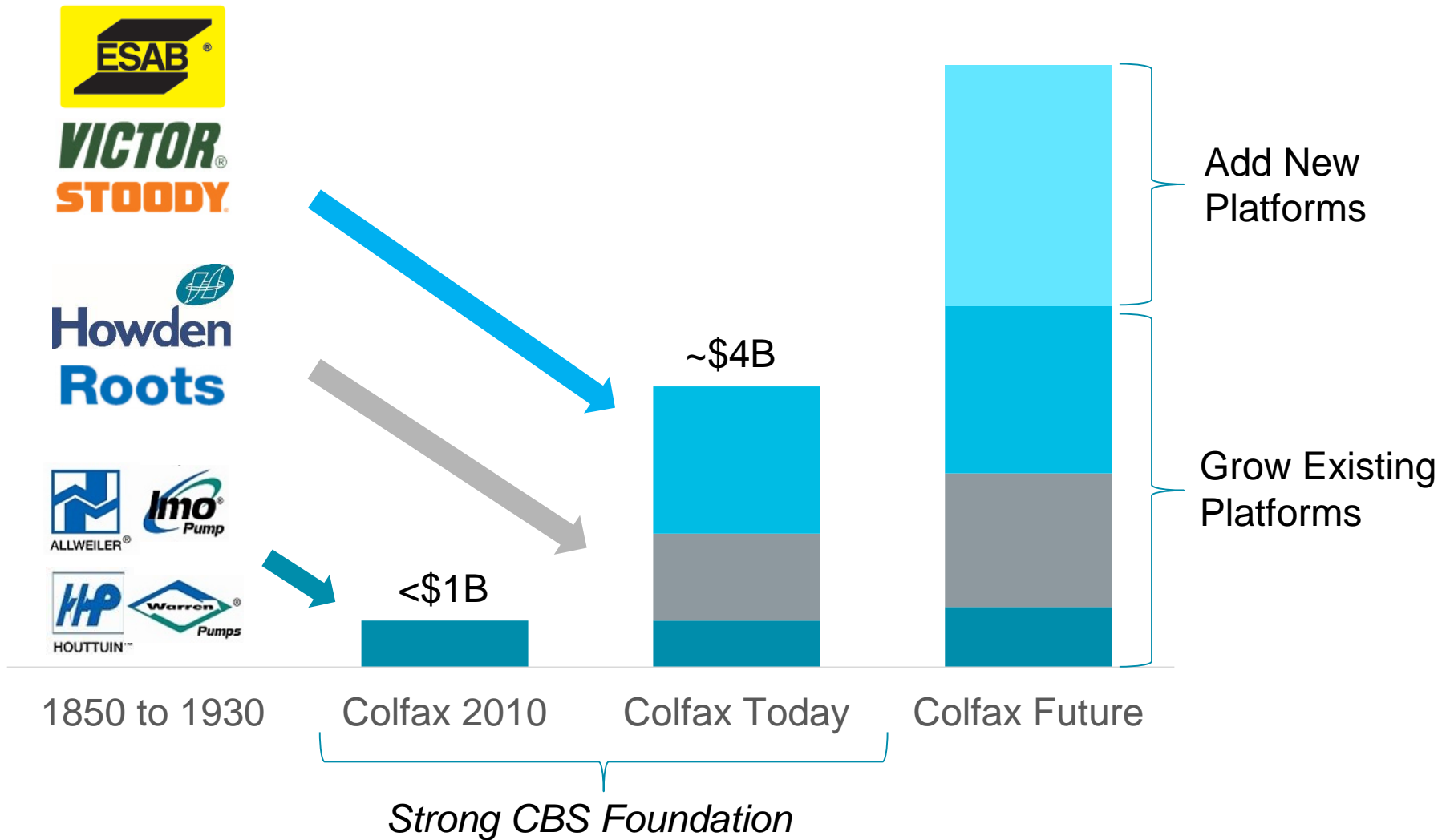
OPENING REMARKS

Matt Trerotola | President and CEO

Summary of the Day

- Strong foundation and winning model
- Significant progress on key priorities
- Building momentum and moving forward

Colfax History and Growth



Colfax Strategy – A Winning Model

Acquire Good
Companies

+

Focus and Empower
Top Talent

+

Use CBS to Make
Them Great

- Attractive Markets
- Strong Brands and Solutions
- Opportunities to Improve and Expand

- Independent Businesses
- Great Leaders, Strong Teams, Winning Spirit
- Lean, High Value Corporate

- Values
- Tools and Processes
- Way of Working

WE USE CBS TO MAKE GOOD BUSINESSES GREAT

Colfax Corporate Priorities

1. Secure a Strong Foundation

- Values driven culture
- Great team, relentless talent focus
- CBS as “The Way to Win”
- Leading brands and technologies

2. Improve and Grow our Businesses

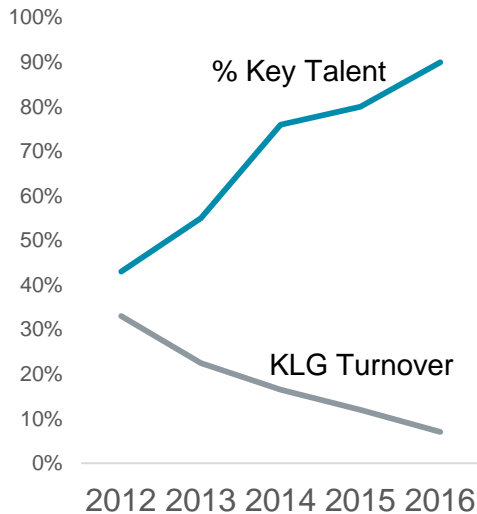
- Core growth > competition
- Margin improvement
- FCF conversion

3. Innovate and Acquire to Accelerate

- Make us stronger
- Access new markets
- New platforms

A Strong Foundation – The Best Team Wins

Building...



- Significant progress
- Strengthening the bench

Developing...

- Talented, CBS-capable GMs and Operational Leaders
- Lean, powerful support functions
- Full bench to fuel growth
- Motivated, challenged, engaged

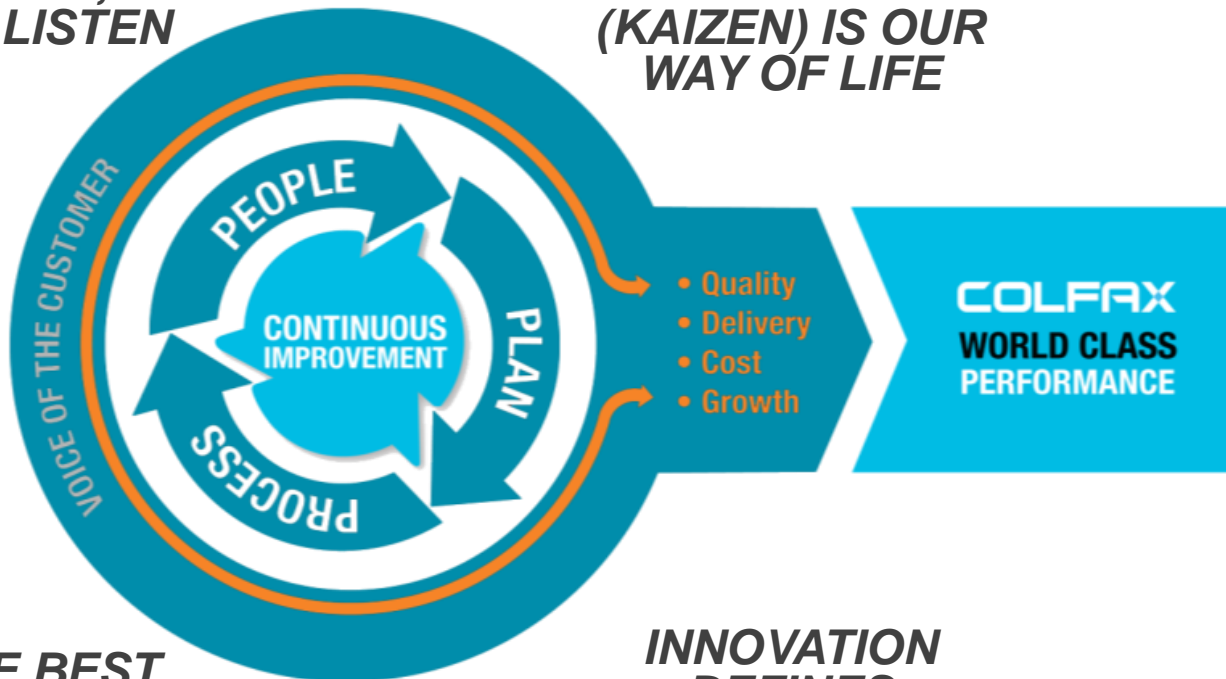
STRONGER, STABLE LEADERSHIP READY TO SUPPORT ACQUISITION GROWTH

A Strong Foundation – Values Driven Business System

VALUES + TOOLS + WAY OF WORKING

**CUSTOMERS
TALK,
WE LISTEN**

**CONTINUOUS
IMPROVEMENT
(KAIZEN) IS OUR
WAY OF LIFE**



**WE COMPETE FOR
SHAREHOLDERS
BASED ON OUR
PERFORMANCE**

**THE BEST
TEAM WINS**

**INNOVATION
DEFINES
OUR FUTURE**

A Strong Foundation – Continuous Improvement Is Our Way Of Life

MANUFACTURING EXCELLENCE JOURNEY

Medina site example:

	Level 1 Catching Up	Level 2 Industry Competitive	Level 3 Industry Leading	Level 4 World Class Industrial
Safety	>4.0	4.0-2.0 ✓	2.0-0.0	0.0
Quality	<89%	<93%	<96% ✓	>96%
Delivery	<90%	90%-95% ✓	95%-97%	>97%
Lead Time	>10% orders lost on LT	>0% orders lost on LT	<20% orders won on LT	>20% orders won on LT ✓
Cost	>14%	>7.5% ✓	>6.5%	<6.5%
Working Capital	<85% ✓	<100%	<110%	>110%
Overall	✓			
Sustain		3 months	6 months	9 months

- Benchmark goals for every facility
- Tough metrics for SQDC and Working Capital
 - Must be above standard for all metrics to move up
 - Must sustain for increasingly longer periods to move up
- High level of engagement
- Steady progress since tool introduced in 2015

IMPROVING PROCESSES → IMPROVING RESULTS → BUILDING ADVANTAGE

A Strong Foundation – Using CBS To Make Good Companies Great

ESAB North America filler metal delivery performance

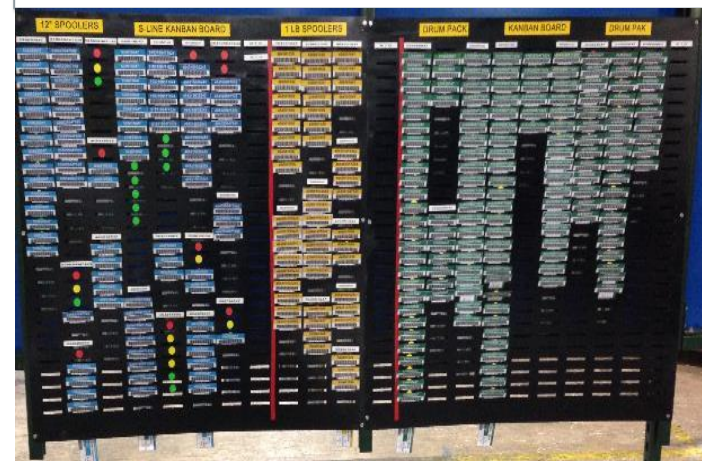
BEFORE

- OTD challenges in 2014
 - 84% in the US
 - 89% in Mexico
- Mfg. Lead Time: 2-4 days
- Stock Fill Rates ~90%

[illegible]

AFTER

- OTD improved by 2016
 - 96% in the US
 - 98% in Mexico
- Mfg. Lead Time: ~1 day
- Stock item fill rate > 98%



CBS tools:

- Demand Pull
- PFEP Automation
- Visual Management
- SMED

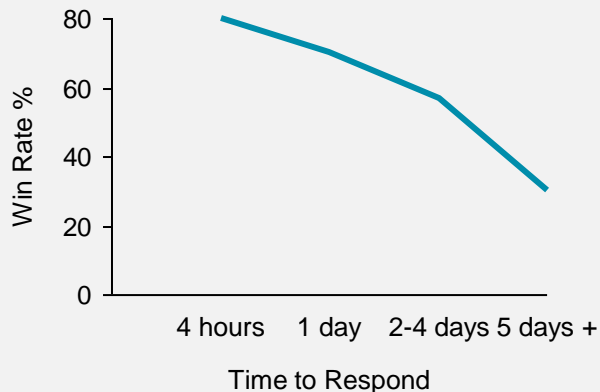
CONTINUOUS IMPROVEMENT CULTURE CHANGING THE GAME

A Strong Foundation – Using CBS To Make Good Companies Great

Colfax Fluid Handling Aftermarket Quote Lead Time

BEFORE

- Quote lead times
 - 2.0 days in Europe
 - 5.9 days in US
- Distributors pushing simple quotes to customer service



CBS tools:

- Policy Deployment
- TPI
- Visual Management
- Daily Management

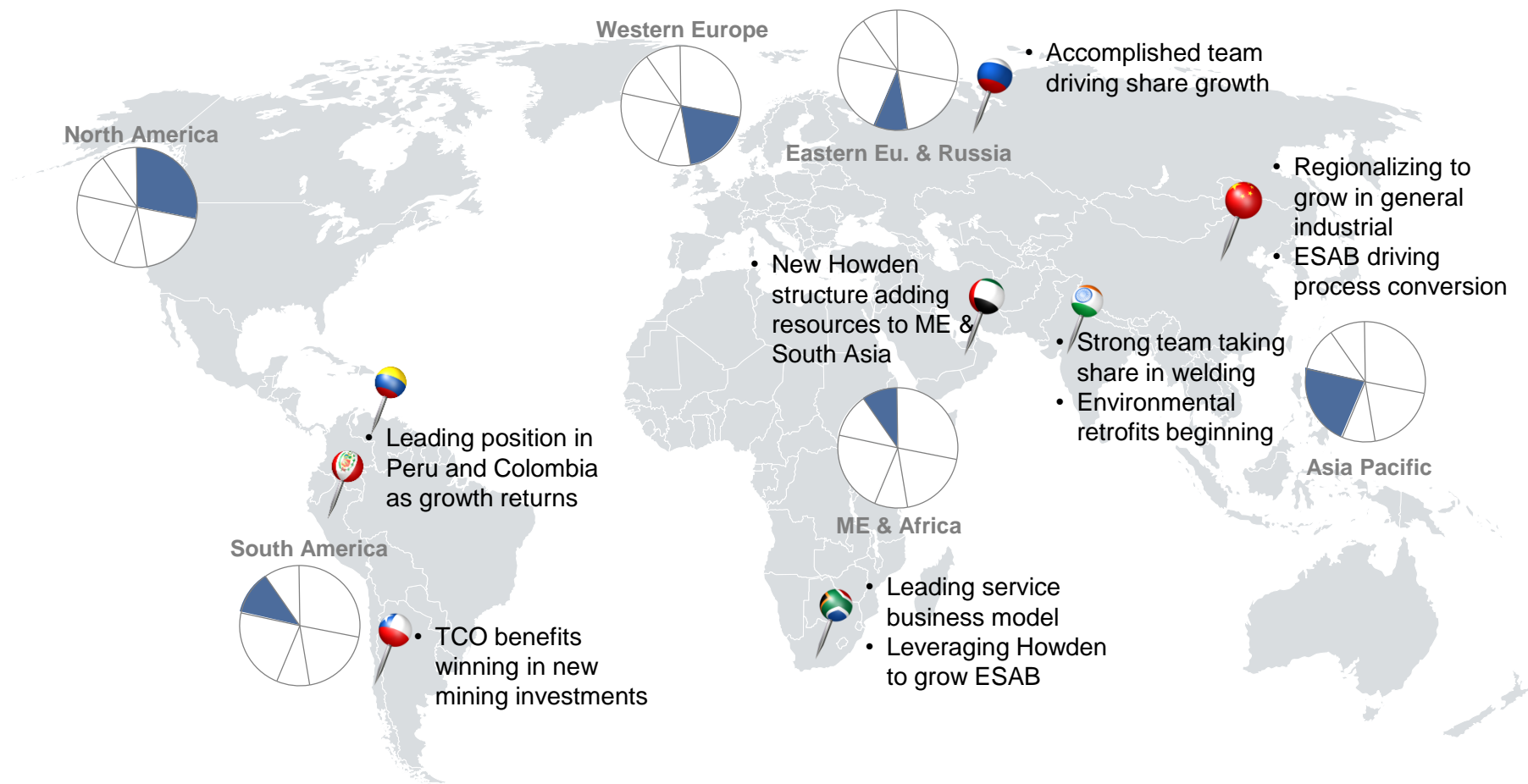
AFTER

- Quote lead times
 - 0.5 days in Europe
 - 2.9 days in US
- EU aftermarket revenue +10%
- 1500 bps improvement in distributor self-quote



CONTINUOUS IMPROVEMENT CULTURE CHANGING THE GAME

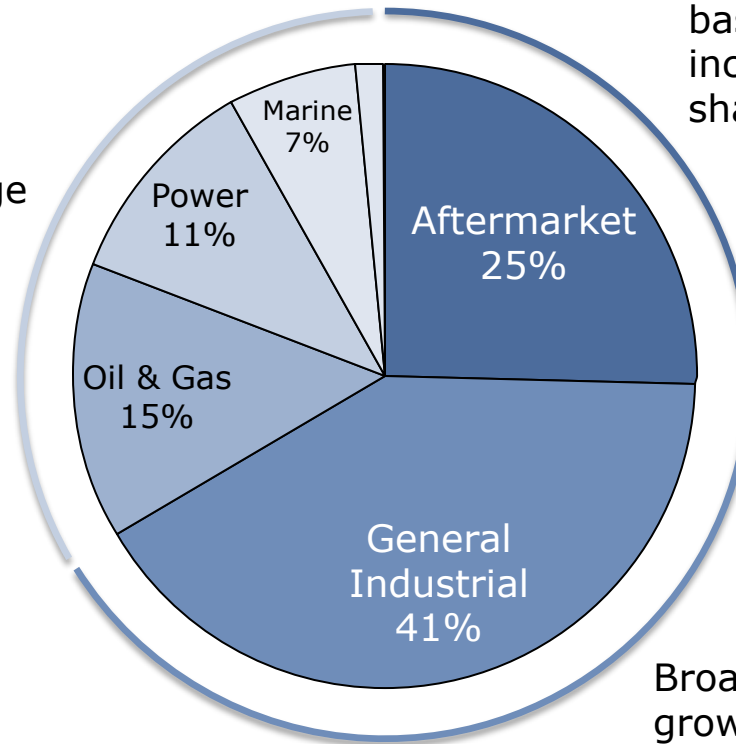
A Strong Foundation - Global Presence



POSITIONED TO WIN IN EMERGING MARKETS THAT ARE 60% OF GLOBAL INVESTMENT

A Strong Foundation – Increasing Aftermarket & General Industrial Mix

Long term positive growth dynamics, but cyclical, large project spending

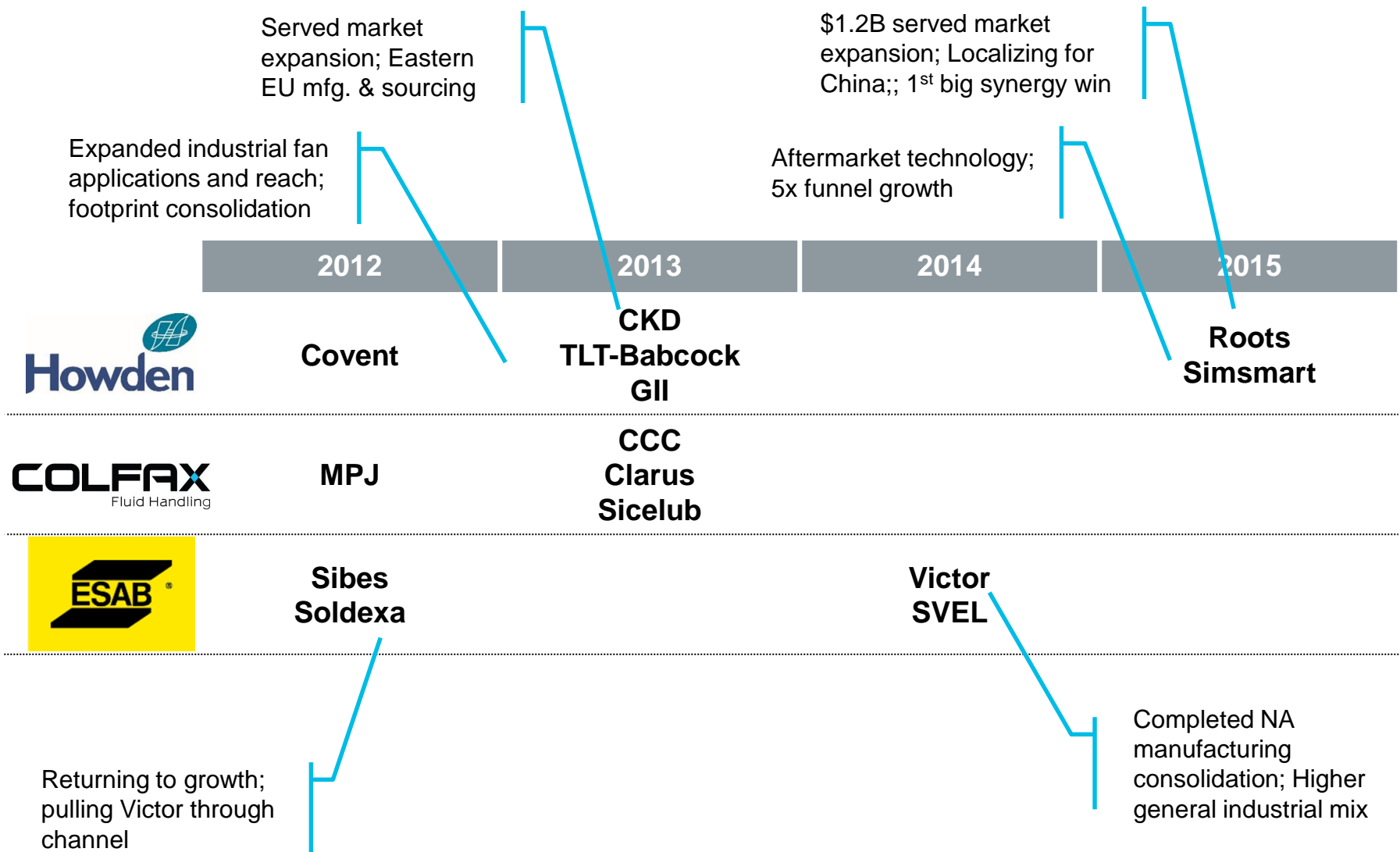


Steadily growing installed base with organic initiatives increasing penetration and share of wallet

Broad based, GDP driven growth with reduced cyclical and established presence in the fastest growing economies

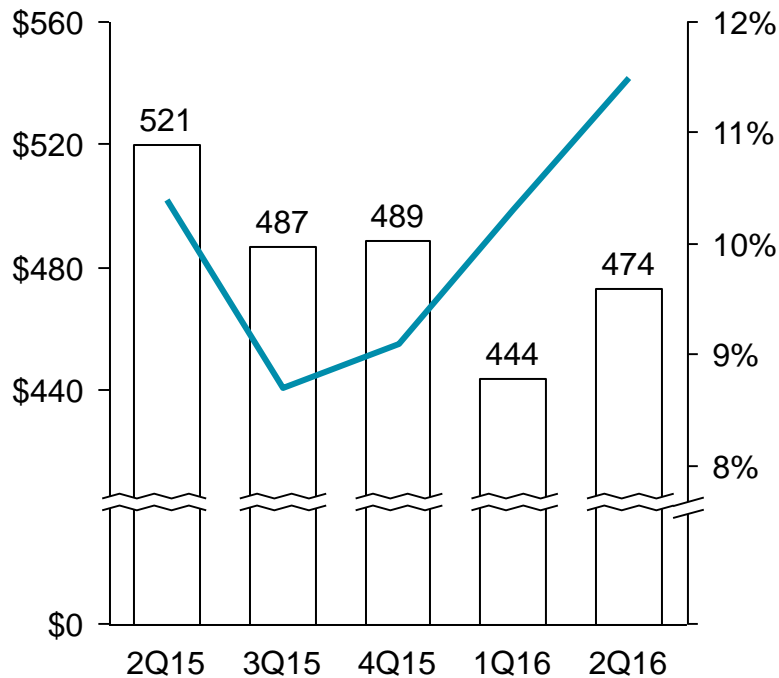
**POSITIONING TO DRIVE GROWTH FROM AFTERMARKET & GENERAL INDUSTRIAL –
LOOK TO CAPEX CYCLE REBOUND AS GROWTH KICKER WHEN IT COMES**

Acquisitions Improving Profile & Delivering Synergies



Improving ESAB Cost Structure

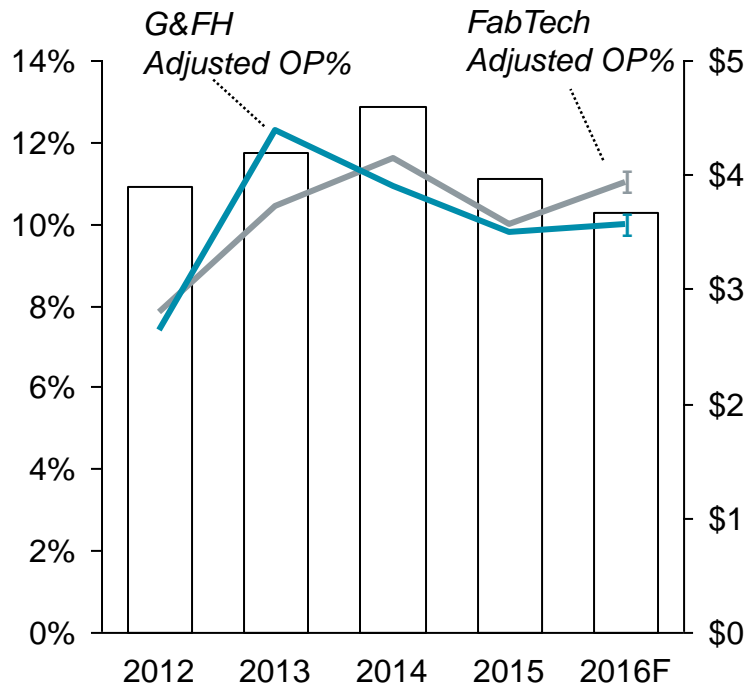
ESAB MARGIN PROGRESSION
(Sales and AOP % of Sales by Quarter)



- ESAB margin trajectory improving
- Structural cost reductions
 - Completed NA consolidation
 - ~20% reduction of global mfg. footprint since 2014
 - G&A alignment and shared services centers
- Improved process efficiency
 - Pricing management tools
 - Productivity
 - OTD and customer service
- Maintaining spending on key investments such as new product development and channel support

2016 Performance

REVENUES (\$Billion, As Reported) & SEGMENT ADJ. OP (% of Sales)



- Aggressive cost alignment
 - 13 sites closed by year end
 - 13% headcount reduction since beginning of 2015
 - Delivering \$50M in 2016
 - Identifying and implementing new cost-out actions
- Positioning to lean into growth
 - Improved service levels
 - Shifted resources to growth markets
 - Share gains in key regions such as Russia, China, and SE Asia

REGAINING PERFORMANCE TRAJECTORY AFTER WEATHERING STACKED CYCLE

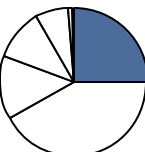

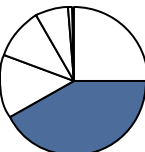

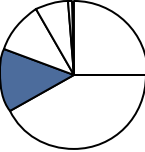

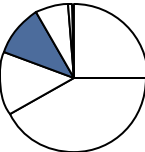

Note: 2012 revenue proforma for Charter; 2016F reflects the inclusion of forward looking estimates based on assumptions reflected in our previously discussed guidance for the 2016 fiscal year.

Source: Internal company reporting and company filings.

3rd Quarter Update

- Major project order wins of ~\$100M supporting G&FH orders growth in 2H
 - Oil & Gas compressor packages in the Middle East totaling >\$50M
 - \$36M copper mine expansion in South America
 - Simsmart retrofit win in Mexico
- More difficult North America welding market
- Balanced outlook still supports 2016 guidance range

Markets Still Near Bottom of Cycle

		Current Environment	Key Indicators
	Aftermarket	<ul style="list-style-type: none"> Sluggish as customers minimize expenses Lower thermal power utilization rates in the US 	<ul style="list-style-type: none"> Lower refining margins - less costly to shutdowns Stable oil prices Aging power fleet in China 
	General Industrial	<ul style="list-style-type: none"> Weakening NA welding market but solidifying in EU and others Environmental spend starting in China 	<ul style="list-style-type: none"> Stable to up global PMI GDP forecast uptick in '17 Non-resi construction mixed 
	Oil & Gas	<ul style="list-style-type: none"> Lower capex spending YOY Projects delayed but continuing to progress 	<ul style="list-style-type: none"> Stable oil prices Refinery utilization Refined products demand 
	Power	<ul style="list-style-type: none"> Policy changes in China slow new build, accelerate environ. Steady pace in SEA New regulations in India 	<ul style="list-style-type: none"> Thermal power generation announced projects Utilization Announced regulations 

IMPROVING COST STRUCTURE BUT READY TO LEAN INTO GROWTH

Building Momentum Into 2017

- Aligning organization and strategy
- Structural cost savings
- Strengthening position in key welding markets like Europe, Russia, India, and South America
- Service levels pushing to competitive advantage
- Aftermarket success on key initiatives
- Expanding general industrial applications, building on China success and model
- Exciting new welding products coming soon

STRONG LEVERS TO OUTPERFORM OUR MARKETS THROUGH THE TROUGH

Increasing Focus on Growth – Innovation Process

- Increasing pace of ESAB new products
 - Building on the Rebel model of insightful VOC and open innovation development
 - Automation solutions delivering improved productivity and quality
- Impactful IoT technologies
 - WeldCloud
 - SmartEXEC
 - Aftermarket tools
- Expanding addressable markets in G&FH
 - Localizing global technologies
 - Leading efficiency and environmental control solutions



NASA's Marshall Center Video

<https://youtu.be/-lcPrSljxnc>


INNOVATION DEFINES OUR FUTURE

Gearing Up for Acquisition Growth

SITUATION ASSESSMENT

- Strong technology and brand foundation, many expansion vectors
- Solid FCF performance with significant upside
- Talent in place to support growth & drive CBS, Values
- Track record for disciplined acquisition and integration
- Acquisition process working, though near-term market conditions still challenging

CAPITAL ALLOCATION APPROACH

- 
- *Bolt-on Acquisitions*: strengthen the core; drive cost synergies
 - *Adjacency Acquisitions*: expand technology bundle and addressed markets
 - *New Platforms*: broaden, diversify portfolio and add degrees of freedom for growth

COMPOUNDING RETURNS TO CREATE LONG-TERM SHAREHOLDER VALUE

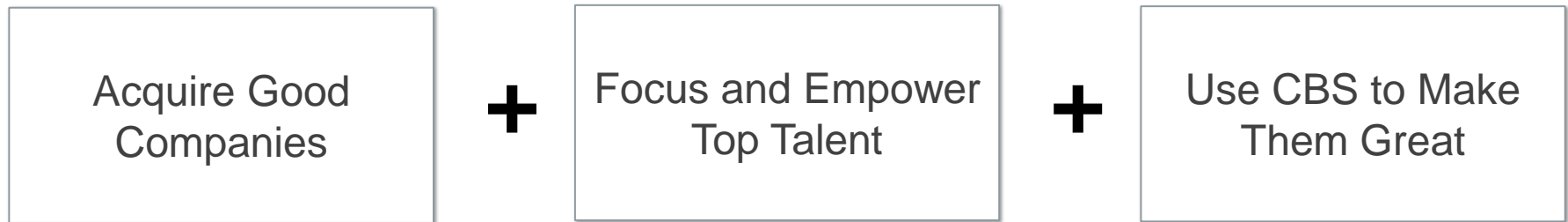
Driving Shareholder Returns

- Strengthening business profile
 - Relative outperformance to markets gaining momentum
 - Increasing aftermarket and general industrial mix
 - Attractive end markets with strong secular drivers for long-term growth
- Significant cash generation opportunity
 - Deeper, empowered talent bench accelerating execution tempo
 - Cost reduction opportunities create majority of the path to mid-teen operating margins
 - Free cash flow expected to exceed net income
- Compounding returns with proven acquisition model
 - Investing FCF through a disciplined acquisition process

ORGANIC GROWTH AND MARGIN EXPANSION ACCELERATED BY ACQUISITIONS

Winning Model Creating Shareholder Value

- Strong foundation → Talent & CBS
- Executing through the cycle
- Winning model to compound returns



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Q&A



Investor Day 2016

Ian Brander, SVP & CEO of Howden



Who is Howden

To be the world's leading

Number one in the segments
we choose to operate in

application engineer

Where our **knowledge of
product and process** makes
a difference

providing lifetime solutions

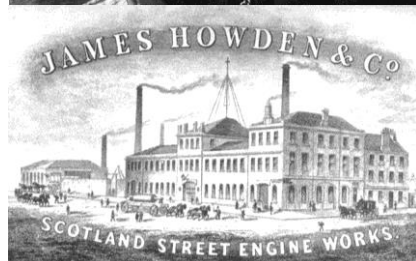
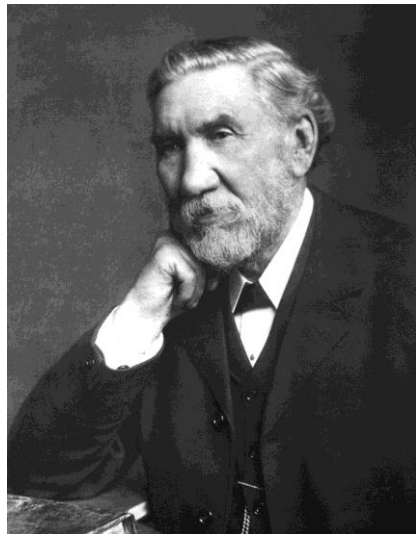
From **project inception to
plant decommissioning**

in air and gas handling

Performance critical products
which move, treat, clean, heat
or cool gas and air

History

Company origins and development



- Founded in 1854 by James Howden in Glasgow as a marine engineering firm.
- Developed the forced draught system for boilers (1882) and the rotary regenerative air preheater (1920).
- Commercialized the screw compressor in the 1940's.
- Became part of Colfax in January 2012
- Now a leading global player for air and gas handling equipment with over 330k product installations worldwide.
- The Power of the Howden brand is stronger than ever due to its heritage of engineering leadership and pride of the associates.

Century brands:



**1854
HOWDEN**

In 1882, James Howden patented the Howden system of forced draft transforming boiler efficiencies by more than 30%.



**1859
ROOTS BLOWERS**

Manufacturing rotary lobe, centrifugal blowers and vacuum pumps.



**1878
BUFFALO FORGE**

Founded to manufacture blacksmiths forges, now producers of industrial fans, heating equipment, dust collectors and other metal manufacturing.



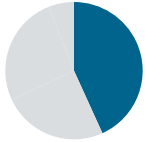
**1883
THOMASSEN
COMPRESSION**

Founded as a small workshop to repair windmills. In 1896 Geurt Thomassen built his own design gas engine and in 1921 launched the first reciprocating compressor.



**1921
SOLYVENT**

Established to address requirements of the post-war boom / roaring twenties to provide turnkey industrial fan ventilation systems.



Power

Main boiler fans, boiler heat recovery, booster fans (environmental)



Industrial

Cement, transportation, MVR, waste water, process refrigeration, other industrial



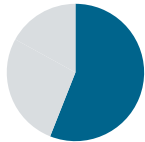
Petrochemical, Oil & Gas

Gas boosting and gathering, sulphur recovery, boil-off gas, gas drying and cleaning, and process cooling



Mining

Surface and underground ventilation, heating and cooling systems, control systems



Heavy duty fans & heaters

Large custom engineered fans to maximize performance and efficiency.

Rotary heat exchangers with unique heat transfer arrangement providing maximum thermal efficiency



Compressors

Screw, piston, centrifugal, and rotary lobe compressors for process critical oil, gas, and industrial applications



Industrial fans

Engineered and configured medium range fans for a wide range of industrial applications

Axial fans are suited to a combination of high flow and low pressure and provide flow control at high efficiency.



A large Howden axial flow fan could inflate the Goodyear Blimp in just over 3 seconds

Centrifugal fans are suited to a combination of high pressure and low flow, and arduous operating conditions



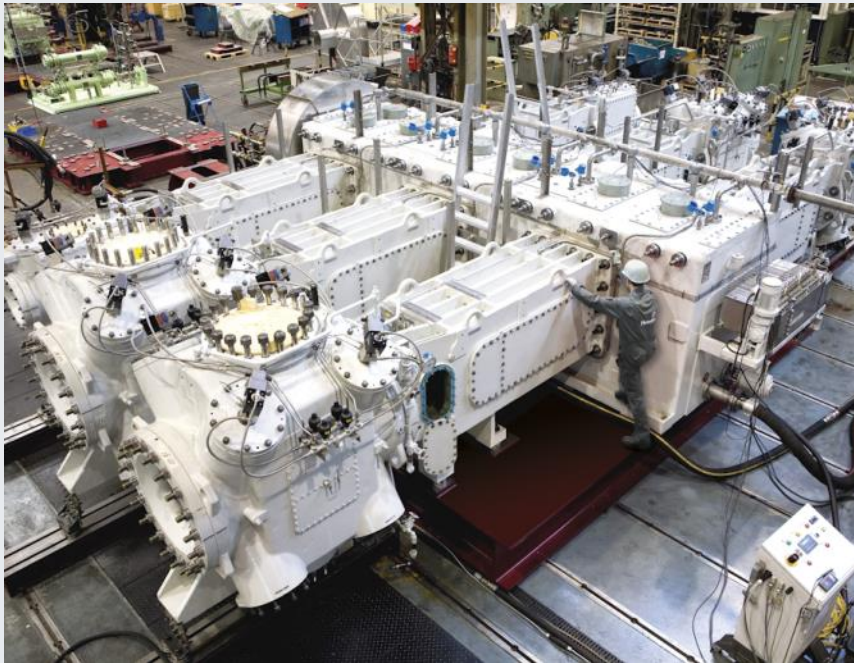
The energy stored in a large centrifugal fan rotor is comparable to that contained in a fully laden commuter jet travelling at 450mph

Rotary heat exchangers are used to recover heat from waste gas thus improving boiler efficiency.



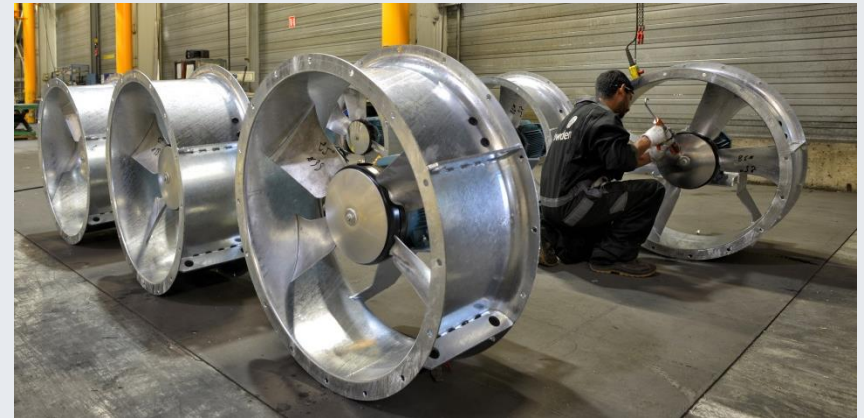
Howden air preheaters reduce carbon dioxide emissions from coal fired power stations by around 100 million tonnes per year

Howden piston compressors are used mainly for hydrogen compression applications in refineries.



The force in each cylinder rod could lift 10 fully laden London double-decker buses, and do it 400 times every minute

Industrial fans are used to move air and gases in a wide range of industries.



105 industrial fans working in parallel are being used to simulate the conditions that would be experienced in a category 3 hurricane, delivering a flow equivalent to 20 times that of Niagara Falls.

We use our applications knowledge to leverage these strengths to focus on market opportunities:

Brand - Quality and reliability



Products and technology



People



Project Management Capability



Global Footprint



Applications Engineering





Current situation

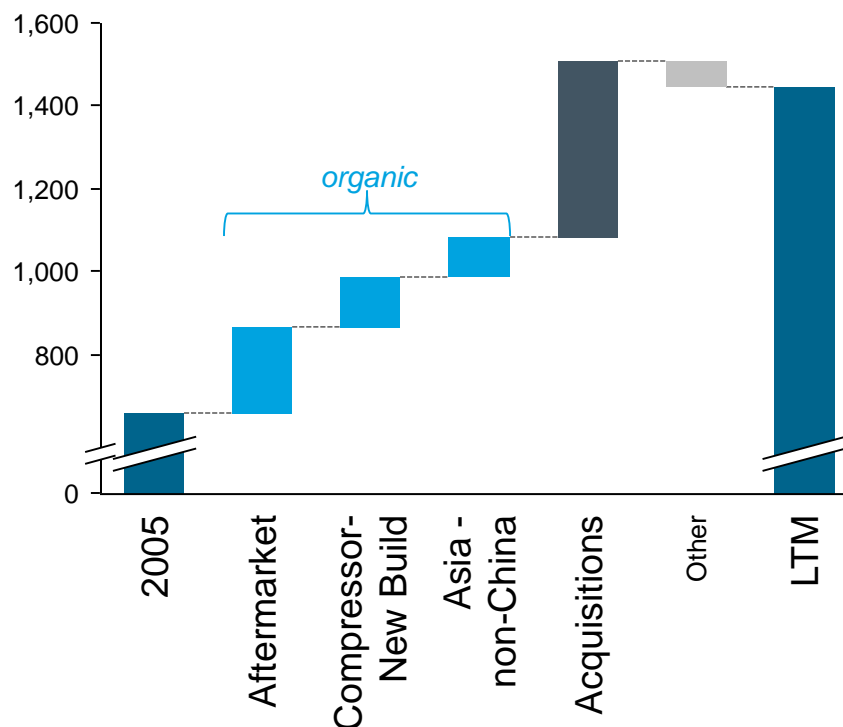
- Significant market headwinds but successful in winning larger projects and gaining share in key markets
- Revised structure and capacity reduction implemented to reduce costs by \$34M
- Aligned structure to strategy to build capability, talent and infrastructure in key growth regions

Long-term growth

Organic and acquisitions

- Strong organic growth track record
- Strategy drove structural growth
 - Aftermarket growth in fans & heaters
 - Compressors from 8% to 27% of mix
 - Built Asian presence outside China
- Delivered growth despite two downturns
 - Volume decline since 2014 considerably less than market drop
 - Gaining market share in key markets of power and oil & gas
- Acquisitions generating growth synergies
 - Compounding effect notable in compressors with growth from \$50M to >\$400M

Revenue growth
8% CAGR; 4-5% organic CAGR
(\$ million; constant currency)



Strong organic growth track record driven by expanding served market and share gain

LTM = 2H15 and 1H16

Source: Internal company reporting and management estimates.

Core

- Southeast Asia Power win rate up 2000 bps
- Taking share in China Power with axial fan redesign – grown share 1300 bps in four years
- Share growth in large reciprocating compressors
- NA Industrial Fans booking growth up 7% in difficult market

Expanding Addressable Market

- China non-power bookings up 22%, plus a large project win
- Compressor new application project wins in process refrigeration, unconventional gas, LNG, FLNG, waste heat recovery
- Serving new geographies with Roots & Simsmart acquired technology

Aftermarket

- Leveraging turnkey project management capability
- Servicing competitor heater and fan installed base
- New LTSA's in Asia, including competitive equipment



Strategy to move forward

3-5 year financial goals

- 2-5% organic growth CAGR
 - Growth initiatives to outperform market
 - Continued expansion of served markets (organic, acquisition)
- Increase core operating margins to mid-teens
 - Operational leverage on structurally lower cost base
 - Increase sales of higher-margin aftermarket products

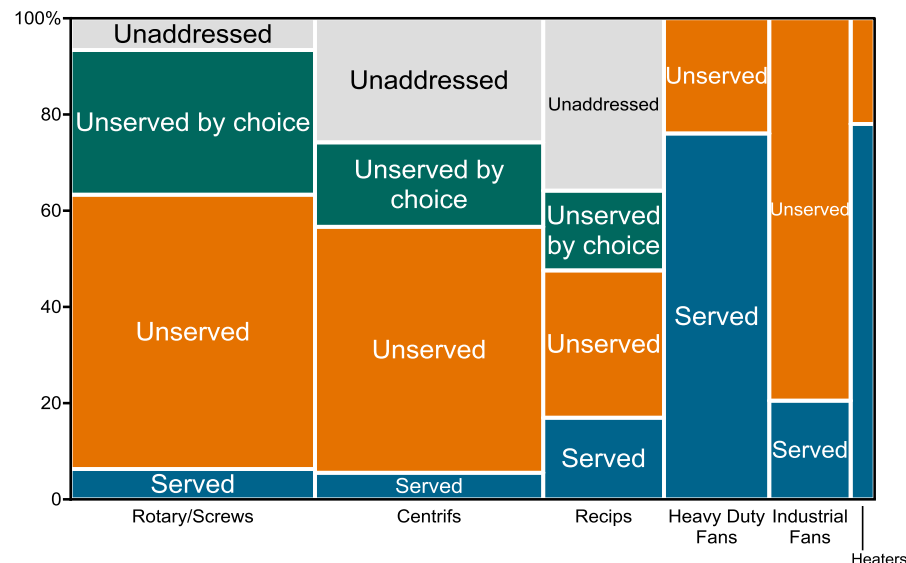
Key strategies

- Build organization and capability in growth regions
- Increase served markets through new applications with focus on industrial markets
- Increase effective coverage of aftermarket installed base
- Reduce cost base through footprint transition

Goal : 3-5% revenue CAGR through the cycle with mid-teens operating margin

- Strong track record of growth through expanding served markets
- Acquisitions increasing runway of opportunities
- Strategy and experience based on targeting through
 - Application opportunities
 - Geographic expansion
 - Product development
 - Bolt-on acquisitions

\$12B air & gas handling market



Served: primary application, broad access to market
Unserved: have the product technology but do not fully compete due to product range, cost, or route-to-market gaps
Unaddressed: do not have the product technology to address

Runway for growth extensive and enhanced by recent acquisitions

Expand addressable markets

Regional strategy

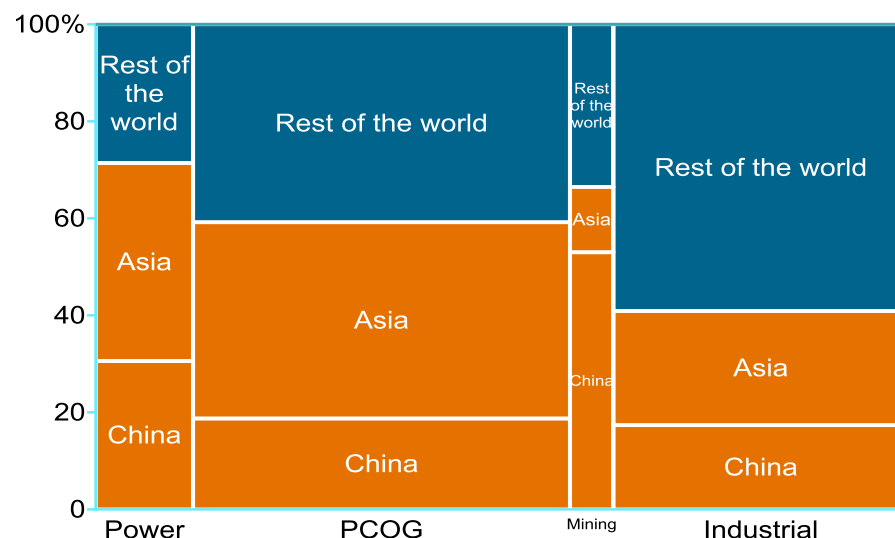
Market Opportunity

- Asia including China accounts for 55% of Howden available market
- Growing but limited infrastructure in Asia outside China

Strategy / Implementation

- Howden re-organised into regional and product business model Jan 2016
- Increasing capability in growth regions
 - Transferred senior Howden leaders to lead organisation in SE Asia, ME & India
 - Building regional organisation for sales, contract management and supply chain
 - Investing in factory capabilities

\$12B air & gas handling market



Transforming Howden to give regional strength in largest markets

Expand addressable markets

Developing regional infrastructure in Asia

Middle East

- Establishing workshops in UAE & Saudi Arabia to service Howden compressor installed base
- Strengthening regional team
 - New leader and significant flow of supporting talent
- Leverage Indian manufacturing

India

- Established power and industrial fans business
- New environmental legislation driving investment cycle
- Investing in manufacturing for fans and compressors
 - Localization of key product lines
 - Local supply chain
- Targeting new unserved segments
- Develop 2nd line aftermarket expertise in country

South East Asia

- Established sales organisation over last 5 years in key locations (focus on power)
- Expanding capability to full regional organisation
 - New leader and significant flow of supporting talent
 - Establishing applications and product unit capability
- Build sales org to support full Howden line
- Leverage manufacturing capability in China and India

Developing regional infrastructure in growth markets

Expand addressable markets

China progress

Market Opportunity

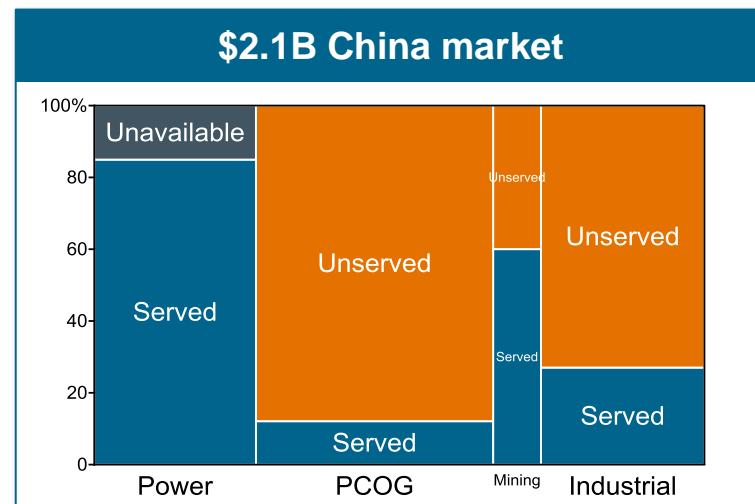
- Successfully established organisation in China with strong market position in established markets
- Many unserved / underserved applications

Strategy

- Design and position products to win in mid-market
- Fully localize production & supply chain
- Increase sales resource on target applications and across provinces

2016 Results

- Non power bookings increased by 22% in 1H
 - First orders for differentiated mining fan
 - First MVC turbo fans built in China
 - First screw packages built in China
 - Roots blower order for \$6.5M won
- Sourcing & machining of critical parts transferred



Non-Power target applications	
Application	Market Size (\$M)
Mining fans	\$120M
Screw compressor packaging	\$63M
Mechanical Vapor Recompression (MVR)	\$44M
Roots Blowers	\$54M

Diversification strategy delivering and expected to offset Power headwind

Expand addressable markets

Key Application opportunities

Water

- Extending product range in 2016
- Leveraging Roots channel for US
- Established position in China; first contracts in India; targeting growth markets in Asia
- Targeting zero liquid discharge applications with MVC product range

Transportation

- Leveraging global position vs competitors

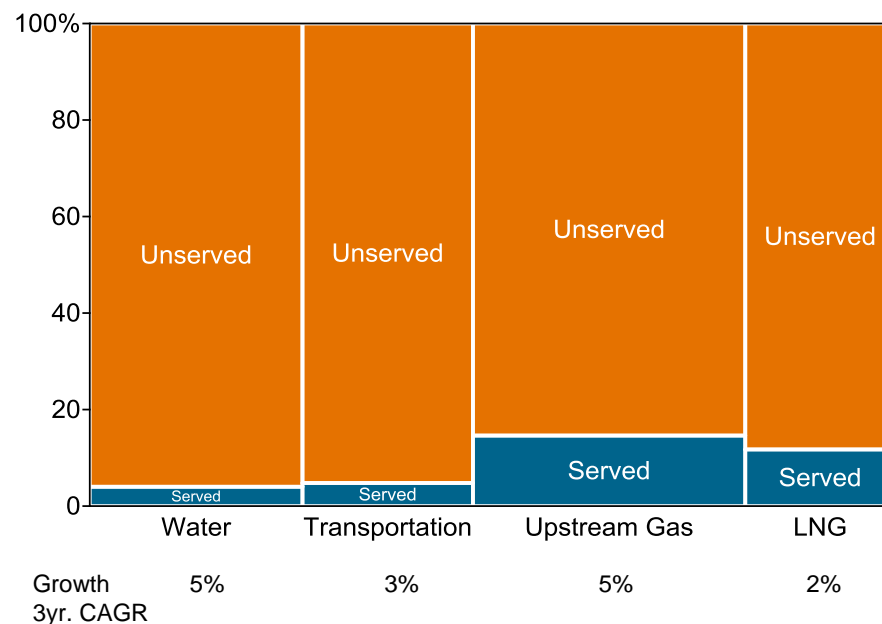
Upstream gas

- High capacity, low life-time cost compressor launching 2016
- Success in high value CBM projects

LNG

- Adapting existing product range to LNG applications

\$2.2B opportunity



Waste water: Increasing population; zero liquid discharge legislation

Transportation: Investment in high speed rail networks and infrastructure

Upstream gas: High demand for fuel and petrochem feedstock

LNG: Gas supply vs demand location driving growth

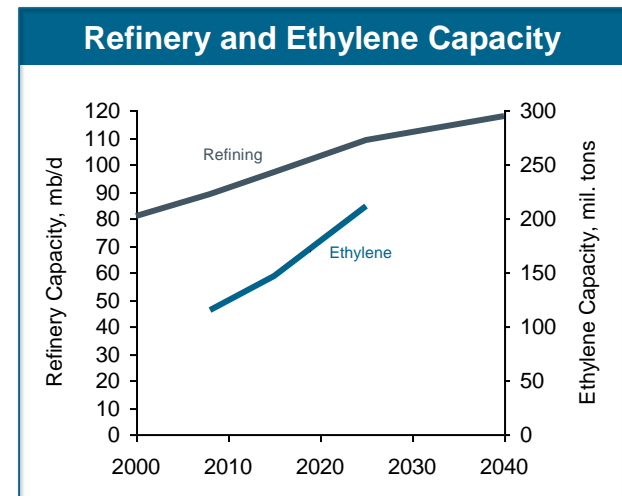
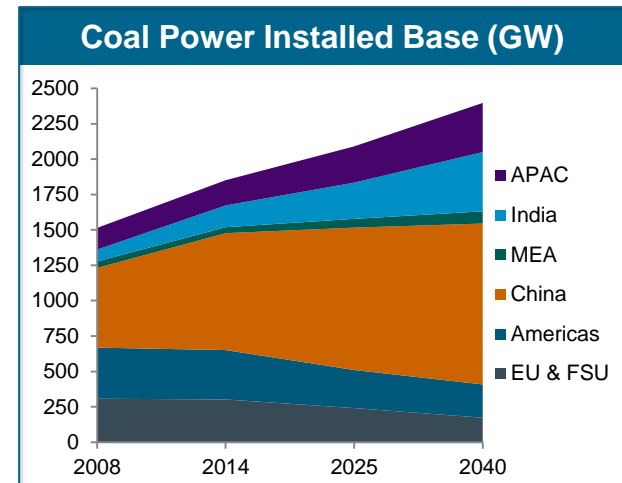
Targeting >\$100m incremental bookings in attractive, under-served applications

Long-term installed base growth

- >\$2 billion addressable service market
- Asian power additions far exceed US & EU reductions
- Demand for refined products drives new capacity additions
- Focused in China, ME, India, SE Asia, and Russia

Value of installed base increasing

- Mission critical applications where reputation and process knowledge matter
- Larger, more sophisticated installations
 - Increasing need for efficiency and reliability
 - Increasing opportunity to create customer value through aftermarket service



Increasing returns from substantial installed base throughout the world

Leveraging existing capabilities globally

- CBS to improve speed and operational effectiveness
- Investing in service resources in underserved, high density areas
- Deploy turnkey and project management capability to aftermarket

Moving from parts supplier to trusted advisor

- Developing retrofit solutions to increase efficiency and extend MTBM
- Managing turnkey projects
- Creating technology solutions like SmartEXEC and UltraGen
- Long term service agreements

Value-add Partnerships

- Long term service agreements
- Total performance mgmt.

Upgrades

- Launching product optimization solutions
- Competitor's equipment

Parts and Services

- New service locations
- Increasing resources in growth areas

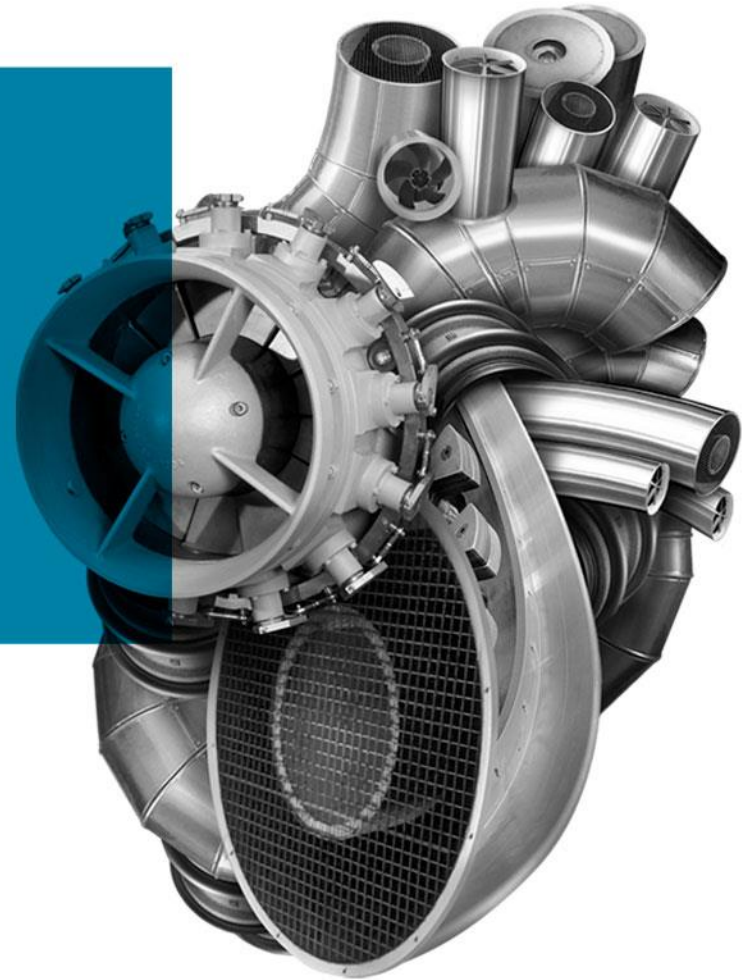


Increase Revenue Streams

- Winning market share in tough markets
- Core markets are at low points in cycle
- Significant opportunity for growth through targeting underserved markets & expanding aftermarket
- Reduced structural cost will drive increased operating margins with growth

At the heart of your operations

Q&A



Revolving Around You™