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12 January 2012

**RECOMMENDED CASH AND SHARE OFFER**

for

**CHARTER INTERNATIONAL PLC**

by

**COLFAX UK HOLDINGS LTD**

a wholly-owned subsidiary of

**COLFAX CORPORATION**

**Court Sanction of the Scheme and the Capital Reduction  
Results of the Mix and Match Facility and the Loan Note Alternative**

On 12 September 2011 Colfax Corporation ("**Colfax**") and Charter International plc ("**Charter**") announced that they had reached agreement on the terms of a recommended cash and share offer for the entire issued and to be issued share capital of Charter (the "**Acquisition**").

Colfax announces that the Court has today sanctioned the Scheme and confirmed the Capital Reduction. It is expected that the Scheme will become effective shortly after 9.00 a.m. (London time) on 13 January 2012.

In respect of the Mix and Match Facility, (i) Charter Shareholders holding 11,143,511 Charter Shares had elected to receive additional cash; and (ii) Charter Shareholders holding 129,930,272 Charter Shares had elected to receive additional New Colfax Shares.

In addition, in respect of the Loan Note Alternative, Charter received valid elections for less than £2 million in nominal value of Loan Notes, in aggregate. One of the conditions set out in the Scheme Document to the issuing by Colfax UK Holdings Ltd of the Loan Notes was that valid elections for at least £2 million in nominal value must have been received. As this condition has not been met, Colfax UK Holdings Ltd will not be issuing Loan Notes to Charter Shareholders and instead those Charter Shareholders who validly elected for Loan Notes under the Loan Note Alternative will instead receive cash in accordance with the terms of the Acquisition.

Accordingly, valid elections received from Charter Shareholders for additional New Colfax Shares under the Mix and Match Facility will be scaled down on a *pro rata* basis and valid elections received for additional cash will be satisfied in full, with the result that:

- Charter Shareholders who have made an election to receive additional New Colfax Shares under the Mix and Match Facility will receive 0.134743 New Colfax Shares and 714.5622 pence in cash per Charter Share; and

- Charter Shareholders who have made an election to receive additional cash under the Mix and Match Facility will receive zero New Colfax Shares and 910 pence in cash per Charter Share,

in each case in respect of which a valid election has been made.

In respect of Charter Shares for which no valid election under the Mix and Match Facility has been made, Charter Shareholders will receive the basic offer consideration which is 730 pence in cash and 0.1241 New Colfax Shares per Charter Share.

Fractions of New Colfax Shares will not be allotted or issued to Scheme Shareholders pursuant to the Scheme. Instead, to the extent that a Scheme Shareholder is entitled to a fractional interest in a New Colfax Share, fractions of New Colfax Shares will be aggregated and the aggregate of such fractions (rounded down to the nearest whole share) shall be allotted and issued to the person appointed by Colfax as nominee for such Scheme Shareholder and sold in the market. The net proceeds of sale will be distributed (in Sterling) *pro rata* to Scheme Shareholders entitled thereto, save that amounts of less than £3 will not be paid and will be used for the benefit of the enlarged Colfax Group.

The Acquisition remains conditional upon (i) delivery to the Registrar of Companies of the Scheme Court Order; (ii) delivery to the Registrar of Companies of the Reduction Court Order and the approved minute attached to it; and (iii) the Reduction Court Order being registered by the Registrar of Companies together with the approved minute attached to it.

Subject to these conditions being satisfied (which is expected to occur shortly after 9.00 a.m. (London time) on 13 January 2012), Colfax will despatch the Offer Consideration, including settlement of valid elections received under the Mix and Match Facility on 27 January 2012.

Capitalised terms used but not defined in this announcement shall have the meaning given to them in the scheme document dated 18 October 2011 relating to the Acquisition.

A copy of this announcement will be available, subject to certain restrictions in relation to persons resident in certain overseas jurisdictions, at Charter's website at [www.charter.ie](http://www.charter.ie) and at Colfax's website at [www.colfaxcorp.com](http://www.colfaxcorp.com). Neither the contents of Charter's website, the contents of Colfax's website, nor the content of any other website accessible from hyperlinks on either Charter's or Colfax's website, is incorporated into or forms part of this announcement.

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*This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely pursuant to the terms of the Scheme Document (or, if applicable, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition or to elect to sell shares in connection with the acquisition, as the case may be. Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document and the Prospectus.*

*The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom, Jersey and the United States may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom, Jersey and the United States should inform themselves about, and observe any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom, Jersey or the United States to vote their Charter Shares with respect to the Scheme at the Meetings, or to execute and deliver forms of proxy appointing another to vote at the Meetings on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. This announcement has been prepared for the purpose of complying with Jersey law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Jersey.*

*Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*Notice to US investors in Charter: The Acquisition relates to the shares of a Jersey company that is a "foreign private issuer" (as defined under Rule 3b-4 under the US Exchange Act) and is being made by means of a scheme of arrangement provided for under Jersey company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in Jersey to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. Financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. If, in the future, Colfax UK Holdings Limited exercises the right to implement the Acquisition by way of a takeover offer, such offer will be made in compliance with applicable US laws and regulations.*

*The securities of Colfax referred to in this announcement have not been registered under the Securities Act, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.*

*The issuance of New Colfax Shares pursuant to the Scheme will not be registered under the Securities Act, and will be issued pursuant to the exemption provided by Section 3(a)(10) under the Securities Act. In the event that Colfax determines to conduct the Acquisition pursuant to a takeover offer or otherwise in a manner that is not exempt from the registration requirements of the Act, it will file a registration statement with the Securities and Exchange Commission ("SEC") that will contain a prospectus. In this event, Charter Shareholders are urged to read these documents and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information, and such documents will be available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov).*

*Neither the US Securities and Exchange Commission, nor any US state securities commission, has approved or disapproved of the Loan Notes or the New Colfax Shares to be issued in connection with the Acquisition, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the US.*

*Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the Financial Services Authority. Details about the extent of Deutsche Bank AG's authorisation and regulation by the Financial Services Authority are available on request. Deutsche Bank AG is acting as financial adviser to Colfax and Colfax UK Holdings Limited and no one else in connection with the contents of this announcement and will not be responsible to any person other than Colfax and Colfax UK Holdings Limited for providing the protections afforded to clients of Deutsche Bank AG, nor for providing advice in relation to any matters referred to in this announcement.*

### **Dealing and Opening Position Disclosure Requirements**

*Under Rule 8.3(a) of the City Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified.*

*An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure. Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and*

*(ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.*