

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 25, 2013

**Colfax Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-34045**  
(Commission  
File Number)

**54-1887631**  
(I.R.S. Employer  
Identification No.)

**8170 Maple Lawn Boulevard, Suite 180**  
**Fulton, MD 20759**  
(Address of Principal Executive Offices) (Zip Code)

**(301) 323-9000**  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**Item 2.02. Results of Operations and Financial Condition.**

On July 25, 2013, Colfax Corporation issued a press release reporting financial results for the second quarter ended June 28, 2013. A copy of Colfax Corporation's press release is attached to this report as Exhibit 99.1 and is incorporated in this report by reference. Colfax Corporation has scheduled a conference call for 8:00 a.m. EDT on July 25, 2013 to discuss its financial results, and slides for that call are attached to this report as Exhibit 99.2 and are incorporated in this report by reference.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits**

- 99.1 Colfax Corporation press release dated July 25, 2013, reporting financial results for the second quarter ended June 28, 2013.
- 99.2 Colfax Corporation slides for July 25, 2013 conference call reporting financial results for the second quarter ended June 28, 2013.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Colfax Corporation**

Date: July 25, 2013

By: /s/ C. Scott Brannan

Name: C. Scott Brannan

Title: Senior Vice President, Finance and Chief

Financial Officer

## EXHIBIT INDEX

- 99.1 Colfax Corporation press release dated July 25, 2013, reporting financial results for the second quarter ended June 28, 2013.
- 99.2 Colfax Corporation slides for July 25, 2013 conference call reporting financial results for the second quarter ended June 28, 2013.



## COLFAX REPORTS RECORD SECOND QUARTER 2013 RESULTS

FULTON, MD - July 25, 2013 - Colfax Corporation (NYSE: CFX) today announced its financial results for the second quarter ended June 28, 2013. On a year-over-year basis, highlights for the second quarter and year-to-date period include:

### Second Quarter of 2013 (all comparisons versus the second quarter of 2012)

- Net income of \$53.3 million (\$0.52 per dilutive share); adjusted net income (as defined below) of \$62.0 million (\$0.56 per share, which includes a \$0.02 per share gain related to the resolution of a previous tax position)
- Net sales of \$1.074 billion, an increase of 2.7% from Q2 2012 net sales (an organic decrease of 0.3%)
- Operating income of \$111.7 million; adjusted operating income (as defined below) of \$116.6 million
- Second quarter gas- and fluid-handling orders of \$478.2 million compared to orders of \$534.5 million in Q2 2012, a decrease of 10.5% (an organic decrease of 10.0%)
- Gas- and fluid-handling backlog of \$1.388 billion at period end

### Six Months Ended June 28, 2013 (all comparisons versus the six months ended June 29, 2012)

- Net income of \$75.9 million (\$0.74 per dilutive share); adjusted net income (as defined below) of \$95.5 million (\$0.83 per share)
- Net sales of \$2.021 billion, an increase of 4.6% from net sales for the six months ended June 29, 2012 (an organic decrease of 1.4%)
- Operating income of \$184.0 million; adjusted operating income (as defined below) of \$194.8 million
- Gas- and fluid-handling orders of \$980.3 million, a decrease of 5.0% (an organic decrease of 7.3%)

Adjusted net income, adjusted net income per share, adjusted operating income, organic sales growth (decrease) and organic order growth (decrease) are not financial measures calculated in accordance with generally accepted accounting principles in the U.S. ("GAAP"). See below for a description of the measures' usefulness and a reconciliation of these measures to their most directly comparable GAAP financial measures.

Steve Simms, President and Chief Executive Officer, stated, "We are very pleased to report record operational results for the second quarter. The strong operating margins in both segments reflect the continued impact of our improvement plans. Although order growth in our long cycle gas- and fluid-handling business was impacted by trends specific to individual sectors, we anticipate solid growth in sales for this segment for the balance of 2013. Demand remained soft in the fabrication technology segment, but we continue to demonstrate that we can improve margins in the segment without sales growth. We continue to focus on acquisition opportunities to deploy funds we raised in our May equity offering."

## **Non-GAAP Financial Measures and Other Adjustments**

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, adjusted operating income, organic sales growth (decrease) and organic order growth (decrease). Adjusted net income, adjusted net income per share and adjusted operating income exclude asbestos coverage litigation expense, restructuring and other related charges, expenses related to the Charter acquisition and fair value adjustments related to the ESAB and Howden inventory and backlog amortization expense to the extent they impact the periods presented. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 28.2% and 29.0% for the second quarter and six months ended June 28, 2013, respectively, and 31% for both the second quarter and six months ended June 29, 2012. Organic sales growth (decrease) and organic order growth (decrease) 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, expenses and significant year-one fair value adjustment amortization expense related to the Charter acquisition and major restructuring programs.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of non-GAAP financial measures presented above to GAAP results has been provided in the financial tables included in this press release.

## **Conference Call and Webcast**

Colfax will host a conference call to provide details about its results on Thursday, July 25, 2013 at 8:00 a.m. EDT. The call will be open to the public through 877-303-7908 (U.S. callers) or 678-373-0875 (international callers) and referencing the conference ID number 18212399, or through webcast via Colfax's website at [www.colfaxcorp.com](http://www.colfaxcorp.com) under the "Investors" section. Access to a supplemental slide presentation can also be found at the Colfax website under the same heading. Both the audio of this call and the slide presentation will be archived on the website later today and will be available until the next quarterly call.

## **About Colfax Corporation**

Colfax Corporation is a diversified global manufacturing and engineering company that provides gas- and fluid-handling and fabrication technology products and services to commercial and governmental customers around the world under the Howden, Colfax Fluid Handling and ESAB brands. Colfax believes that its brands are among the most highly recognized in each of the markets that it serves. Colfax is traded on the NYSE under the ticker "CFX." Additional information about Colfax is available at [www.colfaxcorp.com](http://www.colfaxcorp.com).

## **CAUTIONARY NOTE CONCERNING FORWARD LOOKING STATEMENTS:**

This press release 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 2012 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 press release speaks only as of the date hereof. Colfax disclaims any duty to update the information herein.

The term "Colfax" in reference to the activities described in this press release 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.

## **Contact:**

Farand Pawlak, Director of Investor Relations

Colfax Corporation

301-323-9054

[Farand.Pawlak@colfaxcorp.com](mailto:Farand.Pawlak@colfaxcorp.com)

**Colfax Corporation**  
**Condensed Consolidated Statements of Operations**  
**Dollars in thousands, except per share data**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Net sales	\$ 1,074,118	\$ 1,045,653	\$ 2,021,261	\$ 1,932,019
Cost of sales	736,296	730,791	1,392,714	1,375,451
Gross profit	337,822	314,862	628,547	556,568
Selling, general and administrative expense	221,225	231,992	433,703	444,048
Charter acquisition-related expense	—	766	—	43,617
Restructuring and other related charges	4,477	18,558	8,691	27,201
Asbestos coverage litigation expense	468	3,240	2,174	5,527
Operating income	111,652	60,306	183,979	36,175
Interest expense	18,054	25,741	41,343	44,723
Income (loss) before income taxes	93,598	34,565	142,636	(8,548)
Provision for income taxes <sup>(1)</sup>	26,398	15,933	43,161	73,281
Net income (loss)	67,200	18,632	99,475	(81,829)
Less: income attributable to noncontrolling interest, net of taxes	8,808	6,266	13,448	11,403
Net income (loss) attributable to Colfax Corporation	58,392	12,366	86,027	(93,232)
Dividends on preferred stock	5,086	5,073	10,168	8,807
Net income (loss) available to Colfax Corporation common shareholders	\$ 53,306	\$ 7,293	\$ 75,859	\$ (102,039)
Net income (loss) per share- basic	\$ 0.53	\$ 0.07	\$ 0.75	\$ (1.16)
Net income (loss) per share- diluted	\$ 0.52	\$ 0.07	\$ 0.74	\$ (1.16)

<sup>(1)</sup> Provision for income taxes for the six months ended June 29, 2012 was significantly impacted by the reassessment of certain deferred tax assets as of the date of the Charter acquisition, which resulted in an increase in the Company's valuation allowance, and the Charter acquisition-related expenses that are either not deductible for tax purposes or were incurred in jurisdictions where no tax benefit can be recognized.



**Colfax Corporation**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**Dollars in thousands, except per share data**  
**(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
<b>Adjusted Operating Income</b>				
Operating income	\$ 111,652	\$ 60,306	\$ 183,979	\$ 36,175
Restructuring and other related charges	4,477	18,558	8,691	27,201
Charter acquisition-related expense	—	766	—	43,617
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	—	14,422	—	48,127
Asbestos coverage litigation expense	468	3,240	2,174	5,527
Adjusted operating income	\$ 116,597	\$ 97,292	\$ 194,844	\$ 160,647
Adjusted operating income margin	10.9%	9.3%	9.6%	8.3%
<b>Adjusted Net Income and Adjusted Net Income Per Share</b>				
Net income (loss) attributable to Colfax Corporation	\$ 58,392	\$ 12,366	\$ 86,027	\$ (93,232)
Restructuring and other related charges	4,477	18,558	8,691	27,201
Charter acquisition-related expense	—	766	—	43,617
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	—	14,422	—	48,127
Asbestos coverage litigation expense	468	3,240	2,174	5,527
Tax adjustment <sup>(1)</sup>	(1,354)	(6,247)	(1,354)	37,345
Adjusted net income	61,983	43,105	95,538	68,585
Adjusted net income margin	5.8%	4.1%	4.7%	3.5%
Dividends on preferred stock	5,086	5,073	10,168	8,807
Adjusted net income available to Colfax Corporation common shareholders	56,897	38,032	85,370	59,778
Less: adjusted net income attributable to participating securities <sup>(2)</sup>	916	4,859	4,571	7,129
	\$ 55,981	\$ 33,173	\$ 80,799	\$ 52,649
Weighted-average shares outstanding - diluted	111,522,958	94,733,164	97,285,037	88,825,431
Adjusted net income per share	\$ 0.56	\$ 0.35	\$ 0.83	\$ 0.59
Net income (loss) per share— basic (in accordance with GAAP)	\$ 0.53	\$ 0.07	\$ 0.75	\$ (1.16)
Net income (loss) per share— diluted (in accordance with GAAP)	0.52	0.07	0.74	(1.16)

<sup>(1)</sup> The effective tax rates used to calculate adjusted net income and adjusted net income per share are 28.2% and 29.0% for the second quarter and six months ended June 28, 2013, respectively, and 31% for both the second quarter and six months ended June 29, 2012.

<sup>(2)</sup> Adjusted net income per share for periods prior to April 23, 2013 were calculated consistently with the two-class method in accordance with GAAP as the Series A preferred stock were considered participating securities. Subsequent to April 23, 2013, adjusted net income per share was calculated consistently with the if-converted method in accordance with GAAP as the Series A preferred stock were no longer participating securities. Adjusted net income per share for the six months ended June 28, 2013 excludes the impact of 12,173,291 common stock equivalent shares as their inclusion would be anti-dilutive.

**Colfax Corporation**  
**Change in Sales, Orders and Backlog**  
**Dollars in millions**  
**(Unaudited)**

	Net Sales		Orders	
	\$	%	\$	%
<b>For the three months ended June 29, 2012</b>	\$ 1,045.7		\$ 534.5	
<i>Components of Change:</i>				
Existing Businesses	(2.7)	(0.3)%	(53.6)	(10.0)%
Acquisitions <sup>(1)</sup>	37.4	3.6 %	6.0	1.1 %
Foreign Currency Translation	(6.3)	(0.6)%	(8.7)	(1.6)%
Total	28.4	2.7 %	(56.3)	(10.5)%
<b>For the three months ended June 28, 2013</b>	<b>\$ 1,074.1</b>		<b>\$ 478.2</b>	

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the six months ended June 29, 2012</b>	\$ 1,932.0		\$ 1,032.0		\$ 1,375.9	
<i>Components of Change:</i>						
Existing Businesses	(26.7)	(1.4)%	(75.1)	(7.3)%	23.2	1.7 %
Acquisitions <sup>(1)</sup>	142.6	7.4 %	39.5	3.8 %	21.2	1.5 %
Foreign Currency Translation	(26.6)	(1.4)%	(16.1)	(1.5)%	(31.9)	(2.3)%
Total	89.3	4.6 %	(51.7)	(5.0)%	12.5	0.9 %
<b>As of and for the six months ended June 28, 2013</b>	<b>\$ 2,021.3</b>		<b>\$ 980.3</b>		<b>\$ 1,388.4</b>	

<sup>(1)</sup> Represents the incremental sales, orders and order backlog as a result of our acquisitions of Charter, Soldex and Co-Vent. The impact related to the Charter Acquisition represents 12 days of activity for ESAB and Howden as the acquisition closed on January 13, 2012.

The COLFAX logo is presented in a bold, black, sans-serif font. The letters are closely spaced and have a slight shadow effect, giving them a three-dimensional appearance. The logo is centered horizontally within a light gray rectangular box that is positioned in the lower-left quadrant of the slide. The background of the slide is a vibrant blue with abstract, flowing light patterns that create a sense of motion and depth.

**COLFAX**

**SECOND QUARTER 2013 | EARNINGS CONFERENCE CALL**

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# 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 2012 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.

The logo for COLFAX, featuring the word "COLFAX" in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' has a distinctive shape with a diagonal stroke. The logo is set against a light gray rectangular background.

**Q2 2013 RESULTS**

## Q2 2013 HIGHLIGHTS

- Adjusted net income of \$62.0 million (\$0.56 per share) compared to \$43.1 million (\$0.35 per share) in Q2 2012
- Net sales of \$1.07 billion, an increase of 2.7% from Q2 2012 net sales of \$1.05 billion (an organic decrease of 0.3%)
- Adjusted operating income of \$116.6 million compared to \$97.3 million in Q2 2012
- Second quarter gas- and fluid-handling orders of \$478.2 million compared to orders of \$534.5 million in Q2 2012, a decrease of 10.5% (an organic decrease of 10.0%)
- Gas- and fluid-handling backlog of \$1.4 billion at period end

## YEAR TO DATE 2013 HIGHLIGHTS

- Adjusted net income of \$95.5 million (\$0.83 per share) compared to \$68.6 million (\$0.59 per share) in the six months ended June 29, 2012
- Net sales of \$2.02 billion, an increase of 4.6% from the six months ended June 29, 2012 net sales of \$1.93 billion (an organic decrease of 1.4%)
- Adjusted operating income of \$194.8 million compared to \$160.6 million in the six months ended June 29, 2012
- Gas- and fluid-handling orders of \$980.3 million compared to orders of \$1.03 billion in the six months ended June 29, 2012, a decrease of 5.0% (an organic decrease of 7.3%)

The logo for COLFAX is rendered in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' has a distinctive shape with a sharp point. The text is set against a light grey rectangular background that is slightly offset to the left and top.

**COLFAX**

The text 'GAS AND FLUID HANDLING' is written in a white, bold, sans-serif font. It is positioned on a dark grey rectangular background that is slightly offset to the left and top, matching the style of the logo above it.

**GAS AND FLUID HANDLING**



## GAS AND FLUID HANDLING Q2 2013 HIGHLIGHTS

- Net sales of \$516.8 million compared to Q2 2012 net sales of \$496.5 million in Q2 2012 (an organic increase of 3.6%)
- Adjusted segment operating income of \$69.9 million and adjusted segment operating income margin of 13.5%
  - Improvement over Q2 2012 of 90 basis points
- Second quarter orders of \$478.2 million compared to \$534.5 million in Q2 2012, a decrease of 10.5%
- Backlog of \$1.4 billion at period end

## GAS AND FLUID HANDLING YTD 2013 HIGHLIGHTS

- Net sales of \$941.9 million compared to net sales of \$921.8 million in the six months ended June 29, 2012, an increase of 2.2% (an organic increase of 1.2%)
- Adjusted segment operating income of \$114.1 million and adjusted segment operating income margin of 12.1%
- Orders of \$980.3 million compared to \$1.03 billion in the six months ended June 29, 2012, a decrease of 5.0%

# ORDERS AND BACKLOG

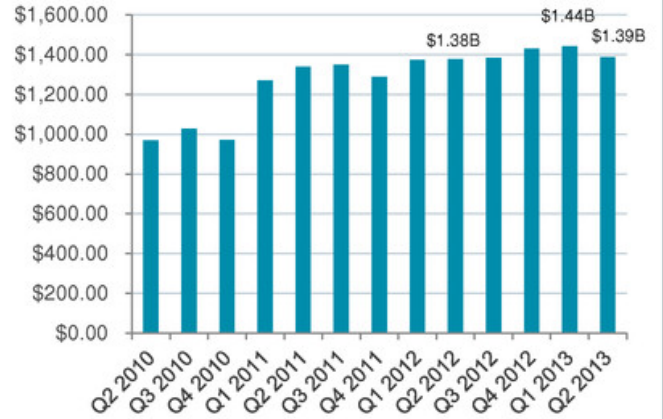
## ORDERS



	QTD		YTD
Existing Businesses	(10.0)%		(7.3)%
Acquisitions	1.1 %		3.8 %
FX Translation	(1.6)%		(1.5)%
<b>Total Growth</b>	<b>(10.5)%</b>		<b>(5.0)%</b>

Note: Dollars in millions (unaudited).

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



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

# REVENUE

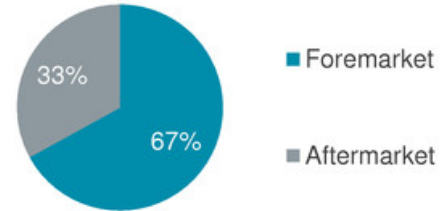
## REVENUE



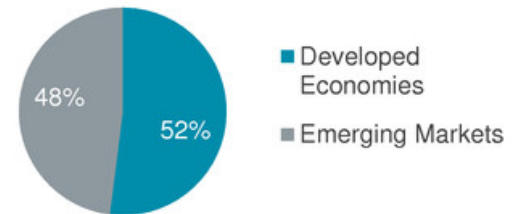
	QTD		YTD
Existing Businesses	3.6 %		1.2 %
Acquisitions	0.9 %		2.1 %
FX Translation	(0.4)%		(1.1)%
<b>Total Growth</b>	<b>4.1 %</b>		<b>2.2 %</b>

Note: Dollars in millions (unaudited).

## AFTERMARKET REVENUE YTD 2013

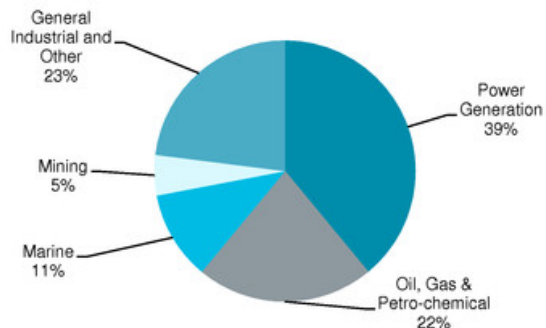


## GEOGRAPHIC EXPOSURE YTD 2013



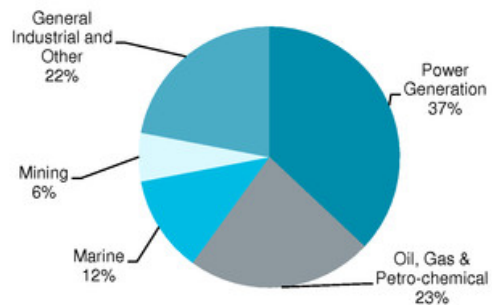
# Q2 2013 SALES AND ORDERS BY END MARKET

## SALES: \$516.8 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	39.4 %	40.2 %
Oil, Gas & Petrochemical	(10.7)%	(9.5)%
Marine	4.0 %	2.4 %
Mining	(56.3)%	(55.4)%
General Industrial & Other	5.3 %	1.2 %
<b>Total</b>	<b>4.1 %</b>	<b>3.6 %</b>

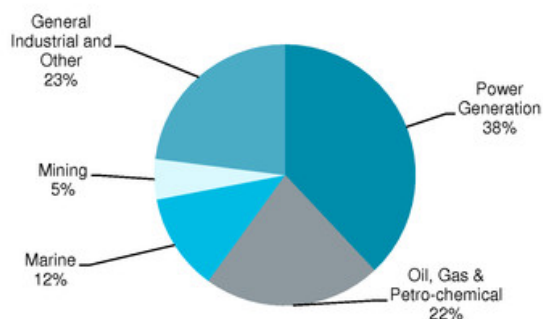
## ORDERS: \$478.2 Million



	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	(2.0)%	(1.3)%
Oil, Gas & Petrochemical	(21.9)%	(21.7)%
Marine	4.3 %	2.5 %
Mining	(49.3)%	(34.6)%
General Industrial & Other	3.0 %	(2.9)%
<b>Total</b>	<b>(10.5)%</b>	<b>(10.0)%</b>

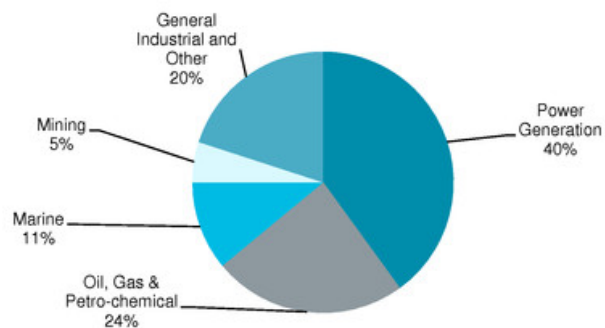
# YTD 2013 SALES AND ORDERS BY END MARKET

## SALES: \$941.9 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	29.4 %	30.5 %
Oil, Gas & Petrochemical	(13.1)%	(13.8)%
Marine	2.6 %	1.1 %
Mining	(35.6)%	(33.6)%
General Industrial & Other	(2.0)%	(6.8)%
<b>Total</b>	<b>(2.2)%</b>	<b>(1.2)%</b>

## ORDERS: \$980.3 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	11.5 %	8.0 %
Oil, Gas & Petrochemical	(11.6)%	(13.3)%
Marine	5.6 %	3.7 %
Mining	(54.1)%	(45.3)%
General Industrial & Other	(6.7)%	(12.9)%
<b>Total</b>	<b>(5.0)%</b>	<b>(7.3)%</b>

# POWER GENERATION MARKET PERSPECTIVE

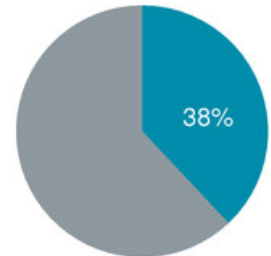
## SALES & ORDERS GROWTH (DECLINE)

	Q2 2013 vs. Q2 2012		YTD 2013 vs. YTD 2012	
	Total	Organic	Total	Organic
<b>Sales</b>	<b>39.4 %</b>	<b>40.2 %</b>	<b>29.4 %</b>	<b>30.5 %</b>
<b>Orders</b>	<b>(2.0)%</b>	<b>(1.3)%</b>	<b>11.5 %</b>	<b>8.0 %</b>

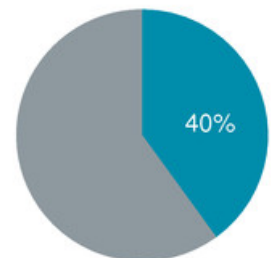
## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Driven by fundamental global undersupply of electricity
- Growth is driven by environmental upgrades in China and the U.S. and strong pump sales to natural gas-combined cycle power stations

## YTD 2013 SALES SPLIT



## YTD 2013 ORDERS SPLIT



# OIL, GAS & PETROCHEMICAL MARKET PERSPECTIVE

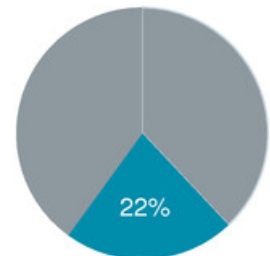
## SALES & ORDERS DECLINE

	Q2 2013 vs. Q2 2012		YTD 2013 vs. YTD 2012	
	Total	Organic	Total	Organic
<b>Sales</b>	(10.7)%	(9.5)%	(13.1)%	(13.8)%
<b>Orders</b>	(21.9)%	(21.7)%	(11.6)%	(13.3)%

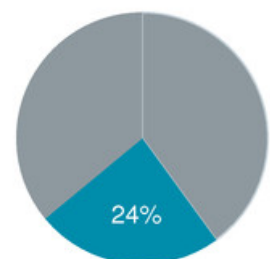
## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Period over period comparisons are difficult due to the timing of large projects
- Quoting activity remains strong across all major served markets led by transportation, low sulfur fuels and Middle Eastern capacity increases

## YTD 2013 SALES SPLIT



## YTD 2013 ORDERS SPLIT





# MARINE MARKET PERSPECTIVE

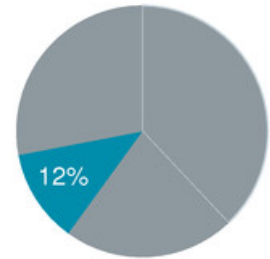
## SALES & ORDERS GROWTH (DECLINE)

	Q2 2013 vs. Q2 2012		YTD 2013 vs. YTD 2012	
	Total	Organic	Total	Organic
<b>Sales</b>	4.0 %	2.4 %	2.6 %	1.1 %
<b>Orders</b>	4.3 %	2.5 %	5.6 %	3.7 %

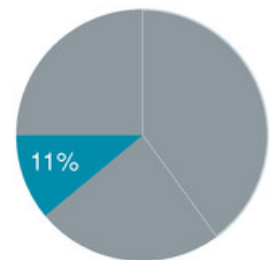
## HIGHLIGHTS

- Primarily served by Colfax Fluid Handling
- Order growth for five consecutive quarters despite overall decline in new shipbuilding activity
- Introduction of important new product - Smart Technology CM-1000
  - Provides shipowners substantial energy savings by varying pump activity to meet actual cooling demand

## YTD 2013 SALES SPLIT



## YTD 2013 ORDERS SPLIT



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

# MINING MARKET PERSPECTIVE

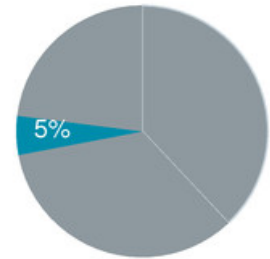
## SALES & ORDERS (DECLINE) GROWTH

	Q2 2013 vs. Q2 2012		YTD 2013 vs. YTD 2012	
	Total	Organic	Total	Organic
<b>Sales</b>	(56.3)%	(55.4)%	(35.6) %	(33.6) %
<b>Orders</b>	(49.3)%	(34.6)%	(54.1)%	(45.3)%

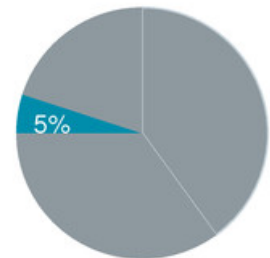
## HIGHLIGHTS

- Primarily served by Howden
- Driven by demand of mined resources, including: coal, iron ore, copper, gold, nickel and potash
- Overall market environment in capital equipment for mining applications remains subdued, particularly in Australia

## YTD 2013 SALES SPLIT



## YTD 2013 ORDERS SPLIT



# GENERAL INDUSTRIAL & OTHER MARKET PERSPECTIVE

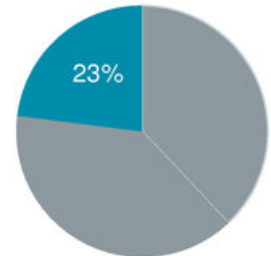
## SALES & ORDERS DECLINE

	Q2 2013 vs. Q2 2012		YTD 2013 vs. YTD 2012	
	Total	Organic	Total	Organic
<b>Sales</b>	5.3 %	1.2 %	(2.0)%	(6.8)%
<b>Orders</b>	3.0 %	(2.9)%	(6.7)%	(12.9)%

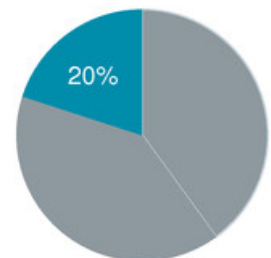
## HIGHLIGHTS

- Includes both Howden and Colfax Fluid Handling
- Soft market conditions in chemical processing sector
- Transportation sector weak across geographies

## YTD 2013 SALES SPLIT



## YTD 2013 ORDERS SPLIT



The logo for COLFAX FABRICATION TECHNOLOGY. The word "COLFAX" is written in a bold, black, sans-serif font on a light grey rectangular background. Below it, the words "FABRICATION TECHNOLOGY" are written in a smaller, white, sans-serif font on a darker grey rectangular background. The background of the entire image is a vibrant blue with abstract, flowing, wavy lines that create a sense of motion and technology.

**COLFAX**

**FABRICATION TECHNOLOGY**

## FABRICATION TECHNOLOGY Q2 2013 HIGHLIGHTS

- Net sales of \$557.3 million compared to net sales of \$549.2 million in Q2 2012, an increase of 1.5% (an organic decline of 3.8%)
- Adjusted segment operating income of \$59.4 million and adjusted segment operating income margin of 10.7%
  - Sequential margin improvement of 220 basis points
  - Improvement over Q2 2012 of 240 basis points

## FABRICATION TECHNOLOGY YTD 2013 HIGHLIGHTS

- Net sales of \$1.08 billion compared to net sales of \$1.01 billion in the six months ended June 29, 2012, an increase of 6.9% (an organic decline of 3.7%)
- Adjusted segment operating income of \$103.9 million and adjusted segment operating income margin of 9.6%
  - Improvement over the six months ended June 29, 2012 of 170 basis points

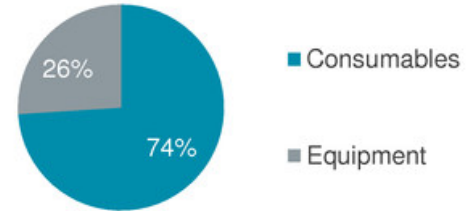
# REVENUE

## REVENUE

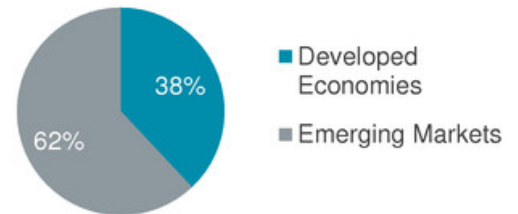


	QTD		YTD
Volume	(2.9)%		(5.0)%
Price/ Mix	(0.9)%		1.3%
Acquisitions	6.0 %		12.2 %
FX Translation	(0.7)%		(1.6)%
<b>Total Growth</b>	<b>1.5 %</b>		<b>6.9 %</b>

## REVENUE YTD 2013



## GEOGRAPHIC EXPOSURE YTD 2013



Note: Dollars in millions (unaudited).

The logo for COLFAX, featuring the word in a bold, black, sans-serif font. The letters are closely spaced, with the 'X' having a distinctive shape where the right side is a single vertical stroke. The logo is set against a light grey rectangular background.

**COLFAX**

The text 'RESULTS OF OPERATIONS' in a white, sans-serif font, positioned on a dark grey rectangular background that overlaps the bottom of the COLFAX logo box.

**RESULTS OF OPERATIONS**



# INCOME STATEMENT SUMMARY

(unaudited)

	Three Months Ended		Six Months Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Net sales	\$ 1,074.1	\$ 1,045.7	\$ 2,021.3	\$ 1,932.0
Gross profit	\$ 337.8	\$ 314.9	\$ 628.5	\$ 556.6
% of sales	31.4 %	30.1 %	31.1 %	28.8 %
SG&A expense	\$ 221.2	\$ 232.0	\$ 433.7	\$ 444.0
% of sales	20.6 %	22.2 %	21.5 %	23.0 %
Adjusted operating income	\$ 116.6	\$ 97.3	\$ 194.8	\$ 160.6
% of sales	10.9 %	9.3 %	9.6 %	8.3 %
Adjusted net income	\$ 62.0	\$ 43.1	\$ 95.5	\$ 68.6
% of sales	5.8 %	4.1 %	4.7 %	3.6 %
Adjusted net income per share	\$ 0.56	\$ 0.35	\$ 0.83	\$ 0.59

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

# COLFAX

## 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). Adjusted net income, adjusted net income per share and adjusted operating income exclude asbestos coverage litigation expense, expenses related to major restructuring programs and expenses and significant year-one fair value adjustment amortization expense related to the Charter acquisition, to the extent they impact the periods presented. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 28.2% and 29.0% for the second quarter and six months ended June 28, 2013, respectively, and 31% for both the second quarter and six months ended June 29, 2012. 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 and expenses, expenses and year-one fair value adjustment amortization expense related to the Charter acquisition and major restructuring programs.

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		Six Months Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
<b>Adjusted Net Income and Adjusted Net Income Per Share</b>				
Net income (loss) attributable to Colfax Corporation	\$ 58,392	\$ 12,366	\$ 86,027	\$ (93,232)
Restructuring and other related charges	4,477	18,558	8,691	27,201
Charter acquisition-related expense	—	766	—	43,617
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	—	14,422	—	48,127
Asbestos coverage litigation expense	468	3,240	2,174	5,527
Tax adjustment <sup>(1)</sup>	(1,354)	(6,247)	(1,354)	37,345
Adjusted net income	<u>61,983</u>	<u>43,105</u>	<u>95,538</u>	<u>68,585</u>
Adjusted net income margin	5.8 %	4.1 %	4.7 %	3.5 %
Dividends on preferred stock	5,086	5,073	10,168	8,807
Adjusted net income available to Colfax Corporation common shareholders	56,897	38,032	85,370	59,778
Less: adjusted net income attributable to participating securities <sup>(2)</sup>	916	4,859	4,571	7,129
	<u>\$ 55,981</u>	<u>\$ 33,173</u>	<u>\$ 80,799</u>	<u>\$ 52,649</u>
Weighted-average shares outstanding - diluted	111,522,958	94,733,164	97,285,037	88,825,431
Adjusted net income per share	<u>\$ 0.56</u>	<u>\$ 0.35</u>	<u>\$ 0.83</u>	<u>\$ 0.59</u>
Net income (loss) per share— diluted (in accordance with GAAP)	<u>\$ 0.52</u>	<u>\$ 0.07</u>	<u>\$ 0.74</u>	<u>\$ (1.16)</u>

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 28.2% and 29.0% for the second quarter and six months ended June 28, 2013, respectively, and 31% for both the second quarter and six months ended June 29, 2012.

(2) Adjusted net income per share for periods prior to April 23, 2013 were calculated consistently with the two-class method in accordance with GAAP as the Series A preferred stock were considered participating securities. Subsequent to April 23, 2013, adjusted net income per share was calculated consistently with the if-converted method in accordance with GAAP as the Series A preferred stock were no longer participating securities. Adjusted net income per share for the six months ended June 28, 2013 excludes the impact of 12,173,291 common stock equivalent shares as their inclusion would be anti-dilutive.

Note: Dollars in thousands, except per share amounts.

**COLFAX**

# NON-GAAP RECONCILIATION

(unaudited)

	Q2 2013 - QTD				Q2 2012 - QTD			
	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	\$ 516,763	\$ 557,355	\$ —	\$ 1,074,118	\$ 496,495	\$ 549,158	\$ —	\$ 1,045,653
Operating income (loss)	69,247 13.4 %	55,143 9.9 %	(12,738)	111,652 10.4 %	42,077 8.5 %	32,405 5.9 %	(14,176)	60,306 5.8 %
Charter acquisition-related expense	—	—	—	—	—	—	766	766
Restructuring and other related charges	193	4,284	—	4,477	3,035	13,006	2,517	18,558
Asbestos coverage litigation expense	468	—	—	468	3,240	—	—	3,240
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	—	—	—	—	14,400	22	—	14,422
Adjusted operating income (loss)	\$ 69,908 13.5 %	\$ 59,427 10.7 %	\$ (12,738)	\$ 116,597 10.9 %	\$ 62,752 12.6 %	\$ 45,433 8.3 %	\$ (10,893)	\$ 97,292 9.3 %

	Q2 2013 - YTD				Q2 2012 - YTD			
	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	\$ 941,868	\$ 1,079,393	\$ —	\$ 2,021,261	\$ 921,826	\$ 1,010,193	\$ —	\$ 1,932,019
Operating income (loss)	110,462 11.7 %	96,670 9.0 %	(23,153)	183,979 9.1 %	61,106 6.6 %	43,285 4.3 %	(68,216)	36,175 1.9 %
Charter acquisition-related expense	—	—	—	—	—	—	43,617	43,617
Restructuring and other related charges	1,466	7,225	—	8,691	3,815	19,122	4,264	27,201
Asbestos coverage litigation expense	2,174	—	—	2,174	5,527	—	—	5,527
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	—	—	—	—	31,142	16,985	—	48,127
Adjusted operating income (loss)	\$ 114,102 12.1 %	\$ 103,895 9.6 %	\$ (23,153)	\$ 194,844 9.6 %	\$ 101,590 11.0 %	\$ 79,392 7.9 %	\$ (20,335)	\$ 160,647 8.3 %

Note: Dollars in thousands.

# SALES & ORDERS GROWTH

(unaudited)

	Net Sales		Orders	
	\$	%	\$	%
<b>For the three months ended June 29, 2012</b>	\$ 1,045.7		\$ 534.5	
<i>Components of Change:</i>				
Existing Businesses	(2.7)	(0.3)%	(53.6)	(10.0)%
Acquisitions <sup>(1)</sup>	37.4	3.6 %	6.0	1.1 %
Foreign Currency Translation	(6.3)	(0.6)%	(8.7)	(1.6)%
Total	28.4	2.7 %	(56.3)	(10.5)%
<b>For the three months ended June 28, 2013</b>	<b>\$ 1,074.1</b>		<b>\$ 478.2</b>	

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the six months ended June 29, 2012</b>	\$ 1,932.0		\$ 1,032.0		\$ 1,375.9	
<i>Components of Change:</i>						
Existing Businesses	(26.7)	(1.4)%	(75.1)	(7.3)%	23.2	1.7 %
Acquisitions <sup>(1)</sup>	142.6	7.4 %	39.5	3.8 %	21.2	1.5 %
Foreign Currency Translation	(26.6)	(1.4)%	(16.1)	(1.5)%	(31.9)	(2.3)%
Total	89.3	4.6 %	(51.7)	(5.0)%	12.5	0.9 %
<b>As of and for the six months ended June 28, 2013</b>	<b>\$ 2,021.3</b>		<b>\$ 980.3</b>		<b>\$ 1,388.4</b>	

(1) Represents the incremental sales, orders and order backlog as a result of our acquisitions of Charter, Soldex and Co-Vent. The impact related to the Charter Acquisition represents 12 days of activity for ESAB and Howden as the acquisition closed on January 13, 2012.

Note: Dollars in millions.

# EPS GUIDANCE

(unaudited)

	<u>Low</u>	<u>High</u>
EBIT <sup>(1)</sup>	432,000	456,000
Interest Expense	(78,000)	(78,000)
Tax	(107,000)	(114,000)
Noncontrolling Interest	(27,000)	(27,000)
Adjusted net income - Colfax	<u>220,000</u>	<u>237,000</u>
Adjusted Net Income Allocated to Participating Securities	(4,500)	(4,500)
Preferred Dividends	(20,500)	(20,500)
Adjusted Net Income for Common Shareholders	<u>195,000</u>	<u>212,000</u>
Average Shares - Common and Equivalents	100,500	100,500
- If Converted	112,700	112,700
	<u>\$1.95</u>	<u>\$2.10</u>

<sup>(1)</sup> High end of range same as 2/6/13 Guidance

Note: Guidance as of 7/25/13

Dollars in thousands, except share data.

# NON-GAAP RECONCILIATION

(unaudited)

	<u>2013</u>	
Projected net income per share - diluted	\$ 1.70	\$ 1.85
Restructuring costs	0.24	0.24
Asbestos coverage litigation	0.03	0.03
Tax adjustment	<u>(0.02)</u>	<u>(0.02)</u>
Projected adjusted net income per share - diluted	<u>\$ 1.95</u>	<u>\$ 2.10</u>

Note: Guidance as of 7/25/13



# EPS ILLUSTRATION USING ANALYST CONSENSUS

(unaudited)

	<u>Q1</u>	<u>Q2</u>	<u>6 month</u> <u>YTD Actual</u>	<u>Q3<sup>(1)</sup></u>	<u>Q4<sup>(1)</sup></u>	<u>Full Year</u> <u>2013</u>	<u>Sum of</u> <u>Qtrs</u>
Adjusted EPS	0.26	0.56		\$0.53	\$0.65	2.05	2.00
Adjusted NI - Colfax (before P.S. dividends)			95,538	61,000	75,000	231,538	
Adjusted NI - Colfax Common			85,370	56,000	70,000	211,370	
Adjusted Net Income Allocated to Participating Securities			4,571	—	—	4,571	
Weighted Average Shares -							
> Common and Equivalents			97,200	103,000	103,000	100,500	
> If Converted			109,400	115,000	115,000	112,700	

<sup>(1)</sup> Based on analyst consensus per Thomson Reuters as of July 23, 2013; Colfax does not provide quarterly guidance.

**Note:** This slide is for illustrative purposes to highlight the relationship between full year earnings per share calculated on a discrete basis compared to the earnings per share calculated each quarter. This is not intended to represent management's expectation regarding the allocation of full year guidance between each quarter.

*Dollars in thousands, except share data.*

