

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): February 4, 2016

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.)

420 National Business Parkway, 5th Floor
Annapolis Junction, MD 20701
(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 February 4, 2016, Colfax Corporation issued a press release reporting financial results for the year ended December 31, 2015. 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. EST on February 4, 2016 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 February 4, 2016, reporting financial results for the year ended December 31, 2015.
- 99.2 Colfax Corporation slides for February 4, 2016 conference call reporting financial results for the year ended December 31, 2015.

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: February 4, 2016

By: /s/ C. Scott Brannan

Name: C. Scott Brannan

Title: Senior Vice President, Finance,
Chief Financial Officer and Treasurer

EXHIBIT INDEX

- 99.1 Colfax Corporation press release dated February 4, 2016, reporting financial results for the year ended December 31, 2015.
- 99.2 Colfax Corporation slides for February 4, 2016 conference call reporting financial results for the year ended December 31, 2015.



COLFAX REPORTS FOURTH QUARTER 2015 RESULTS

- Fourth quarter net income per dilutive share of \$0.36, adjusted net income per share of \$0.51.
- Fourth quarter sales and operating profit in line with our expectations.
- Cost reduction programs on schedule for 2016.

ANNAPOLIS JUNCTION, MD - February 4, 2016 - Colfax Corporation (NYSE: CFX), a leading global manufacturer of gas- and fluid-handling and fabrication technology products and services, today announced its financial results for the fourth quarter and year ended December 31, 2015.

For the fourth quarter of 2015, net income was \$44.2 million, or \$0.36 per dilutive share. Adjusted net income (as defined below) was \$63.0 million, or \$0.51 per share, compared to \$89.7 million for the fourth quarter of 2014, or \$0.72 per share.

Net sales were \$1.061 billion in the fourth quarter, a decrease of 12.0% from the prior year. Net sales decreased 3.8% organically compared to the fourth quarter of 2014. Fourth quarter operating income was \$65.1 million, with adjusted operating income (as defined below) of \$100.6 million. Adjusted operating income margin (as defined below) was 9.5% in the fourth quarter.

Fourth quarter gas- and fluid-handling orders decreased by 22.3% to \$443.0 million compared to orders of \$570.1 million for the fourth quarter of 2014, an organic order decline of 18.8%. Gas- and fluid-handling finished the period with backlog of \$1,140.9 million.

For the year ended December 31, 2015 net income was \$167.7 million, or \$1.34 per dilutive share. Adjusted net income (as defined below) was \$200.1 million, or \$1.60 per share. Net sales for the year ended December 31, 2015 were \$3.967 billion, a decrease of 14.2% compared to net sales for the year ended December 31, 2014. Operating income for the year ended December 31, 2015 was \$284.6 million, with adjusted operating income (as defined below) of \$345.8 million. Adjusted operating income margin (as defined below) for the year ended December 31, 2015 was 8.7%.

Adjusted net income, adjusted net income per share, adjusted operating income, adjusted operating income margin, organic sales decrease and organic order 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.

Matthew Trerotola, President and Chief Executive Officer, stated, "We are pleased to deliver fourth quarter sales and operating profit in line with our expectations. While the demand environment remains weak in both business segments, we are on track to deliver the \$100 million in cost reductions from our 2014 cost base by the end of 2016. Execution of cash conversion management was outstanding in the quarter as we closed out 2015 with a strong balance sheet and \$131 million less debt than we began the quarter. We are confident we will continue to deliver on the performance goals we outlined at our recent Investor Day."

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, adjusted operating income margin, organic sales decrease and organic order decrease. Adjusted net income, adjusted net income per share, adjusted operating income and adjusted operating income margin exclude Restructuring and other related charges. Adjusted net income and adjusted net income per share exclude the write-off of certain deferred financing fees and original issue discount associated with the refinancing of Colfax's credit agreement for the year ended December 31, 2015, and the preferred stock conversion inducement payment for the year ended December 31, 2014. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 25.1% and 27.5% for the three months and year ended December 31, 2015, respectively. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 24.5% and 27.8% for the three months and year ended December 31, 2014, respectively. Organic sales decrease and organic order 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 restructuring and other related charges, write-off of certain deferred financing fees and original issue discount, and the preferred stock conversion inducement payment.

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, February 4, 2016 at 8:00 a.m. EST. 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 37611950, or through webcast via Colfax's website at 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.

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 2014 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:

Terry Ross, Vice President of Investor Relations
Colfax Corporation
301-323-9054
Terry.Ross@colfaxcorp.com

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

	Three Months Ended		Year Ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Net sales	\$ 1,061,464	\$ 1,206,356	\$ 3,967,053	\$ 4,624,476
Cost of sales	728,039	814,509	2,715,279	3,145,631
Gross profit	333,425	391,847	1,251,774	1,478,845
Selling, general and administrative expense	232,843	255,119	905,952	1,011,171
Restructuring and other related charges	35,519	29,387	61,177	58,121
Operating income	65,063	107,341	284,645	409,553
Interest expense ⁽¹⁾	10,593	10,424	47,743	51,305
Income before income taxes	54,470	96,917	236,902	358,248
Provision for (benefit from) income taxes ⁽²⁾	5,941	11,128	49,724	(62,025)
Net income	48,529	85,789	187,178	420,273
Less: income attributable to noncontrolling interest, net of taxes	4,332	5,655	19,439	28,175
Net income attributable to Colfax Corporation	44,197	80,134	167,739	392,098
Dividends on preferred stock	—	—	—	2,348
Preferred stock conversion inducement payment	—	—	—	19,565
Net income available to Colfax Corporation common shareholders	\$ 44,197	\$ 80,134	\$ 167,739	\$ 370,185
Net income per share- basic	\$ 0.36	\$ 0.65	\$ 1.35	\$ 3.06
Net income per share- diluted	\$ 0.36	\$ 0.64	\$ 1.34	\$ 3.02

⁽¹⁾ Includes noncash charges of \$4.7 million, associated with the write-off of original issue discount and deferred costs in connection with the refinancing of our primary credit facility on June 5, 2015.

⁽²⁾ Provision for income taxes for the three months ended December 31, 2015 and 2014, was favorably impacted by the enactment of the U.S. tax extenders packages related to the exemption from taxation of certain foreign income in the United States. Benefit from income taxes for the year ended December 31, 2014 was significantly impacted by the reassessment of the realizability of certain deferred tax assets as a result of the effect of the Victor Acquisition on expected future income which resulted in a decrease in the Company's valuation allowance against U.S. deferred tax assets.

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

	Three Months Ended		Year Ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Adjusted Operating Income				
Operating income	\$ 65,063	\$ 107,341	\$ 284,645	\$ 409,553
Restructuring and other related charges	35,519	29,387	61,177	58,121
Adjusted operating income	\$ 100,582	\$ 136,728	\$ 345,822	\$ 467,674
Adjusted operating income margin	9.5%	11.3%	8.7%	10.1%
	Three Months Ended		Year Ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Adjusted Net Income				
Net income attributable to Colfax Corporation	\$ 44,197	\$ 80,134	\$ 167,739	\$ 392,098
Restructuring and other related charges	35,519	29,387	61,177	58,121
Debt extinguishment charges- Refinancing of credit agreement	—	—	4,731	—
Tax adjustment ⁽¹⁾	(16,678)	(19,790)	(33,549)	(177,944)
Adjusted net income	\$ 63,038	\$ 89,731	\$ 200,098	\$ 272,275
Adjusted net income margin	5.9%	7.4%	5.0%	5.9%
Adjusted Net Income Per Share				
Net income available to Colfax Corporation common shareholders	\$ 44,197	\$ 80,134	\$ 167,739	\$ 370,185
Restructuring and other related charges	35,519	29,387	61,177	58,121
Debt extinguishment charges- Refinancing of credit agreement	—	—	4,731	—
Preferred stock conversion inducement payment ⁽²⁾	—	—	—	19,565
Tax adjustment ⁽¹⁾	(16,678)	(19,790)	(33,549)	(177,944)
Adjusted net income available to Colfax Corporation common shareholders	63,038	89,731	200,098	269,927
Dividends on preferred stock ⁽²⁾	—	—	—	2,348
	\$ 63,038	\$ 89,731	\$ 200,098	\$ 272,275
Weighted-average shares outstanding - diluted	124,102,455	125,156,755	124,869,649	124,033,702
	\$ 0.51	\$ 0.72	\$ 1.60	\$ 2.20
Net income per share— diluted (in accordance with GAAP)	\$ 0.36	\$ 0.64	\$ 1.34	\$ 3.02

⁽¹⁾ The effective tax rates used to calculate adjusted net income and adjusted net income per share are 25.1% and 27.5% for the fourth quarter and full year ended December 31, 2015, respectively, and 24.5% and 27.8% for the fourth quarter and full year ended December 31, 2014, respectively.

⁽²⁾ Adjusted net income per share for the period prior to February 12, 2014 was calculated under the if-converted method in accordance with GAAP. On February 12, 2014, the Series A Perpetual Convertible Preferred Stock were converted to Common stock and the Company paid a \$19.6 million conversion inducement to the holders of the Series A Perpetual Convertible Preferred Stock.

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

	Net Sales		Orders	
	\$	%	\$	%
For the three months ended December 31, 2014	\$ 1,206.4		\$ 570.1	
<i>Components of Change:</i>				
Existing Businesses	(45.3)	(3.8)%	(107.0)	(18.8)%
Acquisitions ⁽¹⁾	23.7	2.0 %	32.3	5.7 %
Foreign Currency Translation	(123.3)	(10.2)%	(52.4)	(9.2)%
Total	(144.9)	(12.0)%	(127.1)	(22.3)%
For the three months ended December 31, 2015	\$ 1,061.5		\$ 443.0	

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
As of and for the year ended December 31, 2014	\$ 4,624.5		\$ 2,286.7		\$ 1,402.3	
<i>Components of Change:</i>						
Existing Businesses	(304.5)	(6.6)%	(287.1)	(12.6)%	(145.4)	(10.4)%
Acquisitions ⁽²⁾	171.2	3.7 %	57.9	2.5 %	43.3	3.1 %
Foreign Currency Translation	(524.1)	(11.3)%	(221.1)	(9.6)%	(159.3)	(11.3)%
Total	(657.4)	(14.2)%	(450.3)	(19.7)%	(261.4)	(18.6)%
As of and for the year ended December 31, 2015	\$ 3,967.1		\$ 1,836.4		\$ 1,140.9	

⁽¹⁾ Represents the incremental sales and orders as a result of our acquisitions of Roots™ blowers and compressors and Simsmart Technologies.

⁽²⁾ Represents the incremental sales, orders and order backlog as a result of our acquisitions of Roots™ blowers and compressors and Simsmart Technologies, and incremental sales as a result of our acquisition of Victor Technologies Holdings Inc.

Colfax Corporation
Consolidated Balance Sheets
Dollars in thousands, except share amounts
(Unaudited)

	December 31,	
	2015	2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 197,469	\$ 305,448
Trade receivables, less allowance for doubtful accounts of \$39,505 and \$27,256	888,166	1,029,150
Inventories, net	420,386	442,732
Other current assets	253,744	296,948
Total current assets	1,759,765	2,074,278
Property, plant and equipment, net	644,536	727,435
Goodwill	2,817,687	2,873,023
Intangible assets, net	995,712	1,043,583
Other assets	515,219	493,198
Total assets	\$ 6,732,919	\$ 7,211,517
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 5,792	\$ 9,855
Accounts payable	718,893	780,287
Accrued liabilities	391,659	489,983
Total current liabilities	1,116,344	1,280,125
Long-term debt, less current portion	1,411,755	1,526,955
Other liabilities	948,264	1,051,993
Total liabilities	3,476,363	3,859,073
Equity:		
Common stock, \$0.001 par value; 400,000,000 shares authorized; 123,486,425 and 123,730,578 issued and outstanding	123	124
Additional paid-in capital	3,199,267	3,200,832
Retained earnings	557,300	389,561
Accumulated other comprehensive loss	(686,715)	(443,691)
Total Colfax Corporation equity	3,069,975	3,146,826
Noncontrolling interest	186,581	205,618
Total equity	3,256,556	3,352,444
Total liabilities and equity	\$ 6,732,919	\$ 7,211,517

Colfax Corporation
Consolidated Statements of Cash Flows
Dollars in thousands
(Unaudited)

	Year Ended December 31,	
	2015	2014
Cash flows from operating activities:		
Net income	\$ 187,178	\$ 420,273
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and impairment charges	154,542	174,724
Stock-based compensation expense	16,321	17,580
Non-cash interest expense	10,101	9,094
Deferred income tax (benefit) provision	(22,717)	(139,488)
Changes in operating assets and liabilities, net of acquisitions:		
Trade receivables, net	64,048	(19,916)
Inventories, net	(390)	57,847
Accounts payable	(11,184)	(54,666)
Changes in other operating assets and liabilities	(94,086)	(79,690)
Net cash provided by operating activities	303,813	385,758
Cash flows from investing activities:		
Purchases of fixed assets	(69,877)	(84,458)
Acquisitions, net of cash received	(196,007)	(948,800)
Other, net	18,927	3,115
Net cash used in investing activities	(246,957)	(1,030,143)
Cash flows from financing activities:		
Borrowings under term credit facility	750,000	150,000
Payments under term credit facility	(1,232,872)	(15,542)
Proceeds from borrowings on revolving credit facilities and other	1,498,039	1,370,626
Repayments of borrowings on revolving credit facilities and other	(1,104,055)	(1,414,146)
Proceeds from issuance of common stock, net	6,052	613,927
Repurchases of common stock	(27,367)	—
Acquisition of shares held by noncontrolling interest	—	(10,338)
Preferred stock conversion inducement payment	—	(19,565)
Payments of dividend on preferred stock	—	(3,853)
Other	(21,066)	(21,060)
Net cash (used in) provided by financing activities	(131,269)	650,049
Effect of foreign exchange rates on Cash and cash equivalents	(33,566)	(11,517)
Decrease in Cash and cash equivalents	(107,979)	(5,853)
Cash and cash equivalents, beginning of period	305,448	311,301
Cash and cash equivalents, end of period	\$ 197,469	\$ 305,448
Supplemental Disclosure of Cash Flow Information:		
Interest payments	\$ 36,363	\$ 42,041
Income tax payments, net	\$ 79,540	\$ 82,694

The COLFAX logo is rendered in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' is particularly prominent. The logo is set against a light gray rectangular background that is positioned over the blue abstract background of the slide.

COLFAX

FOURTH QUARTER 2015 | 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 2014 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 letter "X" is stylized with a white cross-like shape in the center. The logo is set against a light gray rectangular background.

Q4 2015 RESULTS

Q4 2015 HIGHLIGHTS

	<u>Q4 2015</u>	<u>Q4 2014</u>
	<small>(In millions, except per share data)</small>	
Revenue	\$ 1,061.5	\$ 1,206.4
Adjusted Operating Profit	\$ 100.6	\$ 136.7
Margin %	9.5%	11.3%
Adjusted Net Income	\$ 63.0	\$ 89.7
Adjusted EPS	\$ 0.51	\$ 0.72

- Organic revenue decline of 3.8%
- Sequential margin improvement of 350 basis points over Q3 2015

Unaudited

COLFAX

FULL YEAR 2015 HIGHLIGHTS

	Year Ended December 31,	
	2015	2014
	<small>(In millions, except per share data)</small>	
Revenue	\$ 3,967.1	\$ 4,624.5
Adjusted Operating Profit	\$ 345.8	\$ 467.7
Margin %	8.7%	10.1%
Adjusted Net Income	\$ 200.1	\$ 272.3
Adjusted EPS	\$ 1.60	\$ 2.20

- Organic revenue decline of 6.6%
- Margin decline of 140 basis points

Unaudited

COLFAX

The logo for COLFAX is rendered in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' has a distinctive design with a small gap in the center. The logo is positioned on a light gray rectangular background that is part of a larger gray block on the left side of the page.

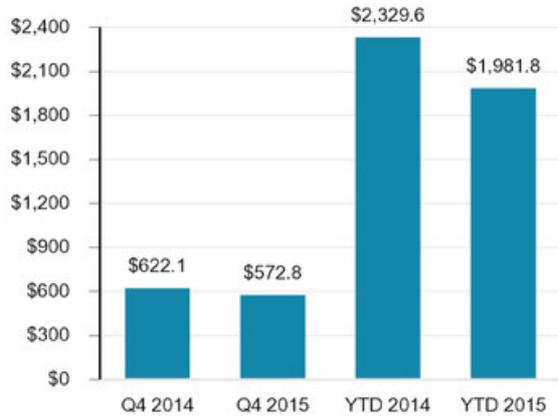
COLFAX

The text 'GAS AND FLUID HANDLING' is written in a white, sans-serif font. It is centered within a dark gray rectangular background that is part of the same gray block on the left side of the page.

GAS AND FLUID HANDLING

GAS AND FLUID HANDLING Q4 2015 AND FULL YEAR RESULTS

REVENUE



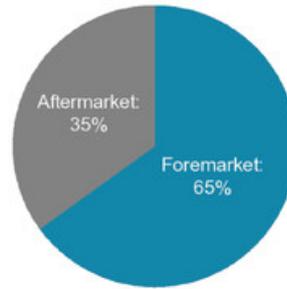
	QTD	YTD
Existing Businesses	(2.7)%	(7.3)%
Acquisitions	3.8%	2.1%
FX Translation	(9.0)%	(9.7)%
Total Decline	(7.9)%	(14.9)%

Note: Dollars in millions (unaudited).

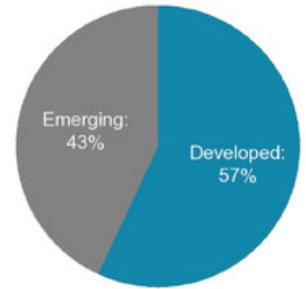
ADJUSTED OPERATING PROFIT



AFTERMARKET REVENUE 2015

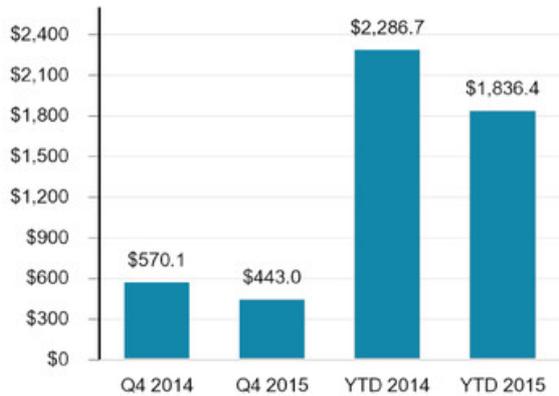


GEOGRAPHIC EXPOSURE 2015



ORDERS AND BACKLOG

ORDERS



	QTD		YTD	
Existing Businesses	(18.8)%		(12.6)%	
Acquisitions	5.7%		2.5%	
FX Translation	(9.2)%		(9.6)%	
Total Decline	(22.3)%		(19.7)%	

BACKLOG

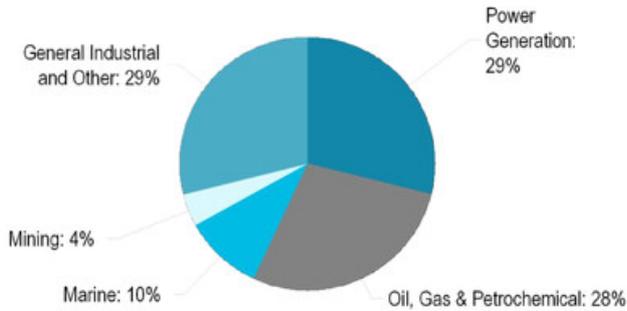


	YTD	
Existing Businesses	(10.4)%	
Acquisitions	3.1%	
FX Translation	(11.3)%	
Total Decline	(18.6)%	

Note: Dollars in millions (unaudited).

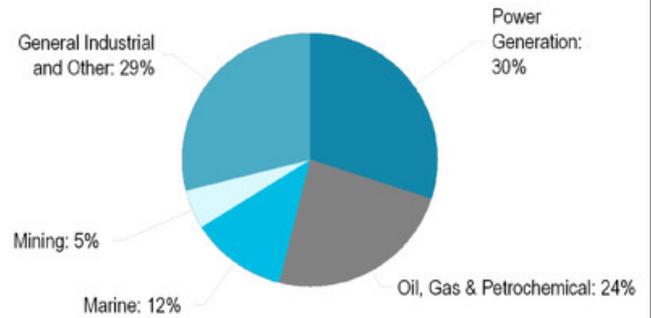
Q4 2015 SALES AND ORDERS BY END MARKET

SALES: \$572.8 million



	Total (Decline) Growth	Organic (Decline) Growth
Power Generation	(24.6)%	(17.8)%
Oil, Gas & Petrochemical	22.7%	23.6%
Marine	7.8%	18.0%
Mining	(52.1)%	(35.5)%
General Industrial & Other	(2.6)%	(1.0)%
Total	(7.9)%	(2.7)%

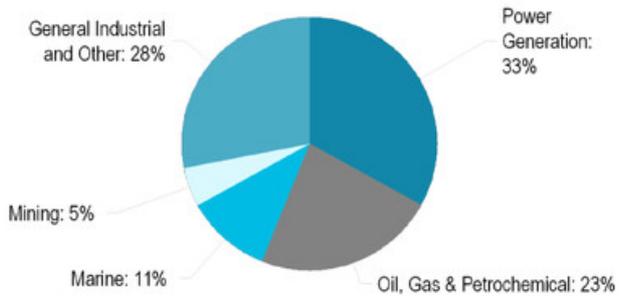
ORDERS: \$443.0 million



	Total Decline	Organic (Decline) Growth
Power Generation	(17.4)%	(9.8)%
Oil, Gas & Petrochemical	(32.2)%	(33.9)%
Marine	(5.9)%	4.2%
Mining	(21.8)%	(0.6)%
General Industrial & Other	(23.3)%	(23.7)%
Total	(22.3)%	(18.8)%

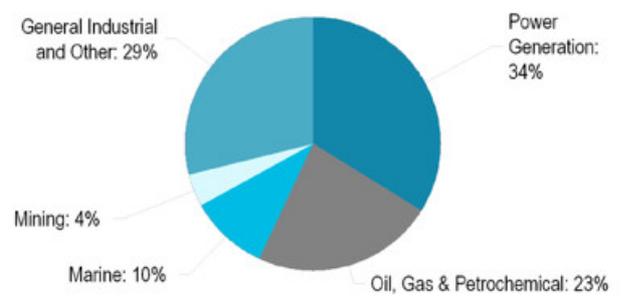
FULL YEAR 2015 SALES AND ORDERS BY END MARKET

SALES: \$1.982 billion



	Total Decline	Organic (Decline) Growth
Power Generation	(21.3)%	(14.7)%
Oil, Gas & Petrochemical	(2.6)%	3.0%
Marine	(9.6)%	3.6%
Mining	(33.1)%	(17.7)%
General Industrial & Other	(13.9)%	(7.0)%
Total	(14.9)%	(7.3)%

ORDERS: \$1.836 billion



	Total Decline	Organic Decline
Power Generation	(16.5)%	(9.4)%
Oil, Gas & Petrochemical	(9.5)%	(4.1)%
Marine	(36.1)%	(24.9)%
Mining	(28.9)%	(12.5)%
General Industrial & Other	(21.7)%	(16.7)%
Total	(19.7)%	(12.6)%

POWER GENERATION MARKET PERSPECTIVE

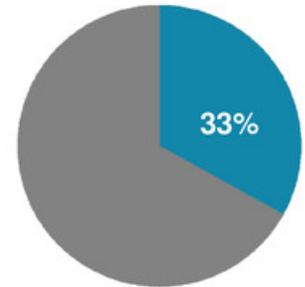
SALES & ORDERS DECLINE

	Q4 2015 vs. Q4 2014		YTD 2015 vs. YTD 2014	
	Total	Organic	Total	Organic
Sales	(24.6)%	(17.8)%	(21.3)%	(14.7)%
Orders	(17.4)%	(9.8)%	(16.5)%	(9.4)%

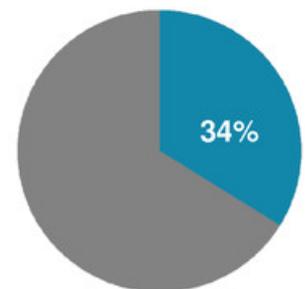
HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Sales decline primarily due to SCR projects in China completed in 2014
- Chinese air quality standards will augment 2016 sales and orders
- Outlook for new power construction and aftermarket products stable for 2016

YTD 2015 SALES SPLIT



YTD 2015 ORDERS SPLIT



OIL, GAS & PETROCHEMICAL MARKET PERSPECTIVE

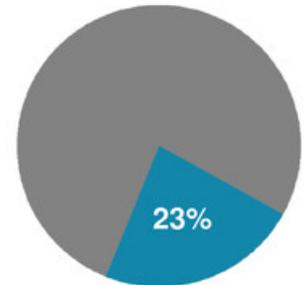
SALES & ORDERS GROWTH (DECLINE)

	Q4 2015 vs. Q4 2014		YTD 2015 vs. YTD 2014	
	Total	Organic	Total	Organic
Sales	22.7%	23.6%	(2.6)%	3.0%
Orders	(32.2)%	(33.9)%	(9.5)%	(4.1)%

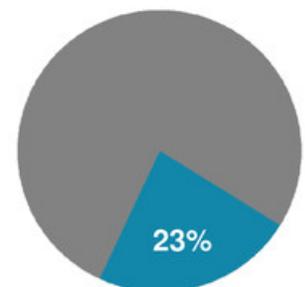
HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Period over period comparisons are difficult due to the timing of large projects with several large orders in fourth quarter of 2014
- Orders year to date only modestly down in end market which is down sharply
- Expanding our addressable market to offset expected continuation of end market decline

YTD 2015 SALES SPLIT



YTD 2015 ORDERS SPLIT



MARINE MARKET PERSPECTIVE

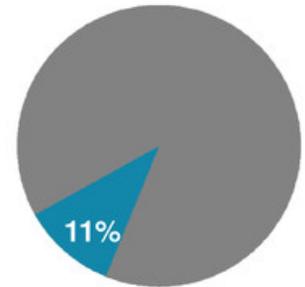
SALES & ORDERS GROWTH (DECLINE)

	Q4 2015 vs. Q4 2014		YTD 2015 vs. YTD 2014	
	Total	Organic	Total	Organic
Sales	7.8%	18.0%	(9.6)%	3.6%
Orders	(5.9)%	4.2%	(36.1)%	(24.9)%

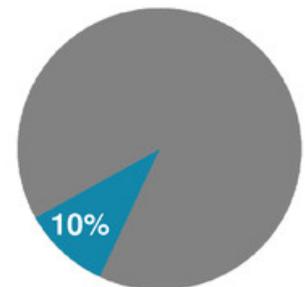
HIGHLIGHTS

- Primarily served by Colfax Fluid Handling
- Fourth quarter growth reflects stabilizing new shipbuilding activity and scope of product expanding with key customers
- Full year order decline primarily due to large, multi-year defense orders received in 2014
- Continued focus on aftermarket growth and expansion of product line

YTD 2015 SALES SPLIT



YTD 2015 ORDERS SPLIT



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

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MINING MARKET PERSPECTIVE

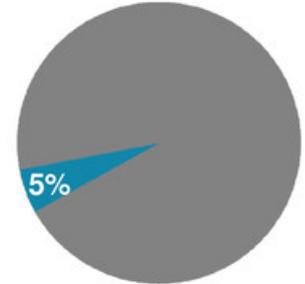
SALES & ORDERS DECLINE

	Q4 2015 vs. Q4 2014		YTD 2015 vs. YTD 2014	
	Total	Organic	Total	Organic
Sales	(52.1)%	(35.5)%	(33.1)%	(17.7)%
Orders	(21.8)%	(0.6)%	(28.9)%	(12.5)%

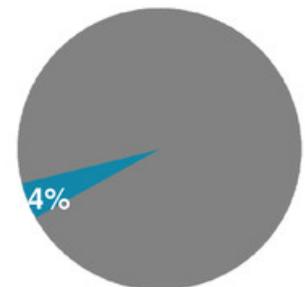
HIGHLIGHTS

- Primarily served by Howden
- Remains a depressed market; focused on winning targeted projects

YTD 2015 SALES SPLIT



YTD 2015 ORDERS SPLIT



GENERAL INDUSTRIAL & OTHER MARKET PERSPECTIVE

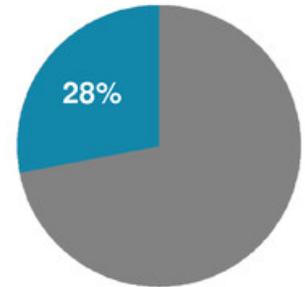
SALES & ORDERS DECLINE

	Q4 2015 vs. Q4 2014		YTD 2015 vs. YTD 2014	
	Total	Organic	Total	Organic
Sales	(2.6)%	(1.0)%	(13.9)%	(7.0)%
Orders	(23.3)%	(23.7)%	(21.7)%	(16.7)%

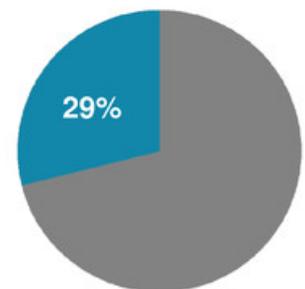
HIGHLIGHTS

- Includes both Howden and Colfax Fluid Handling
- Weak demand for industrial capital equipment driver of sales and order declines
- Relatively stronger fourth quarter sales levels driven by project timing, not improved market conditions
- Market headwinds expected to continue in 2016

YTD 2015 SALES SPLIT



YTD 2015 ORDERS SPLIT



The logo for COLFAX is rendered in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' is particularly prominent. It is set against a light gray rectangular background that is part of a larger graphic element on the left side of the page.

COLFAX

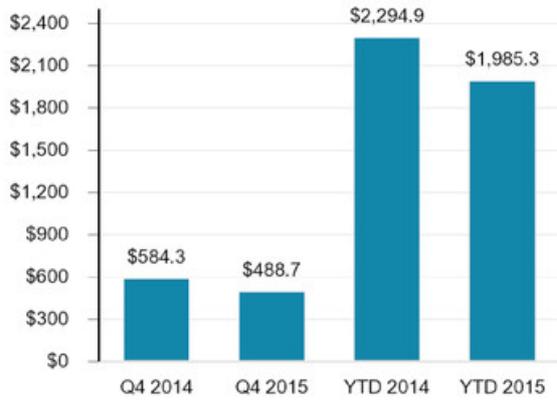
The text 'FABRICATION TECHNOLOGY' is written in a white, sans-serif font. It is positioned on a dark gray rectangular background that overlaps the light gray background of the logo above it. The text is centered horizontally within its background.

FABRICATION TECHNOLOGY

FABRICATION TECHNOLOGY

Q4 2015 AND FULL YEAR RESULTS

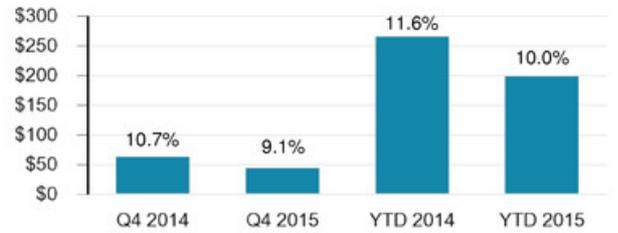
REVENUE



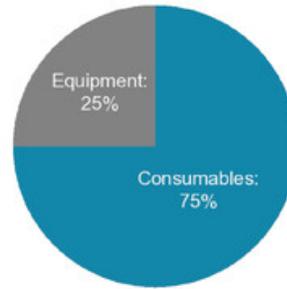
	QTD	YTD
Volume	(1.3)%	(2.4)%
Price/ Mix	(3.5)%	(3.4)%
Acquisitions	—%	5.4%
FX Translation	(11.6)%	(13.1)%
Total Decline	(16.4)%	(13.5)%

Note: Dollars in millions (unaudited).

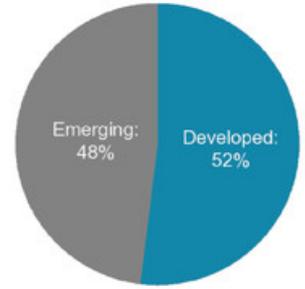
ADJUSTED OPERATING PROFIT



AFTERMARKET REVENUE 2015



GEOGRAPHIC EXPOSURE 2015



The logo for COLFAX is displayed in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' has a distinctive design with a small gap in the middle. The logo is set against a light gray rectangular background that is part of a larger graphic element on the left side of the page.

COLFAX

The text 'RESULTS OF OPERATIONS' is written in a white, sans-serif font. It is positioned on a dark gray rectangular background that overlaps the light gray background of the logo. The text is centered horizontally within its background.

RESULTS OF OPERATIONS

INCOME STATEMENT SUMMARY

(unaudited)

	Three Months Ended		Year Ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Net sales	\$ 1,061.5	\$ 1,206.4	\$ 3,967.1	\$ 4,624.5
Gross profit	\$ 333.4	\$ 391.8	\$ 1,251.8	\$ 1,478.8
% of sales	31.4%	32.5%	31.6%	32.0%
SG&A expense	\$ 232.8	\$ 255.1	\$ 906.0	\$ 1,011.2
% of sales	21.9%	21.1%	22.8%	21.9%
Adjusted operating income	\$ 100.6	\$ 136.7	\$ 345.8	\$ 467.7
% of sales	9.5%	11.3%	8.7%	10.1%
Adjusted net income	\$ 63.0	\$ 89.7	\$ 200.1	\$ 272.3
% of sales	5.9%	7.4%	5.0%	5.9%
Adjusted net income per share	\$ 0.51	\$ 0.72	\$ 1.60	\$ 2.20

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, adjusted operating income margin, organic sales growth (decline) and organic order growth (decline). Adjusted net income, adjusted net income per share, adjusted operating income and adjusted operating income margin exclude the impact of Restructuring and other related charges. Adjusted net income and adjusted net income per share for the full year ended December 31, 2015 exclude the impact of the write-off of certain deferred financing fees and original issue discount associated with the refinancing of Colfax's credit agreement. Adjusted net income and adjusted net income per share for the full year ended December 31, 2014 exclude the impact of the preferred stock conversion inducement payment. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 25.1% and 27.5% for the fourth quarter and full year ended December 31, 2015, respectively, and 24.5% and 27.8% for the fourth quarter and full year ended December 31, 2014, 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 restructuring and other related charges, write-off of certain deferred financing fees and original issue discount and the 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 December 31, 2015								Three Months Ended December 31, 2014													
	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	\$	572,824	\$	488,640	\$	—	\$	1,061,464	\$	622,059	\$	584,297	\$	—	\$	1,206,356						
Operating income (loss)		47,407	8.3%	29,148	6.0%	(11,492)	65,063	6.1%	70,375	11.3%	48,239	8.3%	(11,273)	107,341	8.9%							
Restructuring and other related charges		19,965		15,554		—	35,519		14,916		14,471		—	29,387								
Adjusted operating income (loss)	\$	67,372	11.8%	\$	44,702	9.1%	\$	(11,492)	\$	100,582	9.5%	\$	85,291	13.7%	\$	62,710	10.7%	\$	(11,273)	\$	136,728	11.3%

	Year Ended December 31, 2015								Year Ended December 31, 2014													
	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	\$	1,981,816	\$	1,985,237	\$	—	\$	3,967,053	\$	2,329,598	\$	2,294,878	\$	—	\$	4,624,476						
Operating income (loss)		162,942	8.2%	168,687	8.5%	(46,984)	284,645	7.2%	227,707	9.8%	234,225	10.2%	(52,379)	409,553	8.9%							
Restructuring and other related charges		31,527		29,650		—	61,177		26,533		31,588		—	58,121								
Adjusted operating income (loss)	\$	194,469	9.8%	\$	198,337	10.0%	\$	(46,984)	\$	345,822	8.7%	\$	254,240	10.9%	\$	265,813	11.6%	\$	(52,379)	\$	467,674	10.1%

Note: Dollars in thousands.

COLFAX

NON-GAAP RECONCILIATION

(unaudited)

	Three Months Ended		Year Ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Adjusted Net Income				
Net income attributable to Colfax Corporation	\$ 44,197	\$ 80,134	\$ 167,739	\$ 392,098
Restructuring and other related charges	35,519	29,387	61,177	58,121
Debt extinguishment charges- Refinancing of credit agreement	—	—	4,731	—
Tax adjustment ⁽¹⁾	(16,678)	(19,790)	(33,549)	(177,944)
Adjusted net income	\$ 63,038	\$ 89,731	\$ 200,098	\$ 272,275
Adjusted net income margin	5.9%	7.4%	5.0%	5.9%
Adjusted Net Income Per Share				
Net income available to Colfax Corporation common shareholders	\$ 44,197	\$ 80,134	\$ 167,739	\$ 370,185
Restructuring and other related charges	35,519	29,387	61,177	58,121
Debt extinguishment charges- Refinancing of credit agreement	—	—	4,731	—
Preferred stock conversion inducement payment ⁽²⁾	—	—	—	19,565
Tax adjustment ⁽¹⁾	(16,678)	(19,790)	(33,549)	(177,944)
Adjusted net income available to Colfax Corporation common shareholders	63,038	89,731	200,098	269,927
Dividends on preferred stock ⁽²⁾	—	—	—	2,348
	\$ 63,038	\$ 89,731	\$ 200,098	\$ 272,275
Weighted-average shares outstanding - diluted	124,102,455	125,156,755	124,869,649	124,033,702
Adjusted net income per share	\$ 0.51	\$ 0.72	\$ 1.60	\$ 2.20
Net income per share— diluted (in accordance with GAAP)	\$ 0.36	\$ 0.64	\$ 1.34	\$ 3.02

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 25.1% and 27.5% for the fourth quarter and full year ended December 31, 2015, respectively, and 24.5% and 27.8% for the fourth quarter and full year ended December 31, 2014, respectively.

(2) Adjusted net income per share for the period prior to February 12, 2014 was calculated under the if-converted method in accordance with GAAP. On February 12, 2014, the Series A Perpetual Convertible Preferred Stock were converted to Common stock and the Company paid a \$19.6 million conversion inducement to the holders of the Series A Perpetual Convertible Preferred Stock.

Note: Dollars in thousands, except per share amounts.

COLFAX

CHANGE IN SALES, ORDERS AND BACKLOG

(unaudited)

	Net Sales		Orders			
	\$	%	\$	%	\$	%
For the three months ended December 31, 2014	\$ 1,206.4		\$ 570.1			
Components of Change:						
Existing Businesses	(45.3)	(3.8)%	(107.0)	(18.8)%		
Acquisitions ⁽¹⁾	23.7	2.0%	32.3	5.7%		
Foreign Currency Translation	(123.3)	(10.2)%	(52.4)	(9.2)%		
Total	(144.9)	(12.0)%	(127.1)	(22.3)%		
For the three months ended December 31, 2015	\$ 1,061.5		\$ 443.0			
	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
As of and for the year ended December 31, 2014	\$ 4,624.5		\$ 2,286.7		\$ 1,402.3	
Components of Change:						
Existing Businesses	(304.5)	(6.6)%	(287.1)	(12.6)%	(145.4)	(10.4)%
Acquisitions ⁽²⁾	171.2	3.7%	57.9	2.5%	43.3	3.1%
Foreign Currency Translation	(524.1)	(11.3)%	(221.1)	(9.6)%	(159.3)	(11.3)%
Total	(657.4)	(14.2)%	(450.3)	(19.7)%	(261.4)	(18.6)%
As of and for the year ended December 31, 2015	\$ 3,967.1		\$ 1,836.4		\$ 1,140.9	

(1) Represents the incremental sales and orders as a result of our acquisitions of Roots™ blowers and compressors and Simsmart Technologies.

(2) Represents the incremental sales, orders and order backlog as a result of our acquisitions of Roots™ blowers and compressors and Simsmart Technologies, and incremental sales as a result of our acquisition of Victor Technologies Holdings Inc.

Note: Dollars in millions.

COLFAX

BALANCE SHEETS

(unaudited)

	December 31,	
	2015	2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 197,469	\$ 305,448
Trade receivables, less allowance for doubtful accounts of \$39,505 and \$27,256	888,166	1,029,150
Inventories, net	420,386	442,732
Other current assets	253,744	296,948
Total current assets	1,759,765	2,074,278
Property, plant and equipment, net	644,536	727,435
Goodwill	2,817,687	2,873,023
Intangible assets, net	995,712	1,043,583
Other assets	515,219	493,198
Total assets	\$ 6,732,919	\$ 7,211,517
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 5,792	\$ 9,855
Accounts payable	718,893	780,287
Accrued liabilities	391,659	489,983
Total current liabilities	1,116,344	1,280,125
Long-term debt, less current portion	1,411,755	1,526,955
Other liabilities	948,264	1,051,993
Total liabilities	3,476,363	3,859,073
Equity:		
Common stock, \$0.001 par value; 400,000,000 shares authorized; 123,486,425 and 123,730,578 issued and outstanding	123	124
Additional paid-in capital	3,199,267	3,200,832
Retained earnings	557,300	389,561
Accumulated other comprehensive loss	(686,715)	(443,691)
Total Colfax Corporation equity	3,069,975	3,146,826
Noncontrolling interest	186,581	205,618
Total equity	3,256,556	3,352,444
Total liabilities and equity	\$ 6,732,919	\$ 7,211,517

Note: Dollars in thousands.

STATEMENTS OF CASH FLOWS

(unaudited)

	Year Ended December 31,	
	2015	2014
Cash flows from operating activities:		
Net income	\$ 187,178	\$ 420,273
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and impairment charges	154,542	174,724
Stock-based compensation expense	16,321	17,580
Non-cash interest expense	10,101	9,094
Deferred income tax (benefit) provision	(22,717)	(139,488)
Changes in operating assets and liabilities, net of acquisitions:		
Trade receivables, net	64,048	(19,916)
Inventories, net	(390)	57,847
Accounts payable	(11,184)	(54,666)
Changes in other operating assets and liabilities	(94,086)	(79,690)
Net cash provided by operating activities	303,813	385,758
Cash flows from investing activities:		
Purchases of fixed assets	(69,877)	(84,458)
Acquisitions, net of cash received	(196,007)	(948,800)
Other, net	18,927	3,115
Net cash used in investing activities	(246,957)	(1,030,143)
Cash flows from financing activities:		
Borrowings under term credit facility	750,000	150,000
Payments under term credit facility	(1,232,872)	(15,542)
Proceeds from borrowings on revolving credit facilities and other	1,498,039	1,370,626
Repayments of borrowings on revolving credit facilities and other	(1,104,055)	(1,414,146)
Proceeds from issuance of common stock, net	6,052	613,927
Repurchases of common stock	(27,367)	—
Acquisition of shares held by noncontrolling interest	—	(10,338)
Preferred stock conversion inducement payment	—	(19,565)
Payments of dividend on preferred stock	—	(3,853)
Other	(21,066)	(21,060)
Net cash (used in) provided by financing activities	(131,269)	650,049
Effect of foreign exchange rates on Cash and cash equivalents	(33,566)	(11,517)
Decrease in Cash and cash equivalents	(107,979)	(5,853)
Cash and cash equivalents, beginning of period	305,448	311,301
Cash and cash equivalents, end of period	\$ 197,469	\$ 305,448
Supplemental Disclosure of Cash Flow Information:		
Interest payments	36,363	42,041
Income tax payments, net	79,540	82,694

Note: Dollars in thousands.

COLFAX

