

**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 28, 2010**

**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.)

**8730 Stony Point Parkway, Suite 150**  
**Richmond, VA 23235**  
(Address of Principal Executive Offices) (Zip Code)

**(804) 560-4070**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(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 28, 2010, Colfax Corporation issued a press release reporting financial results for the quarter ended July 2, 2010. 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. ET on July 28, 2010 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 28, 2010, reporting financial results for the quarter ended July 2, 2010.
- 99.2 Colfax Corporation slides for July 28, 2010 conference call for financial results for the quarter ended July 2, 2010.

## 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 28, 2010

By: /s/ Clay H. Kiefaber  
Name: Clay H. Kiefaber  
Title: President and Chief Executive Officer

## EXHIBIT INDEX

- 99.1 Colfax Corporation press release dated July 28, 2010, reporting financial results for the quarter ended July 2, 2010.
  - 99.2 Colfax Corporation slides for July 28, 2010 conference call for financial results for the quarter ended July 2, 2010.
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## COLFAX REPORTS SECOND QUARTER RESULTS

RICHMOND, VA – July 28, 2010 - Colfax Corporation (NYSE: CFX), a global leader in fluid-handling solutions for critical applications, today announced financial results for the second quarter ended July 2, 2010. On a year-over-year basis, highlights for the quarter and the first six months of 2010 include:

**Second quarter of 2010** (all comparisons versus the second quarter of 2009)

- Net income of \$2.0 million (5 cents per share – basic and diluted) including restructuring and other related charges of \$3.0 million; adjusted net income (as defined below) of \$7.6 million (18 cents per share), a decrease of 10.1%
- Net sales of \$123.0 million, a decrease of 4.8%; organic sales decline (as defined below) of 3.1%
- Operating income of \$4.8 million; adjusted operating income (as defined below) of \$13.0 million, a decrease of 9.3% including negative currency effects of \$0.3 million
- Second quarter orders of \$155.6 million, an increase of 29.1%; organic order growth (as defined below) of 30.6%
- Backlog of \$297.1 million at period end

**First half of 2010** (all comparisons versus the first half of 2009)

- Net income of \$1.4 million (3 cents per share – basic and diluted); adjusted net income (as defined below) of \$13.4 million (31 cents per share), a decrease of 29.1% including positive currency effects of 1 cent per share
- Net sales of \$242.9 million, a decrease of 8.5%; organic sales decline (as defined below) of 10.3%
- Operating income of \$5.7 million; adjusted operating income (as defined below) of \$23.2 million, a decrease of 26.0% including positive currency effects of \$0.5 million
- Orders for the six month period of \$275.1 million, an increase of 12.9%; organic order growth (as defined below) of 11.0%

Adjusted net income, adjusted net income per share, adjusted operating income, organic sales growth (decline) and organic order growth (decline) 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.

“We’re pleased with our second quarter results,” said Clay Kiefaber, President and CEO of Colfax Corporation. “We’re seeing strengthening in our end markets with organic orders up 31% for the quarter over last year and 35% sequentially. The growth was broad based across most of our markets and geographies. We are realizing cost savings from our restructuring efforts as our gross profit margin increased slightly to 35% in the second quarter over last year, despite a decline in sales.”

He added, “Our focus on improving working capital efficiency is yielding results as working capital to sales declined to 19%. Our balance sheet continues to strengthen, providing us with the capacity to fund our growth objectives including internal projects as well as acquisitions. At the end of the quarter, our net debt was \$25 million and we had \$136 million available on our revolving credit facility.

“Given our current backlog and outlook, we now expect organic sales growth of up to 6% in the second half of the year. For the year, we expect organic sales to decline 2% to 5% from 2009 versus our previous guidance of a 5% to 9% decline. We expect adjusted EPS to be in the range of \$.70 to \$.77 which includes covering about 3 cents of currency headwind compared to our prior guidance of \$.67 to \$.77.”

## **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 (decline), organic order growth (decline) and projected adjusted net income per share. Adjusted net income, adjusted net income per share and adjusted operating income exclude asbestos liability and defense costs and asbestos coverage litigation expenses, and restructuring and other related charges to the extent they impact the periods presented. Adjusted net income, adjusted net income per share and projected adjusted net income per share present income taxes at an effective tax rate of 32%. Projected adjusted net income per share excludes actual and estimated restructuring and other related charges, asbestos coverage litigation expenses and asbestos liability and defense costs. 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 non-recurring items, legacy asbestos issues and items outside the control of its operating management team.

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 and outlook on Wednesday, July 28 at 8:00 a.m. ET. The call will be open to the public through 877-303-7908 or 678-373-0875 and webcast via Colfax's website at <http://www.colfaxcorp.com> under the "Investor Relations" 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 global leader in critical fluid-handling products and technologies. Through its global operating subsidiaries, Colfax manufactures positive displacement industrial pumps and valves used in oil & gas, power generation, commercial marine, defense and general industrial markets. Colfax's operating subsidiaries supply products under the well-known brands Allweiler, Fairmount Automation, Houttuin, Imo, LSC, Portland Valve, Tushaco, Warren and Zenith. 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 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 as well as its 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 this date. 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:**

Mitzi Reynolds, Vice President, Investor Relations  
Colfax Corporation  
804-327-5689



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

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>July 2, 2010</b>	<b>July 3, 2009</b>	<b>July 2, 2010</b>	<b>July 3, 2009</b>
Net sales	\$ 122,968	\$ 129,185	\$ 242,939	\$ 265,508
Cost of sales	79,987	84,630	158,202	172,938
Gross profit	42,981	44,555	84,737	92,570
Selling, general and administrative expenses	28,507	28,586	58,387	58,112
Research and development expenses	1,520	1,680	3,148	3,087
Restructuring and other related charges	3,035	486	7,074	1,147
Asbestos liability and defense costs	542	1,482	1,977	3,127
Asbestos coverage litigation expenses	4,543	4,027	8,424	6,993
Operating income	4,834	8,294	5,727	20,104
Interest expense	1,718	1,786	3,531	3,632
Income before income taxes	3,116	6,508	2,196	16,472
Provision for income taxes	1,078	2,142	811	5,245
Net income	\$ 2,038	\$ 4,366	\$ 1,385	\$ 11,227
Net income per share—basic and diluted	\$ 0.05	\$ 0.10	\$ 0.03	\$ 0.26

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

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>July 2, 2010</u>	<u>July 3, 2009</u>	<u>July 2, 2010</u>	<u>July 3, 2009</u>
<b>Adjusted Net Income and Adjusted Earnings per Share</b>				
Net income	\$ 2,038	\$ 4,366	\$ 1,385	\$ 11,227
Restructuring and other related charges	3,035	486	7,074	1,147
Asbestos liability and defense costs	542	1,482	1,977	3,127
Asbestos coverage litigation expenses	4,543	4,027	8,424	6,993
Tax adjustment to effective rate of 32%	<u>(2,518)</u>	<u>(1,859)</u>	<u>(5,484)</u>	<u>(3,631)</u>
Adjusted net income	<u>\$ 7,640</u>	<u>\$ 8,502</u>	<u>\$ 13,376</u>	<u>\$ 18,863</u>
Adjusted net income margin	6.2%	6.6%	5.5%	7.1%
Weighted average shares outstanding - diluted	43,564,812	43,245,990	43,496,948	43,237,856
Adjusted net income per share	<u>\$ 0.18</u>	<u>\$ 0.20</u>	<u>\$ 0.31</u>	<u>\$ 0.44</u>
Net income per share—basic and diluted in accordance with GAAP	<u>\$ 0.05</u>	<u>\$ 0.10</u>	<u>\$ 0.03</u>	<u>\$ 0.26</u>
<b>Adjusted Operating Income</b>				
Operating income	\$ 4,834	\$ 8,294	\$ 5,727	\$ 20,104
Restructuring and other related charges	3,035	486	7,074	1,147
Asbestos liability and defense costs	542	1,482	1,977	3,127
Asbestos coverage litigation expenses	<u>4,543</u>	<u>4,027</u>	<u>8,424</u>	<u>6,993</u>
Adjusted operating income	<u>\$ 12,954</u>	<u>\$ 14,289</u>	<u>\$ 23,202</u>	<u>\$ 31,371</u>
Adjusted operating income margin	10.5%	11.1%	9.6%	11.8%

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

	Sales		Orders	
<b>Three Months Ended July 3, 2009</b>	<b>\$ 129.2</b>		<b>\$ 120.5</b>	
<i>Components of Change:</i>				
Existing businesses	(4.0)	(3.1)%	36.8	30.6%
Acquisitions	1.0	0.8%	1.0	0.8%
Foreign currency translation	(3.2)	(2.5)%	(2.7)	(2.3)%
<b>Total</b>	<b>(6.2)</b>	<b>(4.8)%</b>	<b>35.1</b>	<b>29.1%</b>
<b>Three Months Ended July 2, 2010</b>	<b>\$ 123.0</b>		<b>\$ 155.6</b>	

	Sales		Orders		Backlog at Period End
<b>Six Months Ended July 3, 2009</b>	<b>\$ 265.5</b>		<b>\$ 243.6</b>		<b>\$ 326.9</b>
<i>Components of Change:</i>					
Existing businesses	(27.4)	(10.3)%	26.7	11.0%	(10.3) (3.2)%
Acquisitions	1.5	0.6%	1.8	0.7%	1.0 0.3%
Foreign currency translation	3.3	1.2%	3.0	1.2%	(20.5) (6.3)%
<b>Total</b>	<b>(22.6)</b>	<b>(8.5)%</b>	<b>31.5</b>	<b>12.9%</b>	<b>(29.8) (9.1)%</b>
<b>Six Months Ended July 2, 2010</b>	<b>\$ 242.9</b>		<b>\$ 275.1</b>		<b>\$ 297.1</b>

	Sales		Orders		Backlog at Period End
<b>Three Months Ended April 2, 2010</b>	<b>\$ 120.0</b>		<b>\$ 119.6</b>		<b>\$ 281.3</b>
<i>Components of Change:</i>					
Existing businesses	9.0	7.5%	42.2	35.3%	32.8 11.6%
Acquisitions	-	0.0%	-	0.0%	- 0.0%
Foreign currency translation	(6.0)	(5.0)%	(6.2)	(5.2)%	(17.0) (6.0)%
<b>Total</b>	<b>3.0</b>	<b>2.5%</b>	<b>36.0</b>	<b>30.1%</b>	<b>15.8 5.6%</b>
<b>Three Months Ended July 2, 2010</b>	<b>\$ 123.0</b>		<b>\$ 155.6</b>		<b>\$ 297.1</b>

**Colfax Corporation**  
**Reconciliation of Projected 2010 Net Income Per Share to Adjusted Net Income Per Share**  
Amounts in Dollars  
(Unaudited)

	<u>EPS Range</u>	
Projected net income per share - fully diluted	\$ 0.31	\$ 0.38
Restructuring and other related charges incurred year-to-date	0.11	0.11
Estimated restructuring and other related charges <sup>1</sup>	0.02	0.02
Asbestos coverage litigation expenses	0.20	0.20
Asbestos liability and defense costs	<u>0.06</u>	<u>0.06</u>
Projected adjusted net income per share - fully diluted	<u>\$ 0.70</u>	<u>\$ 0.77</u>

<sup>1</sup> Represents estimated restructuring and other related charges for actions implemented through July 28, 2010.

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## Second Quarter 2010 Earnings Call

July 28, 2010



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 as well as its 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.



- Adjusted net income of \$7.6 million (18 cents per share) compared to \$8.5 million (20 cents per share) in Q2 2009
- Net sales of \$123.0 million compared to \$129.2 million in Q2 2009, a decrease of 4.8% (organic decline of 3.1%)
- Adjusted operating income of \$13.0 million compared to \$14.3 million in Q2 2009, including negative currency effects of \$0.3 million
- Second quarter orders of \$155.6 million compared to \$120.5 million in Q2 2009, an increase of 29.1% (organic increase of 30.6%)
- Backlog of \$297.1 million

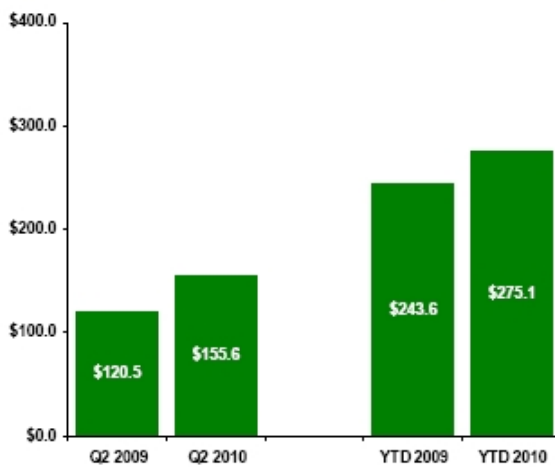


- Business climate improving
  - Organic sales down modestly at 3%
    - Defense and general industrial up but offset by declines in other markets
  - Robust organic order growth – up 31%
    - Growth in commercial marine, power generation, general industrial and oil & gas
    - Strengthening in U.S., Europe and Asia
    - Book to bill 1.3 – highest level since beginning of 2008
  - Gross profit margin increased slightly to 35%, despite decline in sales
- Solid sequential results
  - Organic sales up 8%; growth in all markets
  - Organic orders up 35%; growth in all markets
  - General industrial orders have increased 4 consecutive quarters



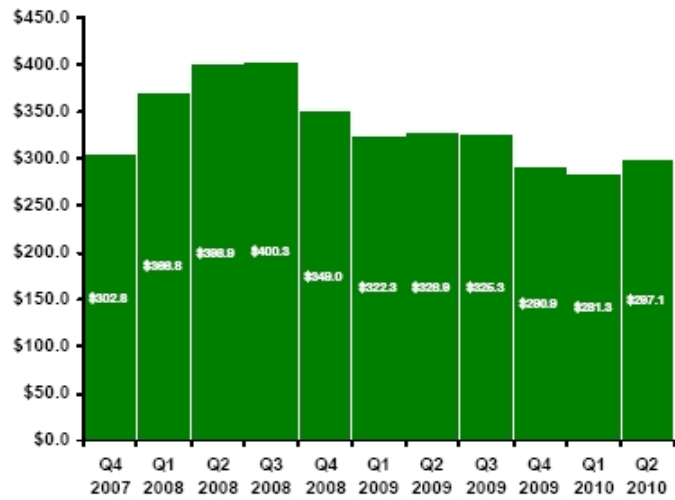


**Orders**



Existing Businesses	--	30.6 %	--	11.0%
Acquisitions	--	0.8%	--	0.7%
FX Translation	--	(2.3)%	--	1.2%
<b>Total Growth</b>	--	<b>29.1 %</b>	--	<b>12.9%</b>

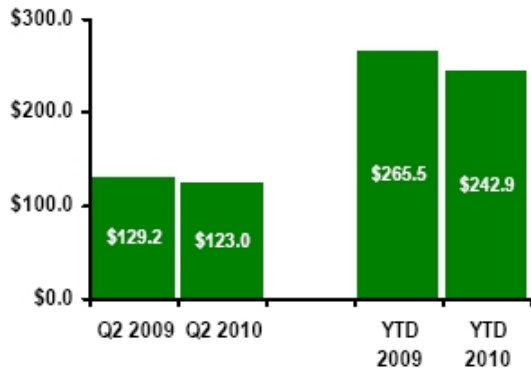
**Backlog**



Note: Dollars in millions.



**Revenue**



Existing Businesses	-	(3.1)%	-	(10.3)%
Acquisitions	-	0.8%	-	0.6%
FX Translation	-	(2.5)%	-	1.2%
<b>Total Growth (Decline)</b>	<b>-</b>	<b>(4.8)%</b>	<b>-</b>	<b>(8.5)%</b>

**Adjusted Operating Income <sup>(1)</sup>**



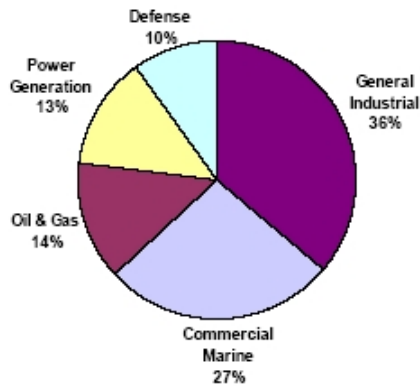
% Margin	11.1%	10.5%	11.8%	9.6%
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(1) Refer to Appendix for Non-GAAP reconciliation.

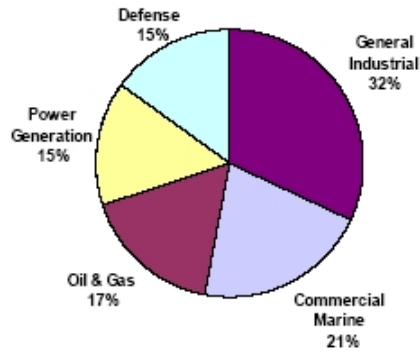
Note: Dollars in millions.



**Sales: \$123.0 million**



**Orders: \$155.6 million**

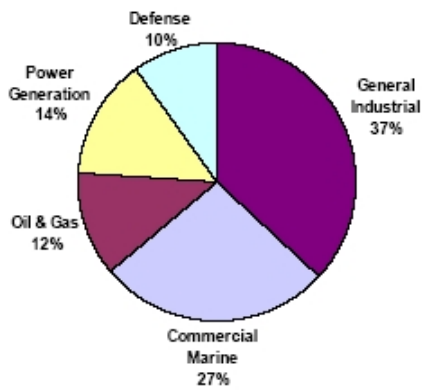


	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	(6)%	(8)%
Oil & Gas	(25)%	(22)%
Power Generation	(12)%	(9)%
Defense	19%	20%
General Industrial	4%	8%
<b>Total</b>	<b>(5)%</b>	<b>(3)%</b>

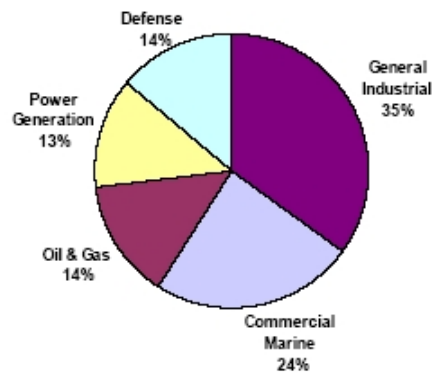
	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	115%	107%
Oil & Gas	8%	9%
Power Generation	51%	57%
Defense	(22)%	(21)%
General Industrial	40%	45%
<b>Total</b>	<b>29%</b>	<b>31%</b>



**Sales: \$242.9 million**



**Orders: \$275.1 million**



	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	(10)%	(16)%
Oil & Gas	(31)%	(31)%
Power Generation	(10)%	(10)%
Defense	24%	24%
General Industrial	(4)%	(4)%
<b>Total</b>	<b>(9)%</b>	<b>(10)%</b>

	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	79%	66%
Oil & Gas	(7)%	(8)%
Power Generation	7%	9%
Defense	(31)%	(30)%
General Industrial	25%	24%
<b>Total</b>	<b>13%</b>	<b>11%</b>



**Sales**

**Orders**

	<u>Total Growth (Decline)</u>	<u>Organic Growth</u>
Commercial Marine	(4)%	3%
Oil & Gas	35%	40%
Power Generation	(2)%	3%
Defense	6%	6%
General Industrial	(1)%	5%
Total	3%	8%

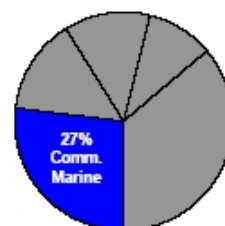
	<u>Total Growth (Decline)</u>	<u>Organic Growth</u>
Commercial Marine	(2)%	3%
Oil & Gas	101%	103%
Power Generation	87%	97%
Defense	75%	78%
General Industrial	5%	11%
Total	30%	35%



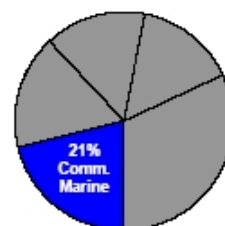
**Sales & Orders Growth (Decline)**

	Q210 Y-o-Y		Q210 YTD Y-o-Y		Q210 Sequential	
	Total	Organic	Total	Organic	Total	Organic
<b>Sales</b>	(6)%	(8)%	(10)%	(16)%	(4)%	3%
<b>Orders</b>	115%	107%	79%	66%	(2)%	3%

Colfax Q2 10 Sales Split



Colfax Q2 10 Orders Split



**Highlights and Outlook**

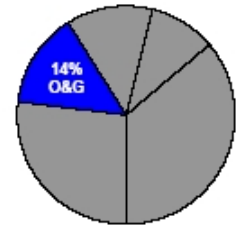
- Orders continuing to rebound from low levels
- Cancellations were \$3 million in Q2 2010 vs. \$9 million in Q2 2009; \$6 million YTD 2010 vs. \$18 million YTD 2009; delivery extensions continuing
- Approximately 10,000 ships on order at shipyards
- Focusing on aftermarket sales & service including opportunities related to changing environmental regulations



**Sales & Orders Growth (Decline)**

	Q210 Y-o-Y		Q210 YTD Y-o-Y		Q210 Sequential	
	Total	Organic	Total	Organic	Total	Organic
<b>Sales</b>	(25)%	(22)%	(31)%	(31)%	35%	40%
<b>Orders</b>	8%	9%	(7)%	(8)%	101%	103%

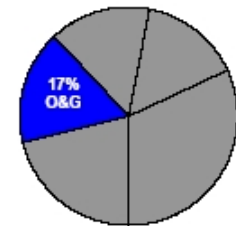
Colfax Q2 10 Sales Split



**Highlights and Outlook**

- New project orders beginning to book; very strong sequential growth
- Quoting activity continuing to increase
- Solid activity in Latin America, Middle East, Canada and Asia

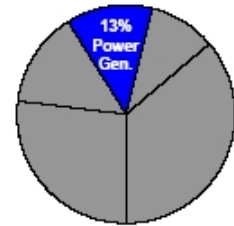
Colfax Q2 10 Orders Split



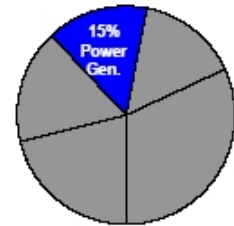
**Sales & Orders Growth (Decline)**

	Q210 Y-o-Y		Q210 YTD Y-o-Y		Q210 Sequential	
	Total	Organic	Total	Organic	Total	Organic
<b>Sales</b>	(12)%	(9)%	(10)%	(10)%	(2)%	3%
<b>Orders</b>	51%	57%	7%	9%	87%	97%

Colfax Q2 10 Sales Split



Colfax Q2 10 Orders Split



**Highlights and Outlook**

- Solid order growth
- Several new infrastructure projects underway in Asia & Middle East
- Continue to focus on expanding presence in Asia





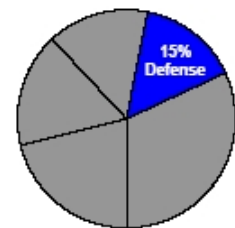
**Sales & Orders Growth (Decline)**

	Q210 Y-o-Y		Q210 YTD Y-o-Y		Q210 Sequential	
	Total	Organic	Total	Organic	Total	Organic
<b>Sales</b>	19%	20%	24%	24%	6%	6%
<b>Orders</b>	(22)%	(21)%	(31)%	(30)%	75%	78%

Colfax Q2 10 Sales Split



Colfax Q2 10 Orders Split



**Highlights and Outlook**

- Sales up in Q2 2010 due to increase in navy defense funding in U.S.
- Orders down in Q2 2010 due to large orders booked in first half 2009 related to seven Virginia class subs
- Solid backlog
- ROW navies also expanding (projects in several European countries, Brazil, Australia, India and Malaysia)



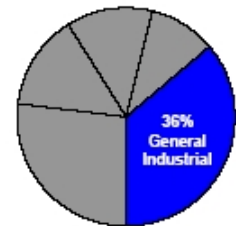
**Sales & Orders Growth (Decline)**

	Q210 Y-o-Y		Q210 YTD Y-o-Y		Q210 Sequential	
	Total	Organic	Total	Organic	Total	Organic
<b>Sales</b>	4%	8%	(4)%	(4)%	(1)%	5%
<b>Orders</b>	40%	45%	25%	24%	5%	11%

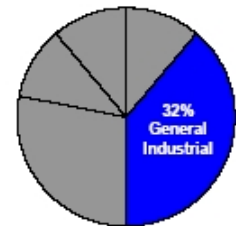
**Highlights and Outlook**

- Sales up for the quarter; robust order growth
- Significant growth in 2Q led by increases in orders in the chemical, machinery support, diesel engine and distribution submarkets
- Order strength is broad based including Europe, China and Latin America
- Aftermarket improving – deferred maintenance spending

Colfax Q2 10 Sales Split

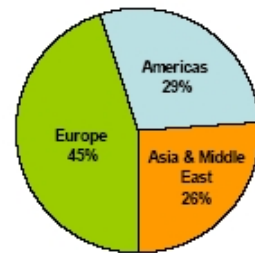


Colfax Q2 10 Orders Split

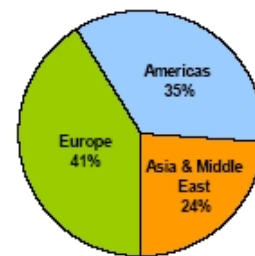


Sales YTD 2010 By Region <sup>(1)</sup>

- Sales shipped to Europe were 45% of sales in 1H2010; we believe sales to Europe are closer to 1/3 as some OEM sales are shipped out of Europe
- Southern Europe exposure minimal
- Generally match manufacturing costs and sales; primarily translation exposure
- European currencies generally represent approximately 55% of revenues (Euro 40%, Swedish Krona 10%, Norwegian Kroner 5%)
- 5¢ change in Euro historically results in approximately a 1¢ change in adjusted EPS assuming other currencies remain constant



Orders YTD 2010 By Region <sup>(1)</sup>



(1) Based on shipping destination



- Strong balance sheet
  - Debt of \$88 million, principal payments of \$9 million in 2010, matures in 2013
  - Cash = \$63 million
  - \$136 million available on revolver
- Strong cash flow
  - LTM Adjusted EBITDA of \$73 million

Note: As of 7/2/2010



	Three Months Ended		Delta	
	July 2, 2010	July 3, 2009	\$	%
Orders	\$ 155.6	\$ 120.5	\$ 35.1	29.1%
Sales	\$ 123.0	\$ 129.2	\$ (6.2)	(4.8)%
Gross Profit	\$ 43.0	\$ 44.6	\$ (1.6)	(3.5)%
% of Sales	35.0%	34.5%		
SG&A Expenses	\$ 28.5	\$ 28.6	\$ (0.1)	(0.3)%
R&D Expense	1.5	1.7	(0.2)	(9.5)%
Operating Expenses	\$ 30.0	\$ 30.3	\$ (0.2)	(0.8)%
% of Sales	24.4%	23.4%		
Adjusted Operating Income	\$ 13.0	\$ 14.3	\$ (1.3)	(9.3)%
% of Sales	10.5%	11.1%		
Adjusted Net Income	\$ 7.6	\$ 8.5	\$ (0.9)	(10.1)%
% of Sales	6.2%	6.6%		
Adjusted Net Income Per Share	\$ 0.18	\$ 0.20	\$ (0.02)	(10.8)%

Refer to Appendix for Non-GAAP reconciliation.

Note: Dollars in millions.





	Six Months Ended		Delta	
	July 2, 2010	July 3, 2009	\$	%
Orders	\$ 275.1	\$ 243.6	\$ 31.5	12.9%
Sales	\$ 242.9	\$ 265.5	\$ (22.6)	(8.5)%
Gross Profit	\$ 84.7	\$ 92.6	\$ (7.8)	(8.5)%
% of Sales	34.9%	34.9%		
SG&A Expenses	\$ 58.4	\$ 58.1	\$ 0.3	0.5%
R&D Expense	3.1	3.1	0.1	2.0%
Operating Expenses	\$ 61.5	\$ 61.2	\$ 0.3	0.5%
% of Sales	25.3%	23.0%		
Adjusted Operating Income	\$ 23.2	\$ 31.4	\$ (8.2)	(26.0)%
% of Sales	9.6%	11.8%		
Adjusted Net Income	\$ 13.4	\$ 18.9	\$ (5.5)	(29.1)%
% of Sales	5.5%	7.1%		
Adjusted Net Income Per Share	\$ 0.31	\$ 0.44	\$ (0.13)	(29.5)%

Refer to Appendix for Non-GAAP reconciliation.

Note: Dollars in millions.



	Six Months Ended	
	July 2, 2010	July 3, 2009
Net income	\$ 1.4	\$ 11.2
Non-cash expenses	5.4	7.8
Change in working capital and accrued liabilities	15.6	(5.9)
Other	5.0	4.8
<b>Total Operating Activities</b>	<b>27.4</b>	<b>17.9</b>
Capital expenditures	(5.5)	(5.9)
Other	0.1	0.1
<b>Total Investing Activities</b>	<b>(5.4)</b>	<b>(5.8)</b>
Repayments of borrowings	(3.8)	(2.5)
Other	0.6	(0.4)
<b>Total Financing Activities</b>	<b>(3.2)</b>	<b>(2.9)</b>
Effect of exchange rates on cash	(5.8)	-
<b>Increase in cash</b>	<b>13.0</b>	<b>9.2</b>
Cash, beginning of period	50.0	28.8
<b>Cash, end of period</b>	<b>\$ 63.0</b>	<b>\$ 38.0</b>

Note: Dollars in millions.



Revenue Range			
2010 Organic growth (decline) <sup>(1)</sup>	(2)%	To	(5)%
2010 Total	\$480 million	To	\$495 million

EPS Range			
2010 Net income per share	\$0.31	To	\$0.38
2010 Adjusted net income per share <sup>(2)</sup>	\$0.70	To	\$0.77

Assumptions	
Asbestos coverage litigation	\$13 million
Asbestos liability and defense costs	\$4 million
Euro <sup>(3)</sup>	\$1.23
Tax rate	32%
Interest expense	\$7 million
Outstanding shares	43.5 million

(1) Excludes impact of acquisitions and foreign exchange rate fluctuations

(2) Excludes impact of asbestos coverage litigation, asbestos liability and defense costs, and restructuring and other related charges

(3) Assumed Euro rate of \$1.23 (Spot rate as of 7/1/10) for 3<sup>rd</sup> and 4<sup>th</sup> quarters

(See Appendix for Non-GAAP reconciliation)

NOTE: Guidance as of 7/28/10





# Appendix



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, EBITDA, adjusted EBITDA, organic sales growth (decline) and organic order growth (decline). Adjusted net income, adjusted net income per share, adjusted operating income and adjusted EBITDA exclude asbestos liability and defense costs, asbestos coverage litigation expenses, and restructuring and other related charges to the extent they impact the periods presented. Adjusted net income, adjusted net income per share and projected adjusted net income per share present income taxes at an effective tax rate of 32%. Projected adjusted net income per share excludes actual and estimated restructuring and other related charges, asbestos coverage litigation expenses and asbestos liability and defense costs. 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 non-recurring items, legacy asbestos issues and items outside the control of its operating management team (except in the case of EBITDA).

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





	Three Months Ended		Six Months Ended	
	July 2, 2010	July 3, 2009	July 2, 2010	July 3, 2009
<b>Adjusted Net Income and Adjusted Earnings per Share</b>				
Net income	\$ 2,038	\$ 4,366	\$ 1,385	\$ 11,227
Restructuring and other related charges	3,035	486	7,074	1,147
Asbestos liability and defense costs	542	1,482	1,977	3,127
Asbestos coverage litigation expenses	4,543	4,027	8,424	6,993
Tax adjustment to effective rate of 32%	(2,518)	(1,859)	(5,484)	(3,631)
Adjusted net income	\$ 7,640	\$ 8,502	\$ 13,376	\$ 18,863
Adjusted net income margin	6.2%	6.6%	5.5%	7.1%
Weighted average shares outstanding - diluted	43,564,812	43,245,990	43,496,948	43,237,856
Adjusted net income per share	\$ 0.18	\$ 0.20	\$ 0.31	\$ 0.44
Net income per share—basic and diluted in accordance with GAAP	\$ 0.05	\$ 0.10	\$ 0.03	\$ 0.26
<b>Adjusted Operating Income</b>				
Operating income	\$ 4,834	\$ 8,294	\$ 5,727	\$ 20,104
Restructuring and other related charges	3,035	486	7,074	1,147
Asbestos liability and defense costs	542	1,482	1,977	3,127
Asbestos coverage litigation expenses	4,543	4,027	8,424	6,993
Adjusted operating income	\$ 12,954	\$ 14,289	\$ 23,202	\$ 31,371
Adjusted operating income margin	10.5%	11.1%	9.6%	11.8%

Note: Dollars in thousands



	<u>Last Twelve Months</u>
	<u>July 2, 2010</u>
<b>EBITDA</b>	
Net income	\$ 11,880
Interest expense	7,111
Provision for income taxes	5,091
Depreciation and amortization	14,825
<b>EBITDA</b>	<b>\$ 38,907</b>
EBITDA margin	7.7%
<b>Adjusted EBITDA</b>	
Net income	\$ 11,880
Interest expense	7,111
Provision for income taxes	5,091
Depreciation and amortization	14,825
Restructuring and other related charges	24,102
Asbestos liability and defense costs (income)	(3,343)
Asbestos coverage litigation expenses	13,173
<b>Adjusted EBITDA</b>	<b>\$ 72,839</b>
Adjusted EBITDA margin	14.5%



	Sales		Orders			
<b>Three Months Ended July 3, 2009</b>	<b>\$ 129.2</b>		<b>\$ 120.5</b>			
<i>Components of Change:</i>						
Existing businesses	(4.0)	(3.1)%	36.8	30.6 %		
Acquisitions	1.0	0.8 %	1.0	0.8 %		
Foreign currency translation	(3.2)	(2.5)%	(2.7)	(2.3)%		
<b>Total</b>	<b>(6.2)</b>	<b>(4.8)%</b>	<b>35.1</b>	<b>29.1 %</b>		
<b>Three Months Ended July 2, 2010</b>	<b>\$ 123.0</b>		<b>\$ 155.6</b>			
	Sales		Orders		Backlog at Period End	
<b>Six Months Ended July 3, 2009</b>	<b>\$ 265.5</b>		<b>\$ 243.6</b>		<b>\$ 326.9</b>	
<i>Components of Change:</i>						
Existing businesses	(27.4)	(10.3)%	26.7	11.0 %	(10.3)	(3.2)%
Acquisitions	1.5	0.6 %	1.8	0.7 %	1.0	0.3 %
Foreign currency translation	3.3	1.2 %	3.0	1.2 %	(20.5)	(6.3)%
<b>Total</b>	<b>(22.6)</b>	<b>(8.5)%</b>	<b>31.5</b>	<b>12.9 %</b>	<b>(29.8)</b>	<b>(9.1)%</b>
<b>Six Months Ended July 2, 2010</b>	<b>\$ 242.9</b>		<b>\$ 275.1</b>		<b>\$ 297.1</b>	
	Sales		Orders		Backlog at Period End	
<b>Three Months Ended April 2, 2010</b>	<b>\$ 120.0</b>		<b>\$ 119.6</b>		<b>\$ 281.3</b>	
<i>Components of Change:</i>						
Existing businesses	9.0	7.5 %	42.2	35.3 %	32.8	11.6 %
Acquisitions	-	0.0 %	-	0.0 %	-	0.0 %
Foreign currency translation	(6.0)	(5.0)%	(6.2)	(5.2)%	(17.0)	(6.0)%
<b>Total</b>	<b>3.0</b>	<b>2.5 %</b>	<b>36.0</b>	<b>30.1 %</b>	<b>15.8</b>	<b>5.6 %</b>
<b>Three Months Ended July 2, 2010</b>	<b>\$ 123.0</b>		<b>\$ 155.6</b>		<b>\$ 297.1</b>	

Note: Dollars in millions.



**Colfax Corporation**  
**Reconciliation of Projected 2010 Net Income Per Share to Adjusted Net Income Per Share**  
 Amounts in Dollars  
 (Unaudited)

	EPS Range	
Projected net income per share - fully diluted	\$ 0.31	\$ 0.38
Restructuring and other related charges incurred year-to-date	0.11	0.11
Estimated restructuring and other related charges <sup>1</sup>	0.02	0.02
Asbestos coverage litigation expenses	0.20	0.20
Asbestos liability and defense costs	0.06	0.06
Projected adjusted net income per share - fully diluted	\$ 0.70	\$ 0.77

<sup>1</sup> Represents estimated restructuring and other related charges for actions implemented through July 28, 2010.

