

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 6, 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 February 6, 2013, Colfax Corporation issued a press release reporting financial results for the fourth quarter and year ended December 31, 2012. 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 6, 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 February 6, 2013, reporting financial results for the fourth quarter and year ended December 31, 2012.
- 99.2 Colfax Corporation slides for February 6, 2013 conference call reporting financial results for the fourth quarter and year ended December 31, 2012.

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 6, 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 February 6, 2013, reporting financial results for the fourth quarter and year ended December 31, 2012.
- 99.2 Colfax Corporation slides for February 6, 2013 conference call reporting financial results for the fourth quarter and year ended December 31, 2012.



COLFAX REPORTS FOURTH QUARTER AND FULL YEAR 2012 RESULTS

FULTON, MD - February 6, 2013 - Colfax Corporation (NYSE: CFX) today announced its financial results for the fourth quarter and full year ended December 31, 2012. On a year-over-year basis, highlights for the fourth quarter and full year period include:

Fourth Quarter of 2012 (all comparisons versus the fourth quarter of 2011)

- After \$15.6 million of pre-tax year-one acquisition-related amortization expense, net income of \$14.7 million (13 cents per share); adjusted net income (as defined below) of \$50.5 million (42 cents per share), which includes a non-cash 9 cents per share gain related to a discrete deferred tax benefit recorded in the fourth quarter
- Net sales of \$1.03 billion, organic sales decrease (as defined below) of 2.5% from fourth quarter 2011 proforma net sales (includes the comparable period sales for the operations acquired in the Charter acquisition)
- Operating income of \$52.2 million; adjusted operating income (as defined below) of \$88.9 million
- Operating cash flows of \$163.2 million, including improved inventory management which also resulted in a negative impact on adjusted operating income due to under-absorption from lower production levels
- Fourth quarter gas- and fluid-handling orders of \$520.3 million, an increase of 4.3%; organic order increase (as defined below) of 1.9%
- Gas- and fluid-handling backlog of \$1.4 billion at period end

Full Year 2012 (all comparisons versus full year 2011)

- After pre-tax expenses of \$78.2 million of year-one acquisition-related amortization expense and \$43.6 million of Charter acquisition-related expense, a net loss of \$83.4 million (92 cents per share); adjusted net income (as defined below) of \$159.8 million (\$1.34 per share), which includes a non-cash 12 cents per share gain related to discrete deferred tax benefits recorded in the third and fourth quarters
- Net sales of \$3.9 billion, an increase of 1.9% from the full year 2011 proforma net sales (includes the comparable period sales for the operations acquired in the Charter acquisition); organic sales increase (as defined below) of 5.3%
- Operating income of \$140.0 million; adjusted operating income (as defined below) of \$334.9 million
- Gas- and fluid-handling orders of \$2.0 billion, an increase of 3.7%; organic order increase (as defined below) of 2.8%

Adjusted net income, adjusted net income per share, adjusted operating income, organic sales growth (decline) and organic order growth 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 pleased with the progress made in the fourth quarter on our improvement plans and growth initiatives, though actual results fell short of our targets. Although we had solid results in our long cycle gas- and fluid-handling business, revenues decreased in comparison to the very strong proforma 2011 fourth quarter. However, cost control and the benefit of previous restructuring initiatives resulted in profit margins for this business in line with our expectations. Volumes in our shorter cycle fabrication technology business continued to be negatively impacted by the challenging global economy, and adjusted operating margins were negatively impacted by specific items that are largely expected to positively impact the business in future periods. We believe that the increased orders during the quarter in our gas- and fluid-handling business, the Soldex acquisition and the specific actions taken during 2012, including our restructuring programs, position Colfax well moving into 2013."

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) and organic order growth. Adjusted net income, adjusted net income per share and adjusted operating income exclude asbestos coverage litigation expense, restructuring and other related charges, charges 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 15% and 25% for the fourth quarter and full year ended December 31, 2012, respectively, and 30.5% for both the fourth quarter and full year ended December 31, 2011. Proforma organic sales growth and proforma organic order growth represent the proforma comparison of the change in existing businesses that includes the operations acquired in the Charter Acquisition for the comparable prior period (which excludes the results of operations acquired in the Charter Acquisition for the first 12 days of each year to date reporting period) excluding the impact due to acquisitions made by Colfax and Charter and foreign currency 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 coverage litigation, costs related to the Charter acquisition, major restructuring programs and significant year-one fair value adjustment amortization expense.

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 Wednesday, February 6, 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 92180966, 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 2011 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:

Scott Brannan, Chief Financial Officer
Colfax Corporation
301-323-9005
Scott.Brannan@colfaxcorp.com

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

	Three Months Ended December 31,		Year Ended December 31,	
	2012	2011	2012	2011
Net sales	\$ 1,027,397	\$ 177,791	\$ 3,913,856	\$ 693,392
Cost of sales	719,827	116,247	2,761,731	453,293
Gross profit	307,570	61,544	1,152,125	240,099
Selling, general and administrative expense	234,261	39,385	895,452	162,761
Charter acquisition-related expense	—	25,324	43,617	31,052
Restructuring and other related charges	16,994	2,162	60,060	9,680
Asbestos coverage litigation expense	4,147	2,246	12,987	10,700
Operating income (loss)	52,168	(7,573)	140,009	25,906
Interest expense	23,290	1,412	91,570	5,919
Income (loss) before income taxes	28,878	(8,985)	48,439	19,987
Provision for income taxes ⁽¹⁾⁽²⁾	3,812	7,095	90,703	15,432
Net income (loss)	25,066	(16,080)	(42,264)	4,555
Less: income attributable to noncontrolling interest, net of taxes	5,330	—	22,138	—
Net income (loss) attributable to Colfax Corporation	19,736	(16,080)	(64,402)	4,555
Dividends on preferred stock	5,072	—	18,951	—
Net income (loss) available to Colfax Corporation common shareholders	<u>\$ 14,664</u>	<u>\$ (16,080)</u>	<u>\$ (83,353)</u>	<u>\$ 4,555</u>
Net income (loss) per share - basic	<u>\$ 0.14</u>	<u>\$ (0.37)</u>	<u>\$ (0.92)</u>	<u>\$ 0.10</u>
Net income (loss) per share - diluted	<u>\$ 0.13</u>	<u>\$ (0.37)</u>	<u>\$ (0.92)</u>	<u>\$ 0.10</u>

⁽¹⁾ Provision for income taxes the year ended December 31, 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.

⁽²⁾ Income tax provision for the fourth quarter and full year ended December 31, 2012 includes a \$9.9 million gain and \$12.8 million gain, respectively, from discrete deferred tax benefits recorded to reflect lower tax rates enacted in Sweden during the fourth quarter and the United Kingdom during the third quarter.

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

	Three Months Ended December		Year Ended December 31,	
	2012	2011	2012	2011
Adjusted Operating Income				
Operating income (loss)	\$ 52,168	\$ (7,573)	\$ 140,009	\$ 25,906
Restructuring and other related charges	16,994	2,162	60,060	9,680
Charter acquisition-related expense	—	25,324	43,617	31,052
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	15,614	—	78,196	—
Asbestos coverage litigation expense	4,147	2,246	12,987	10,700
Adjusted operating income	<u>\$ 88,923</u>	<u>\$ 22,159</u>	<u>\$ 334,869</u>	<u>\$ 77,338</u>
Adjusted operating income margin	8.7%	12.5%	8.6%	11.2%
Adjusted Net Income and Adjusted Net Income Per Share				
Net income (loss) attributable to Colfax Corporation	\$ 19,736	\$ (16,080)	\$ (64,402)	\$ 4,555
Restructuring and other related charges	16,994	2,162	60,060	9,680
Charter acquisition-related expense	—	25,324	43,617	31,052
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	15,614	—	78,196	—
Asbestos coverage litigation expense	4,147	2,246	12,987	10,700
Tax adjustment ⁽¹⁾	(6,022)	767	29,297	(6,351)
Adjusted net income	<u>50,469</u>	<u>14,419</u>	<u>159,755</u>	<u>49,636</u>
Adjusted net income margin	4.9%	8.1%	4.1%	7.2%
Dividends on preferred stock	5,072	—	18,951	—
Adjusted net income available to Colfax Corporation common shareholders	45,397	14,419	140,804	49,636
Less: net income attributable to participating securities ⁽²⁾	5,831	—	18,087	—
	<u>\$ 39,566</u>	<u>\$ 14,419</u>	<u>\$ 122,717</u>	<u>\$ 49,636</u>
Weighted-average shares outstanding - diluted	94,978,755	44,279,400	91,918,513	44,268,110
Adjusted net income per share	<u>\$ 0.42</u>	<u>\$ 0.33</u>	<u>\$ 1.34</u>	<u>\$ 1.12</u>
Net income (loss) per share— diluted (in accordance with GAAP)	<u>\$ 0.13</u>	<u>\$ (0.37)</u>	<u>\$ (0.92)</u>	<u>\$ 0.10</u>

⁽¹⁾ The effective tax rates used to calculate adjusted net income and adjusted net income per share are 15% and 25% for the fourth quarter and full year ended December 31, 2012, respectively, and 30.5% for the fourth quarter and full year ended December 31, 2011.

⁽²⁾ Adjusted net income per share was calculated consistently with the two-class method in accordance with GAAP as the Series A preferred stock are considered participating securities. Losses are not allocated to the preferred stock.

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

	Net Sales		Orders	
	\$	%	\$	%
Proforma for the three months ended				
December 31, 2011	\$ 1,049.8		\$ 499.0	
<i>Components of Change:</i>				
Existing Businesses	(26.5)	(2.5)%	9.6	1.9 %
Acquisitions	34.2	3.3 %	22.1	4.4 %
Foreign Currency Translation	(30.1)	(2.9)%	(10.4)	(2.0)%
Total	<u>(22.4)</u>	<u>(2.1)%</u>	<u>21.3</u>	<u>4.3 %</u>
For the three months ended				
December 31, 2012	<u>\$ 1,027.4</u>		<u>\$ 520.3</u>	

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
Proforma as of and for the year						
ended December 31, 2011	\$ 3,839.1		\$ 1,924.6		\$ 1,288.3	
<i>Components of Change:</i>						
Existing Businesses	202.2	5.3 %	54.0	2.8 %	117.5	9.1 %
Acquisitions	86.5	2.2 %	100.4	5.2 %	9.4	0.7 %
Foreign Currency Translation	(213.9)	(5.6)%	(83.0)	(4.3)%	(33.8)	(2.6)%
Total	<u>74.8</u>	<u>1.9 %</u>	<u>71.4</u>	<u>3.7 %</u>	<u>93.1</u>	<u>7.2 %</u>
As of and for the year ended						
December 31, 2012	<u>\$ 3,913.9</u>		<u>\$ 1,996.0</u>		<u>\$ 1,381.4</u>	

COLFAX

Fourth Quarter 2012 Earnings Conference Call

February 6, 2013

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 2011 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.

Q4 and Full Year 2012 Results

Q4 2012 Highlights

- Adjusted net income of \$50.5 million (\$0.42 per share) compared to \$14.4 million (\$0.33 per share) in Q4 2011
- Net sales of \$1.03 billion, a decrease of 2.1% from Q4 2011 proforma net sales of \$1.05 billion (an organic decrease of 2.5%)
- Adjusted operating income of \$88.9 million compared to \$22.2 million in Q4 2011
- Fourth quarter gas- and fluid-handling orders of \$520.3 million compared to proforma orders of \$499.0 million in Q4 2011, an increase of 4.3% (an organic increase of 1.9%)
- Gas- and fluid-handling backlog of \$1.4 billion at period end

Full Year 2012 Highlights

- Adjusted net income of \$159.8 million (\$1.34 per share) compared to \$49.6 million (\$1.12 per share) in 2011
- Net sales of \$3.9 billion, an increase of 1.9% from full year 2011 proforma net sales of \$3.8 billion (an organic increase of 5.3%)
- Adjusted operating income of \$334.9 million compared to \$77.3 million in 2011
- Gas- and fluid-handling orders of \$2.0 billion compared to proforma orders of \$1.925 billion in 2011, an increase of 3.7% (organic increase of 2.8%)

Gas- and Fluid- Handling

Gas- and Fluid-Handling Q4 2012 Highlights

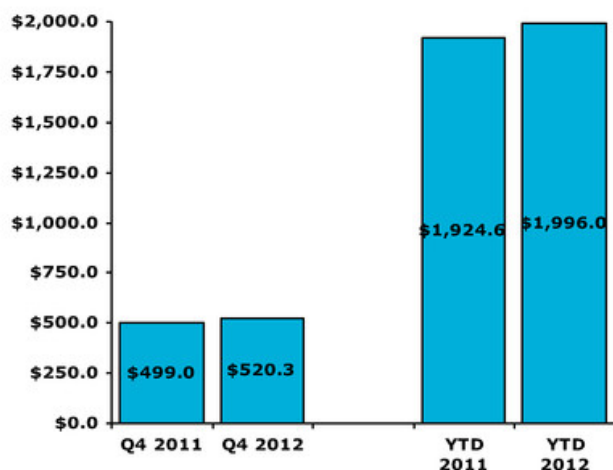
- Net sales of \$514.4 million compared to proforma net sales of \$530.3 million in Q4 2011, a decrease of 3.0% (an organic decrease of 2.9%)
- Adjusted segment operating income of \$62.4 million and adjusted segment operating income margin of 12.1%
- Q4 2012 orders of \$520.3 million compared to proforma orders of \$499.0 million in Q4 2011, an increase of 4.3% (an organic increase of 1.9%)
- Backlog of \$1.4 billion at period end

Gas- and Fluid-Handling Full Year 2012 Highlights

- Net sales of \$1.901 billion compared to proforma net sales of \$1.757 billion in 2011, an increase of 8.2% (an organic increase of 9.2%)
- Adjusted segment operating income of \$215.7 million and adjusted segment operating income margin of 11.3%
- Orders of \$2.0 billion compared to proforma orders of \$1.925 billion in 2011, an increase of 3.7% (an organic increase of 2.8%)

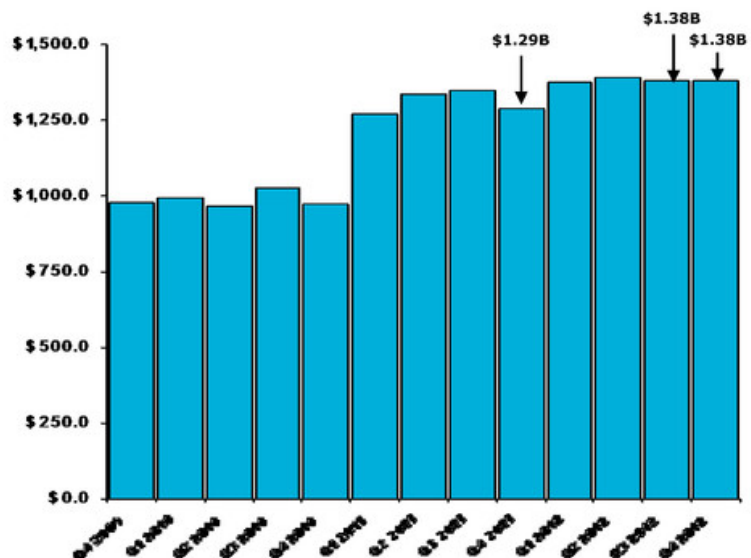
Orders and Backlog

Orders⁽¹⁾



	QTD	YTD
Existing Businesses	1.9 %	2.8 %
Acquisitions	4.4 %	5.2 %
FX Translation	(2.0)%	(4.3)%
Total Growth	4.3 %	3.7 %

Backlog⁽¹⁾

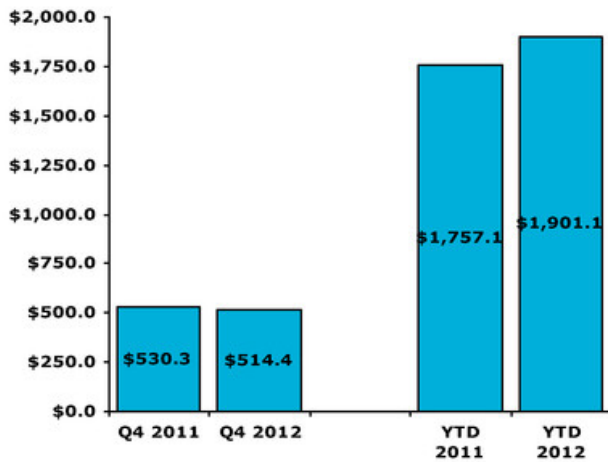


(1) Order and backlog data for the periods prior to Q2 2012 are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Revenue

Revenue⁽¹⁾

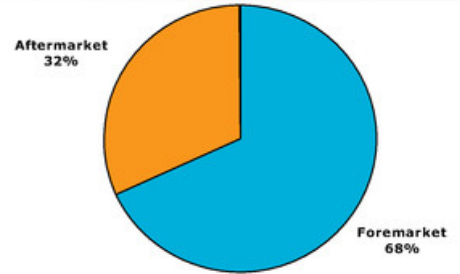


	QTD	YTD
Existing Businesses	(2.9)%	9.2 %
Acquisitions	2.3 %	3.3 %
FX Translation	(2.4)%	(4.3)%
Total Growth	(3.0)%	8.2 %

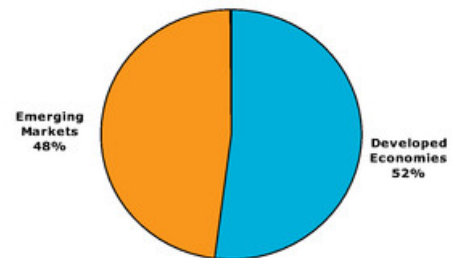
(1) Q4 2011 and YTD 2011 sales are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Aftermarket Revenue – 2012

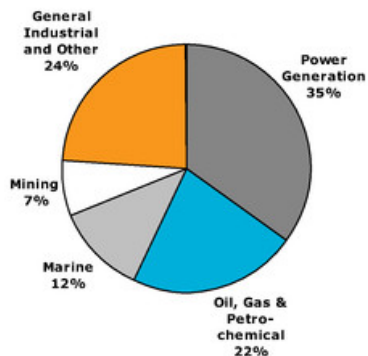


Geographic Exposure – 2012

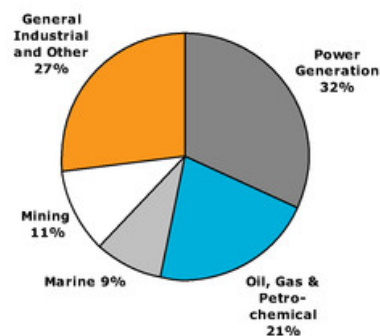


Q4 2012 Sales and Orders by End Market

Sales: \$514.4 million



Orders: \$520.3 million



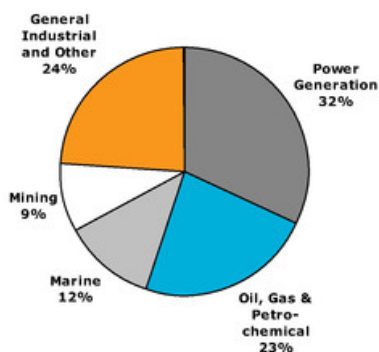
	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Power Generation	1.6 %	1.6 %
Oil, Gas & Petrochemical	(14.4)%	(13.1)%
Marine	6.0 %	6.6 %
Mining	(23.8)%	(18.0)%
General Industrial & Other	7.9 %	4.1%
Total	(3.0)%	(2.9)%

	<u>Total (Decline) Growth</u>	<u>Organic (Decline) Growth</u>
Power Generation	(11.3)%	(10.7)%
Oil, Gas & Petrochemical	3.8 %	6.5 %
Marine	4.2 %	2.2 %
Mining	50.0 %	54.4 %
General Industrial & Other	14.1 %	0.6 %
Total	4.3 %	1.9 %

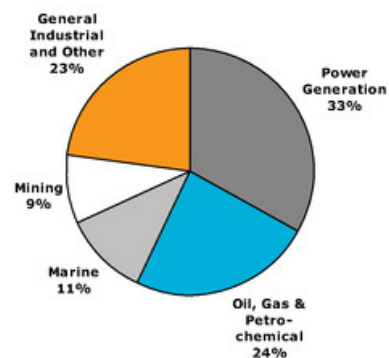
Note: Dollars in millions (unaudited). Total and organic growth (decline) is calculated on a proforma basis.

Full Year 2012 Sales and Orders by End Market

Sales: \$1,901.1 million



Orders: \$1,996.0 million



	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Power Generation	13.8 %	15.3 %
Oil, Gas & Petrochemical	8.3 %	4.9 %
Marine	(7.5)%	(3.7)%
Mining	15.5 %	21.9 %
General Industrial & Other	7.4 %	8.8 %
Total	8.2 %	9.2 %

	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Power Generation	8.0 %	9.6 %
Oil, Gas & Petrochemical	1.3 %	(8.0)%
Marine	(2.1)%	1.8 %
Mining	8.6 %	15.7 %
General Industrial & Other	1.4 %	0.3 %
Total	3.7 %	2.8 %

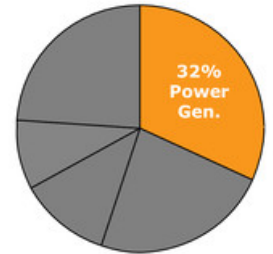
Note: Dollars in millions (unaudited). Total and organic growth (decline) is calculated on a proforma basis.

Power Generation Market Perspective

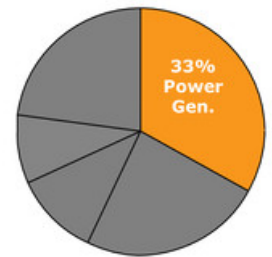
Sales & Orders Growth (Decline)

	Q4 2012 vs. Q4 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	1.6%	1.6%	13.8%	15.3%
Orders	(11.3)%	(10.7)%	8.0%	9.6%

Colfax 2012 Sales Split



Colfax 2012 Orders Split



Highlights

- Served by both Howden and Colfax Fluid Handling
- Driven by global fundamental undersupply of electricity
- Growth is strong in China, South Africa and South East Asia

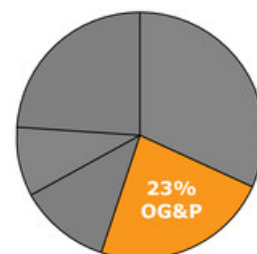
Note: Total and organic growth (decline) is calculated on a proforma basis.

Oil, Gas & Petrochemical Market Perspective

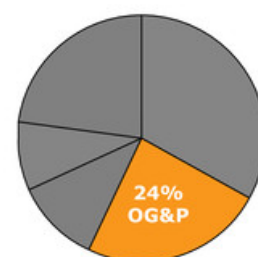
Sales & Orders (Decline) Growth

	Q4 2012 vs. Q4 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	(14.4)%	(13.1)%	8.3 %	4.9%
Orders	3.8%	6.5%	1.3%	(8.0)%

Colfax 2012 Sales Split



Colfax 2012 Orders Split



Highlights

- Served by both Howden and Colfax Fluid Handling
- National oil companies in Latin America and Russia expanding production and refinery capacity
- Continued weakness in construction of pipelines for heavy crudes

Note: Total and organic growth (decline) is calculated on a proforma basis.

Marine Market Perspective

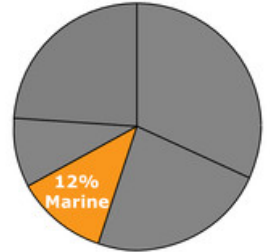
Sales & Orders Growth (Decline)

	Q4 2012 vs. Q4 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	6.0%	6.6%	(7.5)%	(3.7)%
Orders	4.2%	2.2%	(2.1)%	1.8%

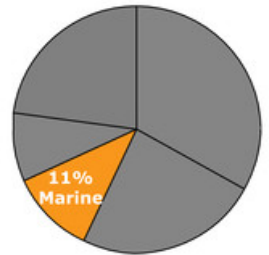
Highlights

- Primarily served by Colfax Fluid Handling
- New ship build is down from 2011 peak
- Q4 orders strong for oil & gas service vessels

Colfax 2012 Sales Split



Colfax 2012 Orders Split



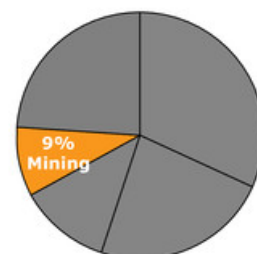
Note: Total and organic growth (decline) is calculated on a proforma basis.
Marine market comprised of commercial marine and government, or defense, customers

Mining Market Perspective

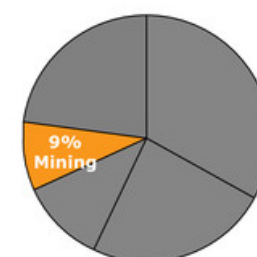
Sales & Orders (Decline) Growth

	Q4 2012 vs. Q4 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	(23.8)%	(18.0)%	15.5%	21.9%
Orders	50.0%	54.4%	8.6%	15.7%

Colfax 2012 Sales Split



Colfax 2012 Orders Split



Highlights

- Primarily served by Howden
- Driven by demand of mined resources, including: coal, iron ore, copper, gold, nickel and potash
- Received largest order in at least the past 15 years during quarter

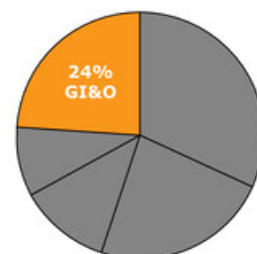
Note: Total and organic growth (decline) is calculated on a proforma basis.

General Industrial & Other Market Perspective

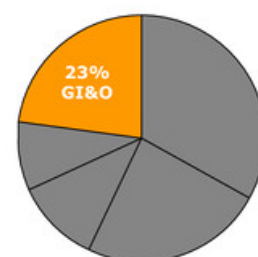
Sales & Orders Growth

	Q4 2012 vs. Q4 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	7.9%	4.1%	7.4%	8.8%
Orders	14.1%	0.6%	1.4%	0.3%

Colfax 2012 Sales Split



Colfax 2012 Orders Split



Highlights

- Includes both Howden and Colfax Fluid Handling
- Strong sales and orders for industrial fans and compressors, particularly for steel industry
- Continued weakness in European market for industrial pumps

Note: Total and organic growth is calculated on a proforma basis.

Fabrication Technology

Fabrication Technology Q4 2012 Highlights

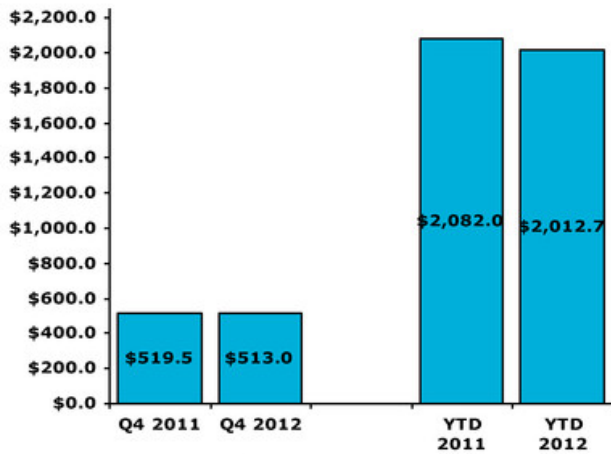
- Net sales of \$513.0 million compared to proforma net sales of \$519.5 million in Q4 2011, a decrease of 1.3% (an organic decline of 2.2%)
- Adjusted segment operating income of \$33.9 million and adjusted operating income margin of 6.6%
 - Soldexa contributed \$3 million in operating profit before approximately \$5 million in transaction and acquisition accounting expenses
 - Balance of platform operating income margin of 7.2%, reduced largely by lower fixed cost absorption on inventory reduction and expenses to finalize and launch new Warrior equipment line.
- Revenue and operating income negatively impacted by the start up of a new consumables facility in the U.S.

Fabrication Technology Full Year 2012 Highlights

- Net sales of \$2.0 billion, a decrease of 3.3% compared to proforma 2011 sales (an organic increase of 2.0%)
- Adjusted segment operating income of \$157.2 million and adjusted operating income margin of 7.8%
- Higher consumable volumes in North America, South America and Russia

Revenue

Revenue⁽¹⁾

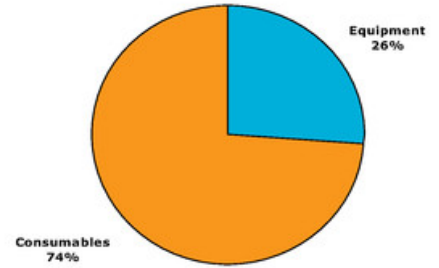


	QTD	YTD
Volume	(2.9)%	1.0 %
Price/Mix	0.7 %	1.0 %
Acquisitions	4.2 %	1.3 %
FX Translation	(3.3)%	(6.6)%
Total Decline	(1.3)%	(3.3)%

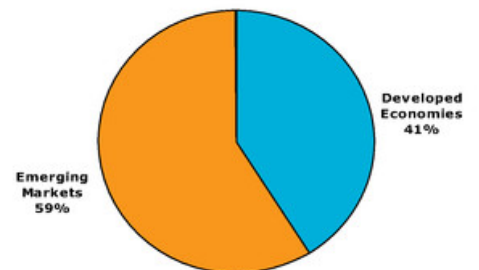
(1) Q4 2011 and YTD 2011 sales are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Revenue – 2012



Geographic Exposure – 2012



Results of Operations

Income Statement Summary

(unaudited)

	Three Months Ended			
	December 31, 2012		December 31, 2011	
Net sales	\$	1,027.4	\$	177.8
Gross profit	\$	307.6	\$	61.5
% of sales		29.9 %		34.6 %
SG&A expense	\$	234.3	\$	39.4
% of sales		22.8 %		22.2 %
Adjusted operating income	\$	88.9	\$	22.2
% of sales		8.7 %		12.5 %
Adjusted net income	\$	50.5	\$	14.4
% of sales		4.9 %		8.1 %
Adjusted net income per share	\$	0.42	\$	0.33

Refer to Appendix for Non-GAAP reconciliation and footnotes.

Note: Dollars in millions, except per share amounts.

Income Statement Summary

(unaudited)

	Year Ended	
	December 31, 2012	December 31, 2011
Net sales	\$ 3,913.9	\$ 693.4
Gross profit	\$ 1,152.1	\$ 240.1
% of sales	29.4 %	34.6 %
SG&A expense	\$ 895.5	\$ 162.8
% of sales	22.9 %	23.5 %
Adjusted operating income	\$ 334.9	\$ 77.3
% of sales	8.6 %	11.1 %
Adjusted net income	\$ 159.8	\$ 49.6
% of sales	4.1 %	7.2 %
Adjusted net income per share	\$ 1.34	\$ 1.12

Refer to Appendix for Non-GAAP reconciliation and footnotes.

Note: Dollars in millions, except per share amounts.

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, projected 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, projected adjusted net income per share and adjusted operating income exclude asbestos coverage litigation expense, expenses related to major restructuring programs or any additional structural changes announced in the future, expenses related to the Charter acquisition and significant year-one fair value adjustment amortization expense. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 15% and 25% for the fourth quarter and full year ended December 31, 2012, respectively, and 30.5% for both the fourth quarter and full year ended December 31, 2011. Projected adjusted earnings per share was calculated using a 31% effective tax rate for 2013. Organic sales growth (decline) and organic order growth (decline) exclude the impact of bolt-on acquisitions and foreign exchange rate fluctuations and are presented on a proforma basis (the proforma comparison includes the 2011 sales and orders for Howden and ESAB, excluding the first 12 days of the year to date reporting period). 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, costs related to the Charter acquisition, major restructuring programs and significant year-one fair value adjustment amortization expense.

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		Year Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Adjusted Net Income and Adjusted Net Income Per Share				
Net income (loss) attributable to Colfax Corporation	\$ 19,736	\$ (16,080)	\$ (64,402)	\$ 4,555
Restructuring and other related charges	16,994	2,162	60,060	9,680
Charter acquisition-related expense	—	25,324	43,617	31,052
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	15,614	—	78,196	—
Asbestos coverage litigation expense	4,147	2,246	12,987	10,700
Tax adjustment(1)	(6,022)	767	29,297	(6,351)
Adjusted net income	<u>50,469</u>	<u>14,419</u>	<u>159,755</u>	<u>49,636</u>
Adjusted net income margin	4.9 %	8.1 %	4.1 %	7.2 %
Dividends on preferred stock	5,072	—	18,951	—
Adjusted net income available to Colfax Corporation common shareholders	45,397	14,419	140,804	49,636
Less: net income attributable to participating securities(2)	5,831	—	18,087	—
	<u>\$ 39,566</u>	<u>\$ 14,419</u>	<u>\$ 122,717</u>	<u>\$ 49,636</u>
Weighted-average shares outstanding - diluted	94,978,755	44,279,400	91,918,513	44,268,110
Adjusted net income per share	<u>\$ 0.42</u>	<u>\$ 0.33</u>	<u>\$ 1.34</u>	<u>\$ 1.12</u>
Net income (loss) per share— basic (in accordance with GAAP)	\$ 0.14	\$ (0.37)	\$ (0.92)	\$ 0.10
Net income (loss) per share— diluted (in accordance with GAAP)	\$ 0.13	\$ (0.37)	\$ (0.92)	\$ 0.10

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 15% and 25% for the fourth quarter and full year ended December 31, 2012, respectively, and 30.5% for both the fourth quarter and full year ended December 31, 2011.

(2) Adjusted net income per share was calculated consistently with the two-class method in accordance with GAAP as the Series A preferred stock are considered participating securities. Losses are not allocated to the preferred stock.

Note: Dollars in thousands, except per share amounts.

Non-GAAP Reconciliation

(unaudited)

	Q4 2012				Q4 2011		
	Gas and Fluid Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Fluid Handling	Corporate and Other	Total Colfax Corporation
Net sales	\$ 514,433	\$ 512,964	\$ -	\$ 1,027,397	\$ 177,791	\$ -	\$ 177,791
Soldexa net sales		21,602					
		\$ 491,362					
Operating income (loss)	39,405 7.7 %	20,306 4.0 %	(7,543)	52,168 5.1 %	23,171 13.0 %	(30,744)	(7,573) (4.3)%
Charter acquisition-related expense	-	-	-	-	-	25,324	25,324
Restructuring and other related charges	3,273	13,616	105	16,994	2,162	-	2,162
Asbestos coverage litigation expense	4,147	-	-	4,147	2,246	-	2,246
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	15,614	-	-	15,614	-	-	-
Adjusted operating income (loss)	\$ 62,439 12.1 %	\$ 33,922 6.6 %	\$ (7,438)	\$ 88,923 8.7 %	\$ 27,579 15.5 %	\$ (5,420)	\$ 22,159 12.5 %
Add: Soldexa operating loss		(1,531)					
Balance of platform adjusted operating income		\$ 35,453 7.2 %					

Note: Dollars in thousands.

Non-GAAP Reconciliation

(unaudited)

	YTD Q4 2012				YTD Q4 2011		
	Gas and Fluid Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Fluid Handling	Corporate and Other	Total Colfax Corporation
Net sales	\$ 1,901,132	\$ 2,012,724	\$ —	\$ 3,913,856	\$ 693,392	\$ —	\$ 693,392
Operating income (loss)	132,872 7.0 %	94,948 4.7 %	(87,811)	140,009 3.6 %	\$ 78,032 11.3 %	\$ (52,126)	25,906 3.7 %
Charter acquisition-related expense	—	—	43,617	43,617	—	31,052	31,052
Restructuring and other related charges	8,652	45,236	6,172	60,060	8,631	1,049	9,680
Asbestos coverage litigation expense	12,987	—	—	12,987	10,700	—	10,700
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	61,211	16,985	—	78,196	—	—	—
Adjusted operating income (loss)	\$ 215,722 11.3 %	\$ 157,169 7.8 %	\$ (38,022)	\$ 334,869 8.6 %	\$ 97,363 14.0 %	\$ (20,025)	\$ 77,338 11.2 %

Note: Dollars in thousands.

Sales & Order Growth

(unaudited)

	Net Sales		Orders	
	\$	%	\$	%
Proforma for the three months ended December 31, 2011	\$ 1,049.8		\$ 499.0	
<i>Components of Change:</i>				
Existing Businesses	(26.5)	(2.5)%	9.6	1.9 %
Acquisitions	34.2	3.3 %	22.1	4.4 %
Foreign Currency Translation	(30.1)	(2.9)%	(10.4)	(2.0)%
Total	(22.4)	(2.1)%	21.3	4.3 %
For the three months ended December 31, 2012	\$ 1,027.4		\$ 520.3	

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
Proforma as of and for the year ended December 31, 2011	\$ 3,839.1		\$ 1,924.6		\$ 1,288.3	
<i>Components of Change:</i>						
Existing Businesses	202.2	5.3 %	54.0	2.8 %	117.5	9.1 %
Acquisitions	86.5	2.2 %	100.4	5.2 %	9.4	0.7 %
Foreign Currency Translation	(213.9)	(5.6)%	(83.0)	(4.3)%	(33.8)	(2.6)%
Total	74.8	1.9 %	71.4	3.7 %	93.1	7.2 %
As of and for the year ended December 31, 2012	\$ 3,913.9		\$ 1,996.0		\$ 1,381.4	

Note: Dollars in millions.

Balance Sheet

(unaudited)

	December 31,	
	2012	2011
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 482,449	\$ 75,108
Trade receivables, less allowance for doubtful accounts of \$16,464 and \$2,578	873,382	117,475
Inventories, net	493,649	56,136
Other current assets	<u>285,906</u>	<u>102,489</u>
Total current assets	2,135,386	351,208
Property, plant and equipment, net	688,570	90,939
Goodwill	2,074,230	204,844
Intangible assets, net	779,049	41,029
Other assets	<u>447,492</u>	<u>400,523</u>
Total assets	<u>\$ 6,124,727</u>	<u>\$ 1,088,543</u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 34,799	\$ 10,000
Accounts payable	699,626	54,035
Accrued liabilities	<u>456,947</u>	<u>176,007</u>
Total current liabilities	1,191,372	240,042
Long-term debt, less current portion	1,693,512	101,518
Other liabilities	<u>1,083,557</u>	<u>557,708</u>
Total liabilities	3,968,441	899,268
Equity:		
Preferred stock, \$0.001 par value; 20,000,000 and 10,000,000 shares authorized; 13,877,552 and none issued and outstanding	14	—
Common stock, \$0.001 par value; 400,000,000 and 200,000,000 shares authorized; 94,067,418 and 43,697,570 issued and outstanding	94	44
Additional paid-in capital	2,197,694	415,527
Accumulated deficit	(138,856)	(55,503)
Accumulated other comprehensive loss	<u>(146,594)</u>	<u>(170,793)</u>
Total Colfax Corporation equity	1,912,352	189,275
Noncontrolling interest	<u>243,934</u>	<u>—</u>
Total equity	2,156,286	189,275
Total liabilities and equity	<u>\$ 6,124,727</u>	<u>\$ 1,088,543</u>

Note: Dollars in thousands.

2013 Outlook Summary

Revenue Range			
2013 Total ⁽¹⁾	\$4.175 billion	To	\$4.250 billion

EPS and Adjusted Net Income Range			
2013 Net income per share	\$1.40	To	\$1.60
Adjusted net income	\$186,600	To	\$209,600
2013 Adjusted net income per share ⁽¹⁾	\$1.70	To	\$1.90

Assumptions	
Asbestos coverage litigation	\$5 million
Asbestos liability and defense costs	\$9 million
Restructuring costs	\$30 million
Euro	\$1.30
Tax rate - Adjusted basis/GAAP	30-31%/33%
Outstanding shares – common and equivalents/preferred	96 million/13.9 million

(1) Excludes impact of asbestos coverage litigation costs and restructuring charges.

(See Non-GAAP Reconciliation included in this Appendix)

2013 Outlook Summary

(continued)

Assumptions (continued)	
Depreciation	\$75 million
Amortization	\$40 million
Interest Expense (based on LIBOR and EURIBOR = 25 bps)	\$90 million
Capital Expenditures	2.5% of revenue
Pension funding in excess of expense	\$30 million
Preferred dividend	\$20 million

Note: Guidance as of 2/6/13

2013 Organic Growth Outlook

	2013 Forecast Organic Growth
Fluid handling	(4)-0%
Howden	4-6%
Fabrication Technology	0-2%

Note: Guidance as of 2/6/13

2013 Rollforward

	Sales		Adjusted Income		EPS Range	
					Low	High
2012 Actuals- sales/ adjusted operating income	\$	3,914,000	\$	335,000		
ESAB/ Howden additional 2 weeks		71,000		5,000		
Soldexa/ Covent incremental		140,000		20,000		
Projected before growth/ cost actions		4,125,000		360,000		
Organic revenue at 1%; 20% fall-through	50,000		10,000			
Organic revenue at 3%; 25% fall-through		125,000		31,000		
Cost actions	—	—	55,000	65,000		
	4,175,000	4,250,000	425,000	456,000		
Interest expense			(90,000)	(90,000)		
Tax			(100,000)	(108,000)		
Noncontrolling interest			(28,000)	(28,000)		
Adjusted net income- Colfax			207,000	230,000		
Preferred dividends			(20,400)	(20,400)		
			\$ 186,600	\$ 209,600	\$ 1.70	\$ 1.90

(See Non-GAAP Reconciliation included in this Appendix)

Note: Dollars in thousands, except per share amounts. Guidance as of 2/6/13

Non-GAAP Reconciliation

(unaudited)

	2013	
	EPS Range	
	<u> </u>	<u> </u>
Projected net income per share - diluted	\$ 1.40	\$ 1.60
Restructuring costs	0.27	0.27
Asbestos coverage litigation	0.05	0.05
Tax adjustment	<u>(0.02)</u>	<u>(0.02)</u>
Projected adjusted net income per share - diluted	<u>\$ 1.70</u>	<u>\$ 1.90</u>

