

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 15, 2011**

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)

8730 Stony Point Parkway, Suite 150
Richmond, VA 23235
(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))
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Item 2.02. Results of Operations and Financial Condition.

On February 15, 2011, Colfax Corporation issued a press release reporting financial results for the fourth quarter and year ended December 31, 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 February 15, 2011 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 15, 2011, reporting financial results for the fourth quarter and year ended December 31, 2010.
 - 99.2 Colfax Corporation slides for February 15, 2011 conference call reporting financial results for the fourth quarter and year ended December 31, 2010.
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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 15, 2011

By: /s/ CLAY H. KIEFABER

Name: Clay H. Kiefaber

Title: President and Chief Executive Officer

EXHIBIT INDEX

- 99.1 Colfax Corporation press release dated February 15, 2011, reporting financial results for the fourth quarter and year ended December 31, 2010.
 - 99.2 Colfax Corporation slides for February 15, 2010 conference call reporting financial results for the fourth quarter and year ended December 31, 2010.
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Colfax Reports Fourth Quarter and Full Year 2010 Results and Announces Acquisition of Rosscor Holding B.V.

FULTON, Md., Feb. 15, 2011 /PRNewswire/ -- Colfax Corporation (NYSE: CFX), a global leader in fluid-handling solutions for critical applications, today announced financial results for the fourth quarter and year ended December 31, 2010. On a year-over-year basis, highlights for the fourth quarter and full year of 2010 include:

Fourth quarter of 2010 (all comparisons versus the fourth quarter of 2009)

- Net income of \$8.7 million (20 cents per share – basic and diluted); adjusted net income (as defined below) of \$16.9 million (39 cents per share), an increase of 47.1%
- Net sales of \$166.7 million, an increase of 27.2%; organic sales increase (as defined below) of 27.4%
- Operating income of \$19.6 million; adjusted operating income (as defined below) of \$26.5 million, an increase of 42.0%.
- Fourth quarter orders of \$133.6 million, an increase of 31.5%; organic order growth (as defined below) of 34.4%
- Backlog of \$313.5 million at period end

Full year 2010 (all comparisons versus full year 2009)

- Net income of \$16.2 million (37 cents per share – basic and diluted); adjusted net income (as defined below) of \$40.2 million (92 cents per share), a decrease of 1.7%
- Net sales of \$542.0 million, an increase of 3.2%; organic sales increase (as defined below) of 3.1%
- Operating income of \$34.4 million; adjusted operating income (as defined below) of \$65.8 million, a decrease of 2.3%.
- Orders for the year of \$532.8 million, an increase of 15.2%; organic order growth (as defined below) of 15.4%
- Net working capital was reduced by \$18 million in 2010 and is now 19% of sales

Additionally, Colfax announced the acquisition of Rosscor Holding B.V., headquartered in Hengelo, The Netherlands. A premier supplier of multiphase pumping technology (MPP) and certain other highly-engineered fluid-handling systems, Rosscor strengthens Colfax's capabilities, particularly in the global oil & gas market. Rosscor's sales for 2010 were approximately euro 23 million. Colfax expects the transaction to be accretive over the next 12 months.

Adjusted net income, adjusted net income per share, adjusted operating income, organic sales growth 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.

Clay Kiefaber, President and Chief Executive Officer, stated, "We are pleased to report stronger than expected results for the fourth quarter and full year 2010. Both sales and orders on an organic basis were up substantially from the 2009 fourth quarter. We continue to benefit from strength in the oil and gas and general industrial end markets. The commercial marine market also continued to exceed our expectations. We are also pleased with the resulting profit associated with the better than expected sales and the significant cash flow provided by our improved working capital management.

"We are continuing to gain traction with our strategic priorities, including intensifying the application of the Colfax Business System, the development of new *Voice of the Customer*-aligned products and the realignment into a global market-facing organization. We are also continuing to build our leadership team, and are delighted to welcome Daniel A. Pryor as our Senior Vice President of Strategy and Business Development."

Mr. Kiefaber also noted the importance of Rosscor's MPP expertise and experience to Colfax's portfolio of leading global brands. "Rosscor was one of the first to introduce MPP technology nearly twenty years ago, and has remained a technology leader since then," he said. "With more than 70 MPP installations world-wide, Rosscor brings us deep capabilities in MPP that we can leverage through our existing channels."

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, earnings before interest, taxes and depreciation (EBITDA), adjusted EBITDA, organic sales growth, organic order growth and projected adjusted net income per share. Adjusted net income, adjusted net income per share, adjusted EBITDA and adjusted operating income exclude asbestos liability and defense costs (income) 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 estimated restructuring and other related charges, asbestos coverage litigation expenses and asbestos liability and defense costs. Organic sales growth and organic order growth 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 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

Colfax defines net working capital as trade receivables, less allowance for doubtful accounts, and inventories, net less accounts payable.

Conference Call and Webcast

Colfax will host a conference call to provide details about its results and outlook on Tuesday, February 15, 2011 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 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, Baric, 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.

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.

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

	Three Months Ended December 31,		Year Ended December 31,	
	2010	2009	2010	2009
Net sales	\$166,651	\$130,971	\$541,987	\$525,024
Cost of sales	<u>107,077</u>	<u>83,960</u>	<u>350,579</u>	<u>339,237</u>
Gross profit	59,574	47,011	191,408	185,787
Selling, general and administrative expenses	31,597	27,028	119,426	112,503
Research and development expenses	1,474	1,320	6,205	5,930
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	<u>2,443</u>	<u>2,904</u>	<u>13,206</u>	<u>11,742</u>
Operating income	19,555	9,356	34,372	39,630
Interest expense	<u>1,609</u>	<u>1,746</u>	<u>6,684</u>	<u>7,212</u>
Income before income taxes	17,946	7,610	27,688	32,418
Provision for income taxes	<u>9,296</u>	<u>884</u>	<u>11,473</u>	<u>8,621</u>
Net income	<u>\$ 8,650</u>	<u>\$ 6,726</u>	<u>\$ 16,215</u>	<u>\$ 23,797</u>
Net income per share—basic	<u>\$ 0.20</u>	<u>\$ 0.16</u>	<u>\$ 0.37</u>	<u>\$ 0.55</u>

Colfax Corporation
Condensed Consolidated Balance Sheets
Dollars in thousands
(Unaudited)

	<u>December 31,</u>	
	<u>2010</u>	<u>2009</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 60,542	\$ 49,963
Trade receivables, less allowance for doubtful accounts	98,070	88,493
Inventories, net	57,941	71,150
Asbestos insurance asset	34,117	31,502
Asbestos insurance receivable	46,108	35,891
Other current assets	<u>24,278</u>	<u>20,649</u>
Total current assets	321,056	297,648
Deferred income taxes, net	52,385	51,838
Property, plant and equipment, net	89,246	92,090
Goodwill and intangible assets, net	200,636	175,370
Long-term asbestos insurance asset	340,234	357,947
Long-term asbestos insurance receivable	5,736	16,876
Deferred loan costs and other assets	<u>12,784</u>	<u>14,532</u>
Total assets	<u>\$ 1,022,077</u>	<u>\$ 1,006,301</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt and capital leases	\$ 10,000	\$ 8,969
Accounts payable	50,896	36,579
Accrued asbestos liability	37,875	34,866
Other accrued liabilities	<u>92,739</u>	<u>70,685</u>
Total current liabilities	191,510	151,099
Long-term debt, less current portion	72,500	82,516
Long-term asbestos liability	391,776	408,903
Pension and accrued post-retirement benefits	112,257	105,230
Other liabilities	<u>37,663</u>	<u>41,728</u>
Total liabilities	805,706	789,476
Shareholder's equity	<u>216,371</u>	<u>216,825</u>
Total liabilities and shareholders' equity	<u>\$ 1,022,077</u>	<u>\$ 1,006,301</u>

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

	<u>Year ended December 31,</u>	
	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Net income	\$ 16,215	\$ 23,797
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation, amortization and fixed asset impairment charges	16,130	15,074
Noncash stock-based compensation	3,137	2,593
Other adjustments for non-cash items	767	613
Deferred income taxes	(296)	2,689
Changes in working capital	27,297	6,144
Changes in other operating assets and liabilities	<u>(1,285)</u>	<u>(12,206)</u>
Net cash provided by operating activities	61,965	38,704

Cash flows from investing activities:

Purchases of fixed assets	(12,527)	(11,006)
Acquisitions, net of cash received	(27,960)	(1,678)
Proceeds from sale of fixed assets	<u>74</u>	<u>219</u>
Net cash used in investing activities	(40,413)	(12,465)

Cash flows from financing activities:

Payments under term credit facility	(8,750)	(5,000)
Proceeds from borrowings on revolving credit facilities	5,500	-
Repayments of borrowings on revolving credit facilities	(5,500)	-
Other	<u>707</u>	<u>(417)</u>
Net cash used in financing activities	(8,043)	(5,417)
Effect of exchange rates on cash	<u>(2,930)</u>	<u>379</u>
Increase in cash and cash equivalents	10,579	21,201
Cash and cash equivalents, beginning of year	<u>49,963</u>	<u>28,762</u>
Cash and cash equivalents, end of year	<u>\$ 60,542</u>	<u>\$ 49,963</u>

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

	Three Months Ended December 31,		Year Ended December 31,	
	2010	2009	2010	2009
EBITDA				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Interest expense	1,609	1,746	6,684	7,212
Provision for income taxes	9,296	884	11,473	8,621
Depreciation and amortization	<u>4,888</u>	<u>3,834</u>	<u>16,130</u>	<u>14,426</u>
EBITDA	<u>\$ 24,443</u>	<u>\$ 13,190</u>	<u>\$ 50,502</u>	<u>\$ 54,056</u>
EBITDA margin	14.7%	10.1%	9.3%	10.3%
Adjusted EBITDA				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Interest expense	1,609	1,746	6,684	7,212
Provision for income taxes	9,296	884	11,473	8,621
Depreciation and amortization	4,888	3,834	16,130	14,426
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	<u>2,443</u>	<u>2,904</u>	<u>13,206</u>	<u>11,742</u>
Adjusted EBITDA	<u>\$ 31,391</u>	<u>\$ 22,497</u>	<u>\$ 81,907</u>	<u>\$ 81,780</u>
Adjusted EBITDA margin	18.8%	17.2%	15.1%	15.6%
Adjusted Net Income and Adjusted Earnings per Share				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	2,443	2,904	13,206	11,742
Tax adjustment to effective rate of 32%	<u>1,330</u>	<u>(4,529)</u>	<u>(7,437)</u>	<u>(10,624)</u>
Adjusted net income	<u>\$ 16,928</u>	<u>\$ 11,504</u>	<u>\$ 40,183</u>	<u>\$ 40,897</u>
Adjusted net income margin	10.2%	8.8%	7.4%	7.8%

Weighted average shares outstanding - diluted	43,876,791	43,449,493	43,667,225	43,325,704
Adjusted net income per share	<u>\$ 0.39</u>	<u>\$ 0.26</u>	<u>\$ 0.92</u>	<u>\$ 0.94</u>
Net income per share—diluted in accordance with GAAP	<u>\$ 0.20</u>	<u>\$ 0.15</u>	<u>\$ 0.37</u>	<u>\$ 0.55</u>
Adjusted Operating Income				
Operating income	\$ 19,555	\$ 9,356	\$ 34,372	\$ 39,630
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	<u>2,443</u>	<u>2,904</u>	<u>13,206</u>	<u>11,742</u>
Adjusted operating income	<u>\$ 26,503</u>	<u>\$ 18,663</u>	<u>\$ 65,777</u>	<u>\$ 67,354</u>
Adjusted operating income margin	15.9%	14.2%	12.1%	12.8%

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

	<u>Sales</u>		<u>Orders</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Three Months Ended December 31, 2009	\$ 131.0		\$ 101.6	
<i>Components of Change:</i>				
Existing Businesses	36.0	27.4 %	35.0	34.4 %
Acquisitions	5.4	4.1 %	1.3	1.3 %
Foreign Currency Translation	(5.7)	(4.3)%	(4.3)	(4.2)%
Total	<u>35.7</u>	27.2 %	<u>32.0</u>	31.5 %
Three Months Ended December 31, 2010	<u>\$ 166.7</u>		<u>\$ 133.6</u>	

	<u>Sales</u>		<u>Orders</u>		<u>Backlog at Period End</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Year ended December 31, 2009	\$ 525.0		\$ 462.4		\$ 290.9	
<i>Components of Change:</i>						
Existing Businesses	16.1	3.1 %	71.1	15.4 %	(6.6)	(2.3)%
Acquisitions	10.0	1.9 %	6.1	1.3 %	38.7	13.3 %
Foreign Currency Translation	(9.1)	(1.7)%	(6.8)	(1.5)%	(9.5)	(3.3)%
Total	<u>17.0</u>	3.2 %	<u>70.4</u>	15.2 %	<u>22.6</u>	7.8 %
Year ended December 31, 2010	<u>\$ 542.0</u>		<u>\$ 532.8</u>		<u>\$ 313.5</u>	



Fourth Quarter 2010 Earnings Call

February 15, 2011



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.



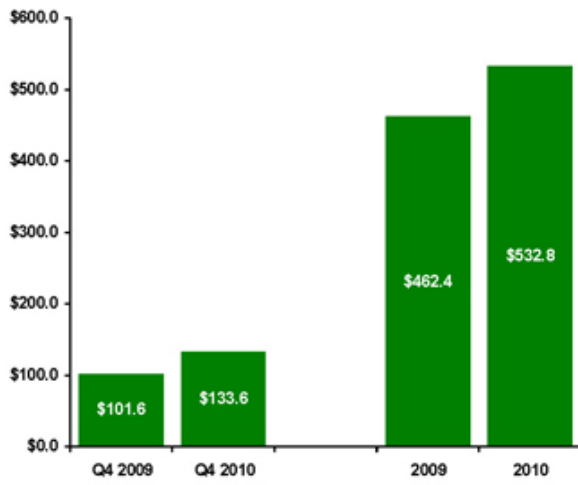
- Adjusted net income of \$16.9 million (39 cents per share) compared to \$11.5 million (26 cents per share) in Q4 2009, an increase of 47.1%; Q4 2010 results include negative 1 cent per share related to currency effects
- Net sales of \$166.7 million compared to \$131.0 million in Q4 2009, an increase of 27.2% (organic increase of 27.4%)
- Adjusted operating income of \$26.5 million compared to \$18.7 million in Q4 2009, an increase of 42.0%
- Fourth quarter orders of \$133.6 million compared to \$101.6 million in Q4 2009, an increase of 31.5% (organic increase of 34.4%)
- Backlog of \$313.5 million



- Adjusted net income of \$40.2 million (92 cents per share) compared to \$40.9 million (94 cents per share) in 2009 (currency effect between years not material)
- Net sales of \$542.0 million compared to \$525.0 million in 2009, an increase of 3.2% (organic increase of 3.1%)
- Adjusted operating income of \$65.8 million compared to \$67.4 million in 2009
- Adjusted EBITDA of \$81.9 million compared to \$81.8 million in 2009
- Orders of \$532.8 million compared to \$462.4 million in 2009, an increase of 15.2% (organic increase of 15.4%)

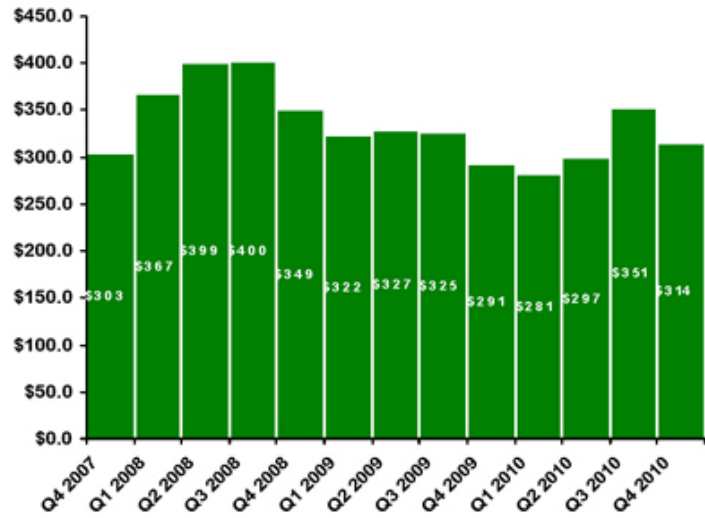


Orders



Existing Businesses	--	34.4 %	--	15.4 %
Acquisitions	--	1.3 %	--	1.3 %
FX Translation	--	(4.2)%	--	(1.5)%
Total Growth	--	31.5 %	--	15.2 %

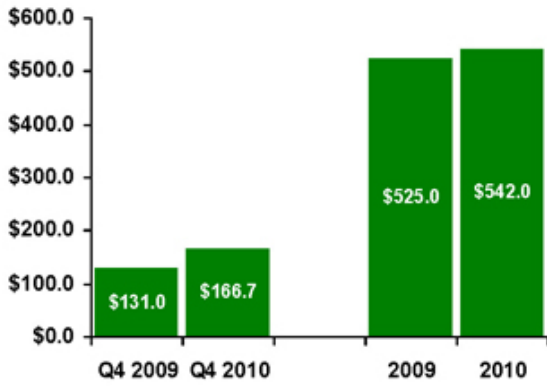
Backlog



Note: Dollars in millions.



Revenue



Adjusted Operating Income ⁽¹⁾



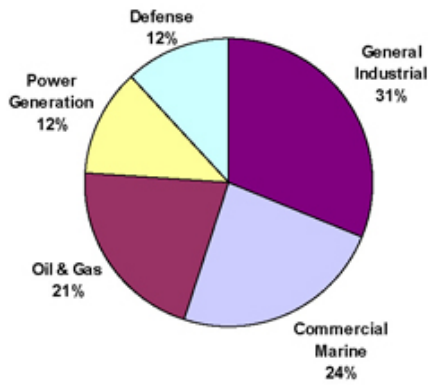
	Q4 2009	Q4 2010	2009	2010
Existing Businesses	--	27.4 %	--	3.1 %
Acquisitions	--	4.1 %	--	1.9 %
FX Translation	--	(4.3)%	--	(1.7)%
Total Growth	--	27.2 %	--	3.2 %

(1) Refer to Appendix for Non-GAAP reconciliation

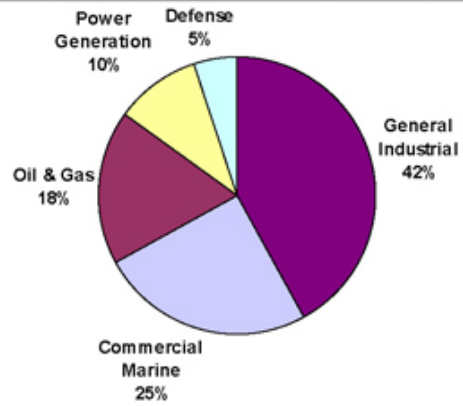
Note: Dollars in millions (unaudited)



Sales: \$166.7 million



Orders: \$133.6 million

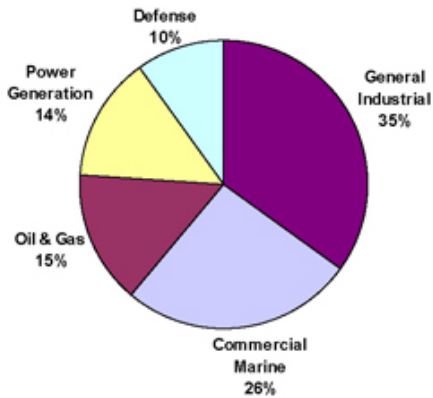


	<u>Total Growth</u>	<u>Organic Growth</u>
Commercial Marine	31 %	36 %
Oil & Gas	43 %	24 %
Power Generation	20 %	23 %
Defense	18 %	18 %
General Industrial	22 %	28 %
Total	27 %	27 %

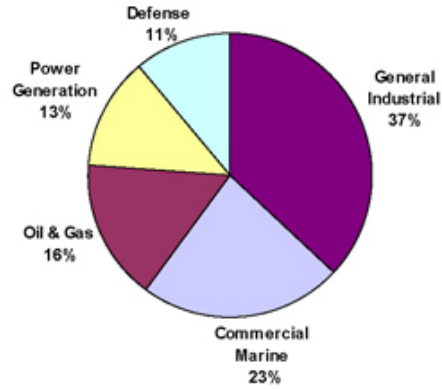
	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	71 %	75 %
Oil & Gas	172 %	162 %
Power Generation	(18)%	(16)%
Defense	(43)%	(42)%
General Industrial	26 %	32 %
Total	32 %	34 %



Sales: \$542.0 million



Orders: \$532.8 million



	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	3 %	2 %
Oil & Gas	(7)%	(14)%
Power Generation	4 %	6 %
Defense	13 %	13 %
General Industrial	5 %	8 %
Total	3 %	3 %

	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	55 %	50 %
Oil & Gas	27 %	24 %
Power Generation	(7)%	(5)%
Defense	(27)%	(27)%
General Industrial	22 %	25 %
Total	15 %	15 %





Sales

Orders

	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	20 %	14 %
Oil & Gas	93 %	71 %
Power Generation	(3)%	(6)%
Defense	47 %	46 %
General Industrial	12 %	7 %
Total	26 %	19 %

	<u>Total Growth (Decline)</u>	<u>Organic Growth (Decline)</u>
Commercial Marine	57 %	49 %
Oil & Gas	(1)%	(5)%
Power Generation	(29)%	(30)%
Defense	(45)%	(46)%
General Industrial	20 %	15 %
Total	8 %	4 %



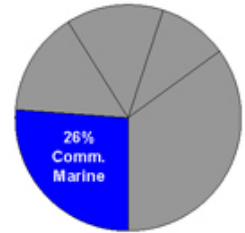
Sales & Orders Growth

	Q410 YoY		Q410 YTD YoY		Q410 Sequential	
	Total	Organic	Total	Organic	Total	Organic
Sales	31%	36%	3%	2%	20%	14%
Orders	71%	75%	55%	50%	57%	49%

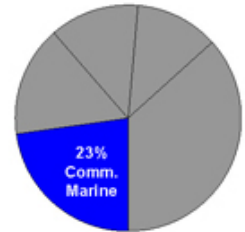
Highlights and Outlook

- Sales increase primarily driven by reduction in backlog
- Orders increased significantly due to improved market conditions
- Cancellations were \$6 million in Q4 2010 vs. \$3 million in Q4 2009; \$16 million YTD 2010 vs. \$22 million YTD 2009
- Focusing on aftermarket sales & service including opportunities related to changing environmental regulations
- Working through lower margin backlog

Colfax 2010 Sales Split



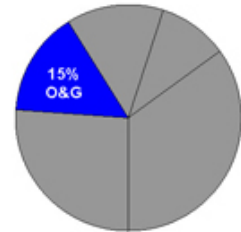
Colfax 2010 Orders Split



Sales & Orders Growth (Decline)

	Q410 YoY		Q410 YTD YoY		Q410 Sequential	
	Total	Organic	Total	Organic	Total	Organic
Sales	43%	24%	(7)%	(14)%	93%	71%
Orders	172%	162%	27%	24%	(1)%	(5)%

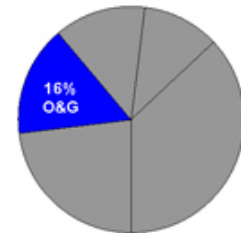
Colfax 2010 Sales Split



Highlights and Outlook

- New project orders beginning to book; midstream gaining strength
- Acquired Baric Systems in August
- Quoting activity remains good – midstream and refinery
- Solid activity in Latin America, Middle East, Canada and Asia

Colfax 2010 Orders Split



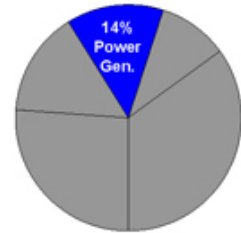
Sales & Orders Growth (Decline)

	Q410 YoY		Q410 YTD YoY		Q410 Sequential	
	Total	Organic	Total	Organic	Total	Organic
Sales	20%	23%	4%	6%	(3)%	(6)%
Orders	(18)%	(16)%	(7)%	(5)%	(29)%	(30)%

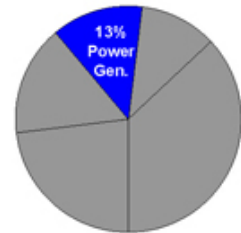
Highlights and Outlook

- Solid growth in sales while orders down primarily due to decision to exit certain business in the Middle East
- Several new infrastructure projects underway in Asia & Middle East
- Evaluating product offerings and pruning lower value add business

Colfax 2010 Sales Split



Colfax 2010 Orders Split



Sales & Orders Growth (Decline)

	Q410 YoY		Q410 YTD YoY		Q410 Sequential	
	Total	Organic	Total	Organic	Total	Organic
Sales	18%	18%	13%	13%	47%	46%
Orders	(43)%	(42)%	(27)%	(27)%	(45)%	(46)%

Highlights and Outlook

- Sales up in Q4 2010 and YTD
- Orders down in Q4 2010 and YTD, due to significant multi-year program booked in 2009
- Solid backlog
- ROW navies also expanding (projects in several European countries, Brazil, Australia, India and Malaysia)

Colfax 2010 Sales Split



Colfax 2010 Orders Split



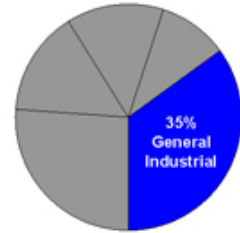
Sales & Orders Growth

	Q410 YoY		Q410 YTD YoY		Q410 Sequential	
	Total	Organic	Total	Organic	Total	Organic
Sales	22%	28%	5%	8%	12%	7%
Orders	26%	32%	22%	25%	20%	15%

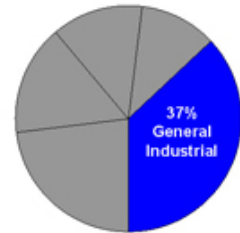
Highlights and Outlook

- Sales and orders up for the quarter
- Growth in 2010 led by increases in orders in the chemical and diesel engine submarkets
- Order strength is geographically broad based
- Aftermarket improving – deferred maintenance spending

Colfax 2010 Sales Split



Colfax 2010 Orders Split



Headquarters

- Hengelo, The Netherlands

Products

- Multiphase pump (MPP) systems for upstream oil & gas applications
- Other engineered pump and compression systems

Key Served Regions

- Russia, Kazakhstan, Southeast Asia

Acquisition Rationale

- Logical extension to oil & gas product line in attractive segment
- Channel leverage (Colfax and Rosscor geographically complementary)
- Proven supplier with valuable domain expertise; consistent with strategy of delivering solutions to customers



▪ Strong balance sheet

- Debt of \$83 million, principal payments of \$10 million in 2011, matures in 2013
- Cash of \$61 million
- \$130 million available on revolver

▪ Strong cash flow

- Working capital to annual net sales of 19% for 2010 from 23% in 2009
- Inventory on hand reduced by 16 days (21%) in 2010

Note: As of 10/1/2010





Income Statement Summary (Unaudited)

Q4 2010 Earnings Call

	Three Months Ended December 31,		Change	
	2010	2009	\$	%
Orders	\$ 133.6	\$ 101.6	\$ 32.0	31.5 %
Sales	\$ 166.7	\$ 131.0	\$ 35.7	27.2 %
Gross Profit	\$ 59.6	\$ 47.0	\$ 12.6	26.8 %
% of Sales	35.7%	35.9%		
SG&A Expenses	\$ 31.6	\$ 27.0	\$ 4.6	17.0 %
R&D Expense	1.5	1.3	0.2	15.4 %
Operating Expenses	\$ 33.1	\$ 28.3	\$ 4.8	17.0 %
% of Sales	19.9%	21.6%		
Adjusted Operating Income	\$ 26.5	\$ 18.7	\$ 7.8	42.0 %
% of Sales	15.9%	14.2%		
Adjusted EBITDA	\$ 31.4	\$ 22.5	\$ 8.9	39.6 %
% of Sales	18.8%	17.2%		
Adjusted Net Income	\$ 16.9	\$ 11.5	\$ 5.4	47.1 %
% of Sales	10.2%	8.8%		
Adjusted Net Income Per Share	\$ 0.39	\$ 0.26	\$ 0.13	50.0 %

Refer to Appendix for Non-GAAP reconciliation and footnotes

Note: Dollars in millions



	Year Ended December 31,		Change	
	2010	2009	\$	%
Orders	\$ 532.8	\$ 462.4	\$ 70.4	15.2%
Sales	\$ 542.0	\$ 525.0	\$ 17.0	3.2%
Gross Profit	\$ 191.4	\$ 185.8	\$ 5.6	3.0%
% of Sales	35.3%	35.4%		
SG&A Expense	\$ 119.4	\$ 112.5	\$ 6.9	6.1%
R&D Expense	6.2	5.9	0.3	5.1%
Operating Expenses	\$ 125.6	\$ 118.4	\$ 7.2	6.1%
% of Sales	23.2%	22.6%		
Adjusted Operating Income	\$ 65.8	\$ 67.4	\$ (1.6)	(2.3)%
% of Sales	12.1%	12.8%		
Adjusted EBITDA	\$ 81.9	\$ 81.8	\$ 0.1	0.1%
% of Sales	15.1%	15.6%		
Adjusted Net Income	\$ 40.2	\$ 40.9	\$ (0.7)	(1.7)%
% of Sales	7.4%	7.8%		
Adjusted Net Income Per Share	\$ 0.92	\$ 0.94	\$ (0.02)	(2.1)%

Refer to Appendix for Non-GAAP reconciliation and footnotes

Note: Dollars in millions, except per share data





**Statement of Cash Flows Summary
(unaudited)**

Q4 2010 Earnings Call

	Year ended December 31,	
	2010	2009
Net income	\$ 16.2	\$ 23.8
Non-cash expenses	19.7	21.0
Changes in working capital	27.3	6.1
Other	(1.3)	(12.2)
Total Operating Activities	61.9	38.7
Purchases of fixed assets	(12.5)	(11.0)
Acquisitions, net of cash acquired	(28.0)	(1.7)
Other	0.1	0.2
Total Investing Activities	(40.4)	(12.5)
Repayments of borrowings	(14.3)	(5.0)
Proceeds from borrowings	5.5	-
Other	0.7	(0.4)
Total Financing Activities	(8.1)	(5.4)
Effect of exchange rates on cash	(2.9)	0.4
Increase in cash and cash equivalents	10.5	21.2
Cash and cash equivalents, beginning of period	50.0	28.8
Cash and cash equivalents, end of period	\$ 60.5	\$ 50.0

Note: Dollars in millions



Revenue Range			
2011 Organic growth ⁽¹⁾	2%	To	4%
2011 Total ⁽²⁾	\$570 million	To	\$580 million

EPS Range			
2011 Net income per share ⁽²⁾	\$0.80	To	\$0.90
2011 Adjusted net income per share ⁽³⁾	\$1.00	To	\$1.10

Assumptions	
Asbestos coverage litigation	\$6 million
Asbestos liability and defense costs	\$5 million
Restructuring costs	\$2 million
Euro	\$1.35
Tax rate	32%
Interest expense	\$6 million
Outstanding shares	44 million

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

(2) Excludes Rosscor's post-acquisition operations

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

Typically, a 5 cent change in the Euro is expected to result in a 1 cent change in annual EPS assuming all other currencies remain constant.

(See Appendix for Non-GAAP reconciliation)



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, earnings before interest, taxes depreciation and amortization (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 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 legacy asbestos issues and items outside the control of its operating management team.

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



	Three Months Ended December 31,		Year Ended December 31,	
	2010	2009	2010	2009
EBITDA				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Interest expense	1,609	1,746	6,684	7,212
Provision for income taxes	9,296	884	11,473	8,621
Depreciation and amortization	4,888	3,834	16,130	14,426
EBITDA	\$ 24,443	\$ 13,190	\$ 50,502	\$ 54,056
EBITDA margin	14.7%	10.1%	9.3%	10.3%
Adjusted EBITDA				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Interest expense	1,609	1,746	6,684	7,212
Provision for income taxes	9,296	884	11,473	8,621
Depreciation and amortization	4,888	3,834	16,130	14,426
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	2,443	2,904	13,206	11,742
Adjusted EBITDA	\$ 31,391	\$ 22,497	\$ 81,907	\$ 81,780
Adjusted EBITDA margin	18.8%	17.2%	15.1%	15.6%

Note: Dollars in thousands



	Three Months Ended December 31,		Year Ended December 31,	
	2010	2009	2010	2009
Adjusted Net Income and Adjusted Earnings per Share				
Net income	\$ 8,650	\$ 6,726	\$ 16,215	\$ 23,797
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	2,443	2,904	13,206	11,742
Tax adjustment to effective rate of 32%	1,330	(4,529)	(7,437)	(10,624)
Adjusted net income	\$ 16,928	\$ 11,504	\$ 40,183	\$ 40,897
Adjusted net income margin	10.2%	8.8%	7.4%	7.8%
Weighted average shares outstanding - diluted	43,876,791	43,449,493	43,667,225	43,325,704
Adjusted net income per share	\$ 0.39	\$ 0.26	\$ 0.92	\$ 0.94
Net income per share—diluted in accordance with GAAP	\$ 0.20	\$ 0.15	\$ 0.37	\$ 0.55
Adjusted Operating Income				
Operating income	\$ 19,555	\$ 9,356	\$ 34,372	\$ 39,630
Restructuring and other related charges	808	7,420	10,323	18,175
Asbestos liability and defense costs (income)	3,697	(1,017)	7,876	(2,193)
Asbestos coverage litigation expenses	2,443	2,904	13,206	11,742
Adjusted operating income	\$ 26,503	\$ 18,663	\$ 65,777	\$ 67,354
Adjusted operating income margin	15.9%	14.2%	12.1%	12.8%

Note: Dollars in thousands, except share data





Sales & Order Growth

(unaudited)

Q4 2010 Earnings Call

	Sales		Orders	
	\$	%	\$	%
Three Months Ended December 31, 2009	\$ 131.0		\$ 101.6	
<i>Components of Change:</i>				
Existing Businesses	36.0	27.4 %	35.0	34.4 %
Acquisitions	5.4	4.1 %	1.3	1.3 %
Foreign Currency Translation	(5.7)	(4.3)%	(4.3)	(4.2)%
Total	35.7	27.2 %	32.0	31.5 %
Three Months Ended December 31, 2010	\$ 166.7		\$ 133.6	

	Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
Year ended December 31, 2009	\$ 525.0		\$ 462.4		\$ 290.9	
<i>Components of Change:</i>						
Existing Businesses	16.1	3.1 %	71.1	15.4 %	(6.6)	(2.3)%
Acquisitions	10.0	1.9 %	6.1	1.3 %	38.7	13.3 %
Foreign Currency Translation	(9.1)	(1.7)%	(6.8)	(1.5)%	(9.5)	(3.3)%
Total	17.0	3.2 %	70.4	15.2 %	22.6	7.8 %
Year ended December 31, 2010	\$ 542.0		\$ 532.8		\$ 313.5	

Note: Dollars in millions





Non-GAAP Reconciliation

(In dollars, unaudited)

Q4 2010 Earnings Call

	<u>EPS Range</u>	
Projected net income per share - fully diluted	\$ 0.80	\$ 0.90
Restructuring and other related charges	0.03	0.03
Asbestos coverage litigation	0.09	0.09
Asbestos liability and defense costs	<u>0.08</u>	<u>0.08</u>
Projected adjusted net income per share - fully diluted	<u>\$ 1.00</u>	<u>\$ 1.10</u>

