

**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): April 24, 2014

**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 April 24, 2014, Colfax Corporation issued a press release reporting financial results for the first quarter ended March 28, 2014. A copy of Colfax Corporation's press release is attached to this report as Exhibit 99.1 and is incorporated in this report by reference. Colfax Corporation has scheduled a conference call for 8:00 a.m. EDT on April 24, 2014 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 April 24, 2014, reporting financial results for the first quarter ended March 28, 2014.
- 99.2 Colfax Corporation slides for April 24, 2014 conference call reporting financial results for the first quarter ended March 28, 2014.

## 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: April 24, 2014

By: /s/ C. Scott Brannan

Name: C. Scott Brannan

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

## EXHIBIT INDEX

- 99.1 Colfax Corporation press release dated April 24, 2014, reporting financial results for the first quarter ended March 28, 2014.
- 99.2 Colfax Corporation slides for April 24, 2014 conference call reporting financial results for the first quarter ended March 28, 2014.



## COLFAX REPORTS FIRST QUARTER 2014 RESULTS

- First quarter net income per dilutive share of \$0.22, adjusted net income per share of \$0.43
- First quarter net sales increased 11.3% (5.6% organically) to \$1.054 billion
- Gas- and fluid-handling finished the period with record backlog of \$1.592 billion

FULTON, MD - April 24, 2014 - Colfax Corporation (NYSE: CFX) today announced its financial results for the first quarter of 2014.

For the first quarter of 2014, net income was \$24.9 million, or \$0.22 per dilutive share. Adjusted net income (as defined below) was \$51.6 million, or \$0.43 per share.

Net sales were \$1.054 billion, in the first quarter, an increase of 11.3% from the prior year. Net sales increased 5.6% organically. First quarter operating income was \$87.7 million, with adjusted operating income (as defined below) of \$94.1 million, an increase of 20%.

First quarter gas- and fluid-handling orders were \$583.4 million compared to orders of \$502.1 million in Q1 2013, an increase of 16.2% and an organic increase of 2.2%. Gas- and fluid-handling finished the period with record backlog of \$1.592 billion at period end.

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.

Steve Simms, President and Chief Executive Officer, stated, "We are pleased to report record first quarter adjusted earnings per share of \$0.43 as compared to \$0.26 last year. Our fabrication technology group realized significantly improved margins over the 2013 quarter despite a sluggish end-market environment. Our gas- and fluid-handling sector continued to deliver strong organic sales growth, though margins were below expectations. Acquisitions made in 2013 performed in line with expectations, driving strong order growth in the quarter. We were also pleased to complete the acquisition of Victor Technologies Holdings, Inc. early in the second quarter. Based on the expected contribution from Victor, we have increased our sales and earnings guidance."

## **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 and organic order growth. Adjusted net income, adjusted net income per share and adjusted operating income exclude restructuring and other related charges and, for the 2013 period, asbestos coverage litigation expense. Adjusted net income and adjusted net income per share for the first quarter of 2014 exclude the preferred stock conversion inducement payment. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarters of 2014 and 2013, respectively. 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 asbestos insurance coverage issues, restructuring and other related charges, and preferred stock conversion inducement payment.

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

## **Conference Call and Webcast**

Colfax will host a conference call to provide details about its results on Thursday, April 24, 2014 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 23966078, or through webcast via Colfax's website at [www.colfaxcorp.com](http://www.colfaxcorp.com) under the "Investors" section. Access to a supplemental slide presentation can also be found at the Colfax website under the same heading. Both the audio of this call and the slide presentation will be archived on the website later today and will be available until the next quarterly call.

## **About Colfax Corporation**

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

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

This press release may contain forward-looking statements, including forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Colfax's plans, objectives, expectations and intentions and other statements that are not historical or current fact. Forward-looking statements are based on Colfax's current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause Colfax's results to differ materially from current expectations include, but are not limited to factors detailed in Colfax's reports filed with the U.S. Securities and Exchange Commission including its 2013 Annual Report on Form 10-K under the caption "Risk Factors." In addition, these statements are based on a number of assumptions that are subject to change. This press release speaks only as of the date hereof. Colfax disclaims any duty to update the information herein.

The term "Colfax" in reference to the activities described in this press release may mean one or more of Colfax's global operating subsidiaries and/or their internal business divisions and does not necessarily indicate activities engaged in by Colfax Corporation.

## **Contact:**

Farand Pawlak, Director of Investor Relations

Colfax Corporation

301-323-9054

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

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

	<b>Three Months Ended</b>	
	<b>March 28, 2014</b>	<b>March 29, 2013</b>
Net sales	\$ 1,054,331	\$ 947,143
Cost of sales	728,699	656,418
Gross profit	325,632	290,725
Selling, general and administrative expense	231,582	214,184
Restructuring and other related charges	6,312	4,214
Operating income	87,738	72,327
Interest expense	12,322	23,289
Income before income taxes	75,416	49,038
Provision for income taxes	20,579	16,763
Net income	54,837	32,275
Less: income attributable to noncontrolling interest, net of taxes	8,047	4,640
Net income attributable to Colfax Corporation	46,790	27,635
Dividends on preferred stock	2,348	5,082
Preferred stock conversion inducement payment	19,565	—
Net income available to Colfax Corporation common shareholders	\$ 24,877	\$ 22,553
Net income per share- basic and diluted	\$ 0.22	\$ 0.21

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

	Three Months Ended	
	March 28, 2014	March 29, 2013
<b>Adjusted Operating Income</b>		
Operating income	\$ 87,738	\$ 72,327
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	—	1,706
Adjusted operating income	<u>\$ 94,050</u>	<u>\$ 78,247</u>
Adjusted operating income margin	8.9%	8.3%

	Three Months Ended	
	March 28, 2014	March 29, 2013
<b>Adjusted Net Income</b>		
Net income attributable to Colfax Corporation	\$ 46,790	\$ 27,635
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	—	1,706
Tax adjustment <sup>(1)</sup>	(1,488)	—
Adjusted net income	<u>\$ 51,614</u>	<u>\$ 33,555</u>
Adjusted net income margin	4.9%	3.5%

<b>Adjusted Net Income Per Share</b>		
Net income available to Colfax Corporation common shareholders	\$ 24,877	\$ 22,553
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	—	1,706
Preferred stock conversion inducement payment	19,565	—
Tax adjustment <sup>(1)</sup>	(1,488)	—
Adjusted net income available to Colfax Corporation common shareholders	<u>49,266</u>	<u>28,473</u>
Dividends on preferred stock <sup>(2)</sup>	2,348	—
Less: adjusted net income attributable to participating securities <sup>(2)</sup>	<u>—</u>	<u>3,655</u>
	<u>\$ 51,614</u>	<u>\$ 24,818</u>
Weighted-average shares outstanding - diluted	119,832,595	95,153,498
Adjusted net income per share	<u>\$ 0.43</u>	<u>\$ 0.26</u>
Net income per share— basic and diluted (in accordance with GAAP)	<u>\$ 0.22</u>	<u>\$ 0.21</u>

<sup>(1)</sup> The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarter of 2014 and 2013, respectively.

<sup>(2)</sup> Adjusted net income per share for periods prior to April 23, 2013 was calculated consistently with the two-class method in accordance with GAAP as the Series A Perpetual Convertible Preferred Stock were considered participating securities. Subsequent to April 23, 2013 and prior to February 12, 2014, adjusted net income per share was calculated consistently with the if-converted method in accordance with GAAP until the Series A Perpetual Convertible Preferred Stock were no longer participating securities. On February 12, 2014, the Series A Perpetual Convertible Preferred Stock were converted to common stock and the Company paid a \$19.6 million conversion inducement to the holders of the Series A Perpetual Convertible Preferred Stock.

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

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the three months ended March 29, 2013</b>	\$ 947.1		\$ 502.1		\$ 1,438.5	
<i>Components of Change:</i>						
Existing Businesses	53.5	5.6 %	11.1	2.2 %	(87.5)	(6.1)%
Acquisitions <sup>(1)</sup>	85.1	9.0 %	72.1	14.4 %	243.5	16.9 %
Foreign Currency Translation	(31.4)	(3.3)%	(1.9)	(0.4)%	(2.5)	(0.1)%
Total	107.2	11.3 %	81.3	16.2 %	153.5	10.7 %
<b>As of and for the three months ended March 28, 2014</b>	<b>\$ 1,054.3</b>		<b>\$ 583.4</b>		<b>\$ 1,592.0</b>	

<sup>(1)</sup> Represents the incremental sales, orders and order backlog as a result of our acquisitions of Clarus Fluid Intelligence, LLC, CKD Kompressor a.s., the global industrial and industry division of Flakt Woods Group, TLT-Babcock Inc., Alphair Ventilating Systems Inc., and Sistemas Centrales de Lubrication S.A. de C.V. ("Sicelub").

The COLFAX logo is rendered in a bold, black, sans-serif font. The letters are thick and blocky, with a slight shadow effect. The 'O' and 'A' have a unique design with a small gap or cutout. The logo is set against a light gray rectangular background that is positioned over the blue abstract background of the slide.

**COLFAX**

**FIRST QUARTER 2014 | EARNINGS CONFERENCE CALL**

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# FORWARD-LOOKING STATEMENTS

The following information contains forward-looking statements, including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Colfax's plans, objectives, expectations and intentions and other statements that are not historical or current facts. Forward-looking statements are based on Colfax's current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause Colfax's results to differ materially from current expectations include, but are not limited to, factors detailed in Colfax's reports filed with the U.S. Securities and Exchange Commission including its 2013 Annual Report on Form 10-K under the caption "Risk Factors". In addition, these statements are based on a number of assumptions that are subject to change. This presentation speaks only as of this date. Colfax disclaims any duty to update the information herein.

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

**COLFAX**

The text 'Q1 2014 RESULTS' is displayed in a white, bold, sans-serif font. It is centered within a light gray rectangular background that is slightly offset to the left and top, matching the style of the logo above it.

**Q1 2014 RESULTS**

## Q1 2014 HIGHLIGHTS

- Adjusted net income of \$51.6 million (\$0.43 per share) compared to \$33.6 million (\$0.26 per share) in Q1 2013
- Net sales of \$1.05 billion, an increase of 11.3% from Q1 2013 net sales of \$947.1 million (an organic increase of 5.6%)
- Adjusted operating income of \$94.1 million compared to \$78.2 million in Q1 2013
- First quarter gas- and fluid-handling orders of \$583.4 million compared to orders of \$ 502.1 million in Q1 2013, an increase of 16.2% (an organic increase of 2.2%)
- Gas- and fluid-handling backlog of \$1.6 billion at period end

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

**COLFAX**

The text 'GAS AND FLUID HANDLING' is written in a white, bold, sans-serif font. It is centered horizontally within a light gray rectangular background that is slightly offset to the left and top, matching the style of the logo above.

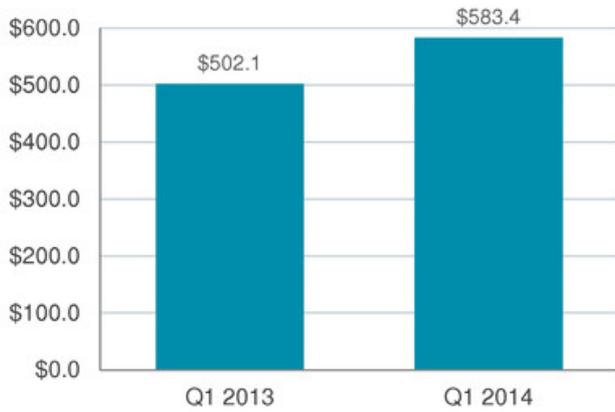
**GAS AND FLUID HANDLING**

## GAS AND FLUID HANDLING HIGHLIGHTS

- Net sales of \$573.9 million, an increase of 35.0% from Q1 net sales of \$425.1 million in Q1 2013 (an organic increase of 15.6%)
- Adjusted segment operating income of \$56.0 million and adjusted segment operating income margin of 9.8%
- First quarter orders of \$583.4 million compared to \$502.1 million in Q1 2013, an increase of 16.2% (an organic increase of 2.2%)
- Backlog of \$1.6 billion at period end

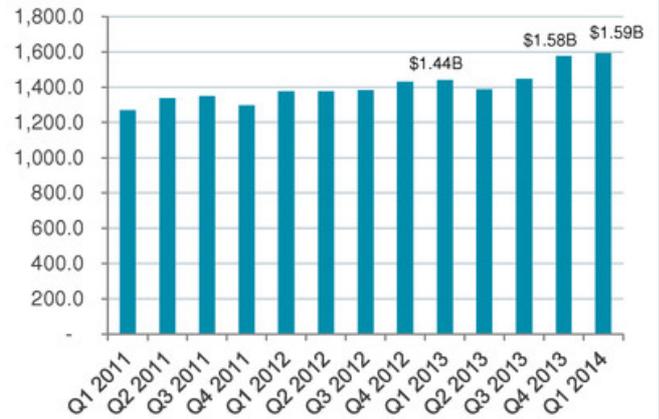
# ORDERS AND BACKLOG

## ORDERS



	Q1
Existing Businesses	2.2%
Acquisitions	14.4%
FX Translation	(0.4)%
<b>Total Growth</b>	<b>16.2%</b>

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



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

Note: Dollars in millions (unaudited).

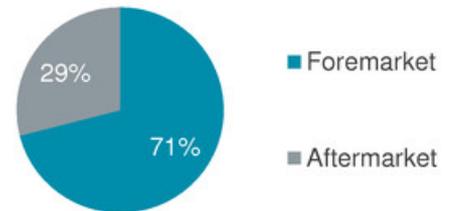
# REVENUE

## REVENUE

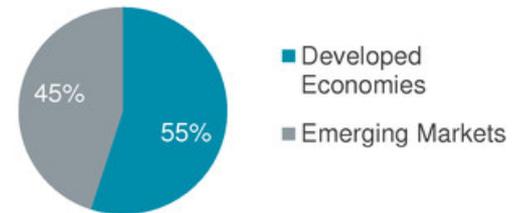


	Q1
Existing Businesses	15.6%
Acquisitions	20.0%
FX Translation	(0.6)%
<b>Total Growth</b>	<b>35.0%</b>

## AFTERMARKET REVENUE Q1 2014



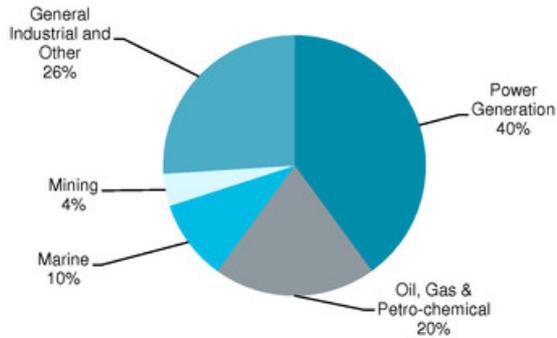
## GEOGRAPHIC EXPOSURE Q1 2014



Note: Dollars in millions (unaudited).

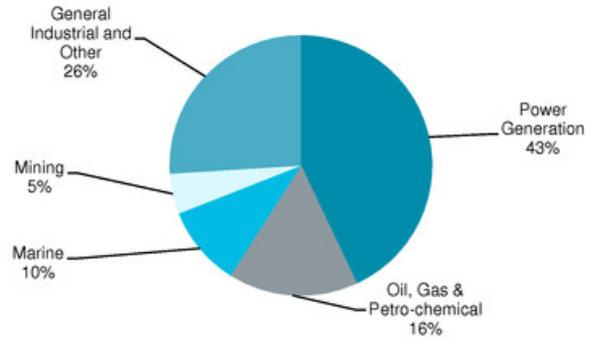
# Q1 2014 SALES AND ORDERS BY END MARKET

## SALES: \$573.9 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	46.7%	32.4%
Oil, Gas & Petrochemical	26.1%	10.1%
Marine	5.2%	3.3%
Mining	(19.6)%	(41.6)%
General Industrial & Other	57.2%	17.2%
<b>Total</b>	<b>35.0%</b>	<b>15.6%</b>

## ORDERS: \$583.4 Million



	Total Growth (Decline)	Organic Growth (Decline)
Power Generation	19.6%	13.6%
Oil, Gas & Petrochemical	(26.6)%	(42.2)%
Marine	7.6%	5.7%
Mining	80.3%	58.6%
General Industrial & Other	59.8%	24.5%
<b>Total</b>	<b>16.2%</b>	<b>2.2%</b>

# POWER GENERATION MARKET PERSPECTIVE

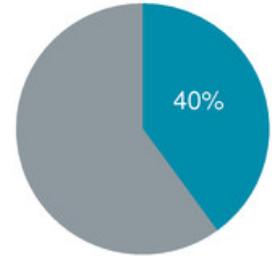
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	46.7 %	32.4 %
Orders	19.6 %	13.6 %

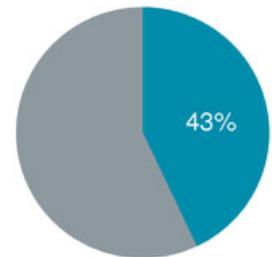
## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Driven by fundamental global undersupply of electricity
- Growth continues to be driven by further environmental upgrades in China and strength in maintenance work in South Africa
- Large \$30 million order received in Saudi Arabia across both Howden and Colfax Fluid Handling

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT

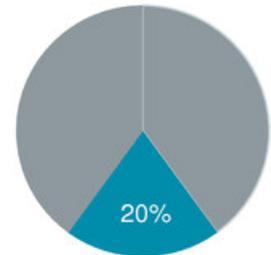


# OIL, GAS & PETROCHEMICAL MARKET PERSPECTIVE

## SALES & ORDERS GROWTH (DECLINE)

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	26.1 %	10.1 %
Orders	(26.6)%	(42.2)%

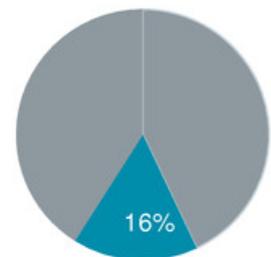
## Q1 2014 SALES SPLIT



## HIGHLIGHTS

- Served by both Howden and Colfax Fluid Handling
- Period over period comparisons are difficult due to the timing of large projects
- Quoting activity strong in Middle East and Southeast Asia where we invested in local selling and technical resources
- Increasing interest across various regions in our upstream capabilities, particularly multiphase systems

## Q1 2014 ORDERS SPLIT



# MARINE MARKET PERSPECTIVE

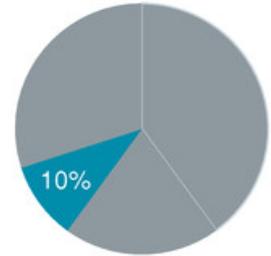
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	5.2 %	3.3 %
Orders	7.6 %	5.7 %

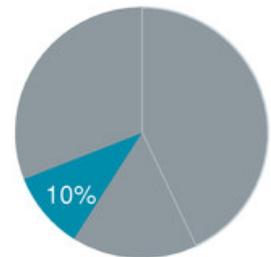
## HIGHLIGHTS

- Primarily served by Colfax Fluid Handling
- Q1 orders strong for oil & gas service vessels
- Continue to build on success of CM-1000; modest growth despite continued decline in overall shipbuilding activity
- Received first retrofit order this quarter; greatly expands addressable market

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



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

# MINING MARKET PERSPECTIVE

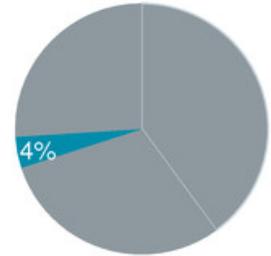
## SALES & ORDERS (DECLINE) GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	(19.6)%	(41.6)%
Orders	80.3 %	58.6 %

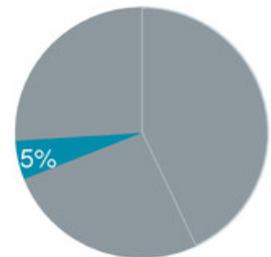
## HIGHLIGHTS

- Primarily served by Howden
- Driven by demand of mined resources, including: coal, iron ore, copper, gold, nickel and potash
- Remains a depressed market
- Some bright spots; significant \$5 million order for Australian coalmine and several key projects in South America for copper and gold mines

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



# GENERAL INDUSTRIAL & OTHER MARKET PERSPECTIVE

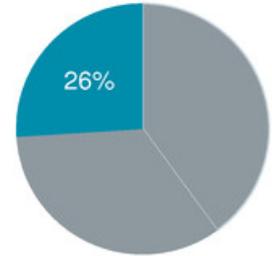
## SALES & ORDERS GROWTH

	Q1 2014 vs. Q1 2013	
	Total	Organic
Sales	57.2 %	17.2 %
Orders	59.8 %	24.5 %

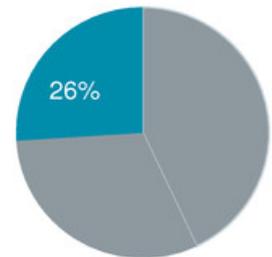
## HIGHLIGHTS

- Includes both Howden and Colfax Fluid Handling
- Volatile quarter to quarter due to large orders
- Large steel order for Howden, part of a continuing trend of plant upgrades and replacements
- Secured a number of orders for fan retrofits in the Chinese cement sector

## Q1 2014 SALES SPLIT



## Q1 2014 ORDERS SPLIT



The logo for COLFAX is rendered in a bold, black, sans-serif font. The letters are closely spaced, and the 'X' has a distinctive shape with a sharp point. The text is set against a light gray rectangular background that is part of a larger graphic element on the cover.

**COLFAX**

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

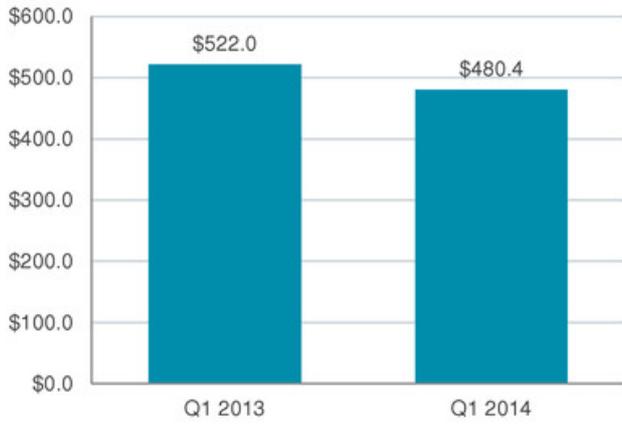
**FABRICATION TECHNOLOGY**

## FABRICATION TECHNOLOGY HIGHLIGHTS

- Net sales of \$480.4 million compared to net sales of \$ 522.0 million in Q1 2013, a decrease of 8.0% (an organic decline of 2.5%)
- Adjusted segment operating income of \$53.9 million and adjusted segment operating income margin of 11.2%
  - 270 basis point increase in comparison to Q1 2013

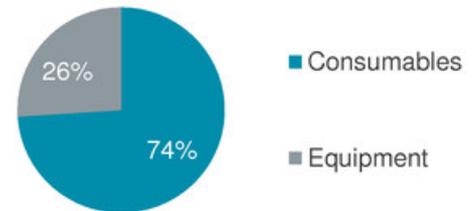
# REVENUE

## REVENUE

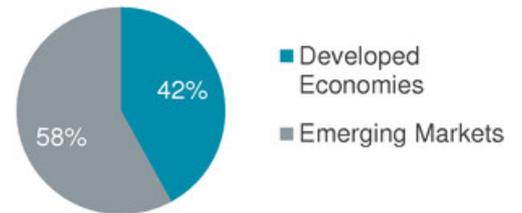


	Q1
Volume	(2.9)%
Price/ Mix	0.4%
FX Translation	(5.5)%
<b>Total Growth</b>	<b>(8.0)%</b>

## REVENUE Q1 2014



## GEOGRAPHIC EXPOSURE Q1 2014



Note: Dollars in millions (unaudited).

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

**COLFAX**

The text "RESULTS OF OPERATIONS" in a white, sans-serif font. The text is centered within a light gray rectangular background that overlaps the bottom of the logo box.

**RESULTS OF OPERATIONS**

# INCOME STATEMENT SUMMARY

(unaudited)

	Three Months Ended	
	March 28, 2014	March 29, 2013
Net sales	\$ 1,054.3	\$ 947.1
Gross profit	\$ 325.6	\$ 290.7
% of sales	30.9 %	30.7 %
SG&A expense	\$ 231.6	\$ 214.2
% of sales	22.0 %	22.6 %
Adjusted operating income	\$ 94.1	\$ 78.2
% of sales	8.9 %	8.3 %
Adjusted net income	\$ 51.6	\$ 33.6
% of sales	4.9 %	3.5 %
Adjusted net income per share	\$ 0.43	\$ 0.26

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

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

**COLFAX**

The word 'APPENDIX' in a white, sans-serif font, positioned below the COLFAX logo. It is centered horizontally within a light gray rectangular background that overlaps the one above it.

**APPENDIX**

# DISCLAIMER

Colfax has provided financial information that has not been prepared in accordance with GAAP. These non-GAAP financial measures are adjusted net income, adjusted net income per share, adjusted operating income, organic sales growth (decline) and organic order growth (decline). Projected adjusted net income, projected adjusted net income per share, adjusted net income, adjusted net income per share and adjusted operating income exclude restructuring and other related charges and, for the 2013 period, asbestos coverage litigation expense. Projected adjusted net income, projected adjusted net income per share, adjusted net income and adjusted net income per share for Q1 2014 exclude the preferred stock conversion inducement payment. The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarters of 2014 and 2013, respectively. Organic sales growth (decline) and organic order growth (decline) exclude the impact of acquisitions and foreign exchange rate fluctuations. These non-GAAP financial measures assist Colfax in comparing its operating performance on a consistent basis because, among other things, they remove the impact of asbestos insurance coverage issues, restructuring and other related charges and preferred stock conversion inducement payment.

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

# NON-GAAP RECONCILIATION

(unaudited)

	Three Months Ended	
	March 28, 2014	March 29, 2013
<b>Adjusted Net Income</b>		
Net income attributable to Colfax Corporation	\$ 46,790	\$ 27,635
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	-	1,706
Tax adjustment <sup>(1)</sup>	(1,488)	-
Adjusted net income	<u>\$ 51,614</u>	<u>\$ 33,555</u>
Adjusted net income margin	4.9 %	3.5 %
<b>Adjusted Net Income Per Share</b>		
Net income available to Colfax Corporation common shareholders	\$ 24,877	\$ 22,553
Restructuring and other related charges	6,312	4,214
Asbestos coverage litigation expense	-	1,706
Preferred stock conversion inducement payment	19,565	-
Tax adjustment <sup>(1)</sup>	(1,488)	-
Adjusted net income available to Colfax Corporation common shareholders	49,266	28,473
Dividends on preferred stock <sup>(2)</sup>	2,348	-
Less: adjusted net income attributable to participating securities <sup>(2)</sup>	-	3,655
	<u>\$ 51,614</u>	<u>\$ 24,818</u>
Weighted-average shares outstanding - diluted	119,832,595	95,153,498
Adjusted net income per share	<u>\$ 0.43</u>	<u>\$ 0.26</u>
Net income per share— basic and diluted (in accordance with GAAP)	<u>\$ 0.22</u>	<u>\$ 0.21</u>

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 27.0% and 30.5% for the first quarter of 2014 and 2013, respectively.

(2) Adjusted net income per share for periods prior to April 23, 2013 was calculated consistently with the two-class method in accordance with GAAP as the Series A Perpetual Convertible Preferred Stock were considered participating securities. Subsequent to April 23, 2013 and prior to February 12, 2014, adjusted net income per share was calculated consistently with the if-converted method in accordance with GAAP until the Series A Perpetual Convertible Preferred Stock were no longer participating securities. On February 12, 2014, the Series A Perpetual Convertible Preferred Stock were converted to common stock and the Company paid an \$19.6 million conversion inducement to the holders of the Series A Perpetual Convertible Preferred Stock.

Note: Dollars in thousands, except per share amounts.

**COLFAX**

# NON-GAAP RECONCILIATION

(unaudited)

	Q1 2014				Q1 2013			
	Gas and Fluid Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation	Gas and Fluid Handling	Fabrication Technology	Corporate and Other	Total Colfax Corporation
Net sales	\$ 573,949	\$ 480,382	\$ —	\$ 1,054,331	\$ 425,105	\$ 522,038	\$ —	\$ 947,143
Operating income (loss)	53,098 9.3 %	50,451 10.5 %	(15,811)	87,738 8.3 %	41,215 9.7 %	41,527 8.0 %	(10,415)	72,327 7.6 %
Restructuring and other related charges	2,900	3,412	—	6,312	1,273	2,941	—	4,214
Asbestos coverage litigation expense	—	—	—	—	1,706	—	—	1,706
Adjusted operating income (loss)	\$ 55,998 9.8 %	\$ 53,863 11.2 %	\$ (15,811)	\$ 94,050 8.9 %	\$ 44,194 10.4 %	\$ 44,468 8.5 %	\$ (10,415)	\$ 78,247 8.3 %

Note: Dollars in thousands.

# SALES & ORDERS GROWTH

(unaudited)

	Net Sales		Orders		Backlog at Period End	
	\$	%	\$	%	\$	%
<b>As of and for the three months ended March 29, 2013</b>	\$ 947.1		\$ 502.1		\$ 1,438.5	
Components of Change:						
Existing Businesses	53.5	5.6 %	11.1	2.2 %	(87.5)	(6.1)%
Acquisitions <sup>(1)</sup>	85.1	9.0 %	72.1	14.4 %	243.5	16.9 %
Foreign Currency Translation	(31.4)	(3.3)%	(1.9)	(0.4)%	(2.5)	(0.1)%
Total	107.2	11.3 %	81.3	16.2 %	153.5	10.7 %
<b>As of and for the three months ended March 28, 2014</b>	<b>\$ 1,054.3</b>		<b>\$ 583.4</b>		<b>\$ 1,592.0</b>	

(1) Represents the incremental sales, orders and order backlog as a result of our acquisitions of Clarus Fluid Intelligence, LLC, CKD Kompressory a.s., the global industrial and industry division of Flakt Woods Group, TLT-Babcock Inc., Alphair Ventilating Systems Inc., and Sistemas Centrales de Lubrication S.A. de C.V. ("Sicelub").

Note: Dollars in millions.

# 2014 OUTLOOK SUMMARY

(April Update)

Revenue Range			
2014 Total	\$4.85 billion	To	\$4.99 billion
EPS and Adjusted Net Income Range			
2014 Net income per share <sup>(1)</sup>	\$1.96	To	\$2.21
Adjusted net income	\$304 million	To	\$335 million
2014 Adjusted net income per share <sup>(2)</sup>	\$2.45	To	\$2.70
Assumptions			
Restructuring costs	\$60 million		
Euro	\$1.35		
Tax rate - adjusted basis/GAAP	29-30%		
Outstanding shares (if converted) – full year/Q2-Q4	124 million/125 million		
Depreciation	\$89 million		
Amortization	\$77 million		
Interest expense (based on LIBOR and EURIBOR = 25 bps)	\$58 million		

(1) A substantial gain on tax valuation allowances will increase GAAP earnings. Amount has not yet been quantified.

(2) Excludes impact of restructuring charges, preferred stock conversion and gain on reversal of tax valuation allowances, which has not yet been quantified.

(See Non-GAAP Reconciliation included in this slide deck)

Note: Guidance as of April 24, 2014.

# 2014 OUTLOOK SUMMARY

## (April Update)

In thousands, except per share data	2014	
	LOW	HIGH
Revenue- Base Business	\$ 4,500,000	\$ 4,625,000
Victor Technologies	350,000	365,000
Revenue	<u>\$ 4,850,000</u>	<u>\$ 4,990,000</u>
Adjusted Operating Profit		
Base business	497,000	530,000
Victor EBITA	64,000	68,000
Amortization and transaction costs <sup>(1)</sup>	<u>(25,000)</u>	<u>(25,000)</u>
	536,000	573,000
Interest	(58,000)	(58,000)
Taxes	(143,400)	(149,350)
Noncontrolling interest	<u>(31,000)</u>	<u>(31,000)</u>
Adjusted Net Income- Colfax	303,600	334,650
Adjusted EPS	<u>\$ 2.45</u>	<u>\$ 2.70</u>

(1) Includes \$12 million of transaction costs and year-one fair value adjustments.

Note: Guidance as of April 24, 2014.

# NON-GAAP RECONCILIATION

(April Update)

	LOW	HIGH
Projected net income per share - diluted	\$ 1.96	\$ 2.21
Restructuring costs	0.31	0.31
Preferred stock conversion <sup>(1)</sup>	0.18	0.18
Tax adjustment <sup>(2)</sup>		
Projected adjusted net income per share - diluted	<u>\$ 2.45</u>	<u>\$ 2.70</u>

(1) Reflects the impact of the preferred stock conversion for GAAP EPS due to the anti-dilution of the if-converted method.

(2) A substantial gain on tax valuation allowances will increase GAAP earnings. Amount has not yet been quantified.

*Note: Guidance as of April 24, 2014.*

