

COLFAX

Second Quarter 2012 Earnings Conference Call

July 27, 2012

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.

Q2 2012 Results

Q2 2012 Highlights

- Adjusted net income of \$43.1 million (\$0.35 per share) compared to \$12.8 million (\$0.29 per share) in Q2 2011
- Net sales of \$1.05 billion, an increase of 2.4% from Q2 2011 proforma net sales of \$1.02 billion
- Adjusted operating income of \$97.3 million compared to \$20.3 million in Q2 2011
- Second quarter gas- and fluid-handling orders of \$534.4 million compared to proforma orders of \$522.5 million in Q2 2011, an increase of 2.3%; organic increase of 7.2%
- Gas- and fluid-handling backlog of \$1.4 billion at period end, an increase of 3.9%; organic increase of 8.3%

Year to Date 2012 Highlights

- Adjusted net income of \$68.6 million (\$0.59 per share) compared to \$22.0 million (\$0.50 per share) in Q2 2011
- Net sales of \$1.93 billion, an increase of 6.3% from the six months ended July 1, 2011 proforma net sales of \$1.82 billion
- Adjusted operating income of \$160.6 million compared to \$35.6 million in Q2 2011
- Gas- and fluid-handling orders of \$1.03 billion compared to proforma orders of \$974.4 million in Q2 2011, an increase of 5.9%; organic increase of 2.7%

Gas- and Fluid- Handling

Gas- and Fluid-Handling Q2 2012 Highlights

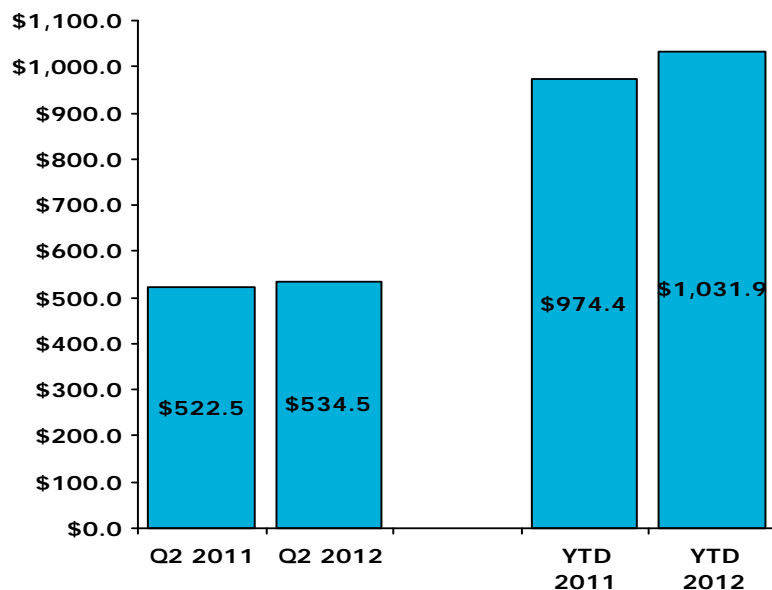
- Net sales of \$496.5 million compared to proforma net sales of \$460.8 million in Q2 2011, an increase of 7.7%
- Adjusted segment operating income of \$62.8 million and adjusted segment operating income margin of 12.6%
- Q2 2012 orders of \$534.4 million compared to proforma orders of \$522.5 million in Q2 2011, an increase of 2.3%; organic increase of 7.2%
- Backlog of \$1.39 billion at period end

Gas- and Fluid-Handling YTD 2012 Highlights

- Net sales of \$921.8 million compared to proforma net sales of \$803.8 million in Q2 2011, an increase of 14.7%
- Adjusted segment operating income of \$101.6 million and adjusted segment operating income margin of 11.0%
- Orders of \$1.03 billion compared to proforma orders of \$974.4 million in the six months ended July 1, 2011, an increase of 5.9%; organic increase of 2.7%

Orders and Backlog

Orders⁽¹⁾

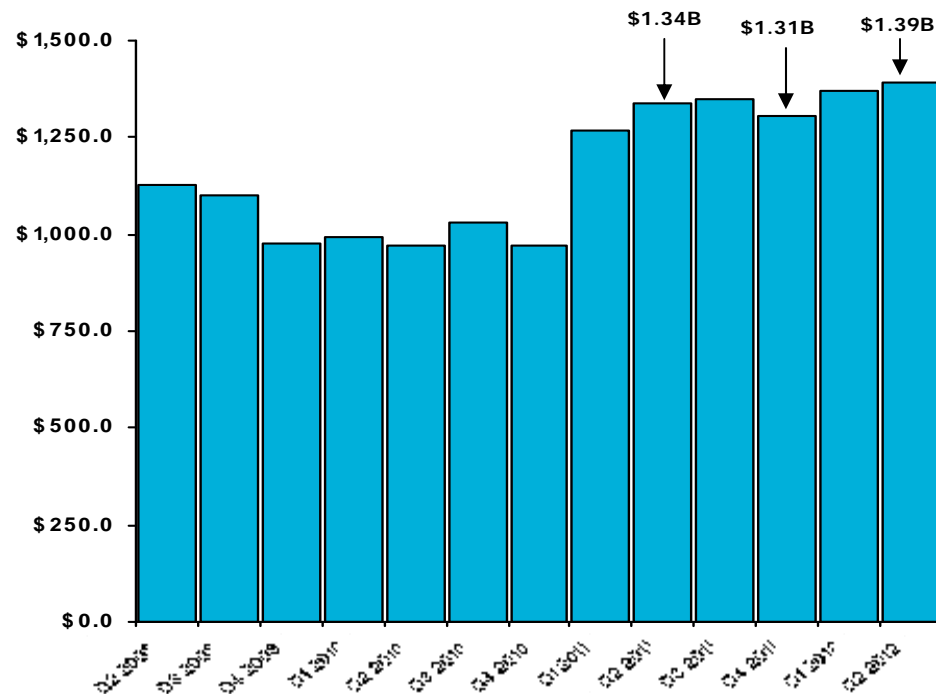


QTD

YTD

Existing Businesses	7.2 %	2.7 %
Acquisitions	1.4 %	7.6 %
FX Translation	(6.3)%	(4.4)%
Total Growth	2.3 %	5.9 %

Backlog⁽¹⁾

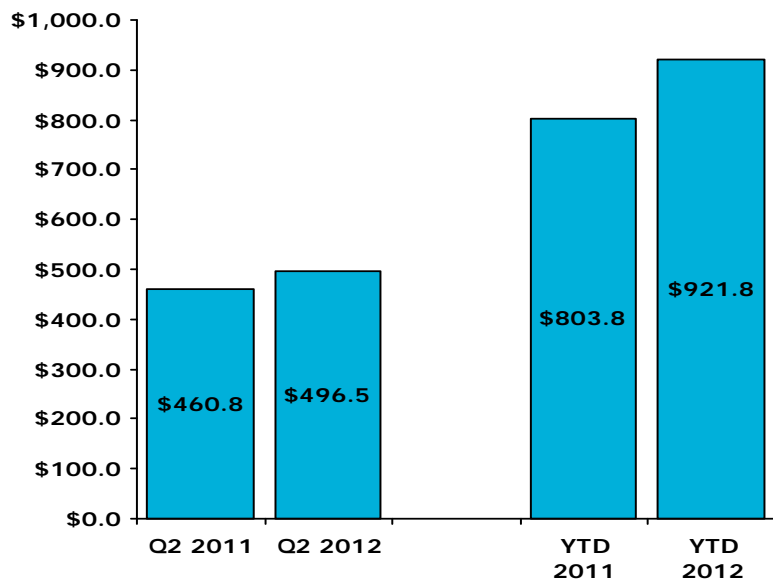


(1) Order and backlog data for the periods prior to Q2 2012 are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Revenue

Revenue⁽¹⁾

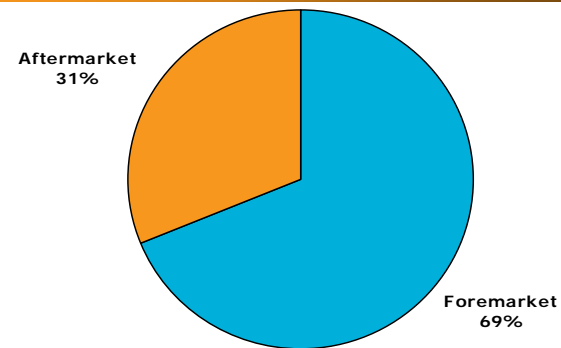


	QTD	YTD
Existing Businesses	12.8 %	14.3 %
Acquisitions	1.5 %	5.1 %
FX Translation	(6.6)%	(4.7)%
Total Growth	7.7 %	14.7 %

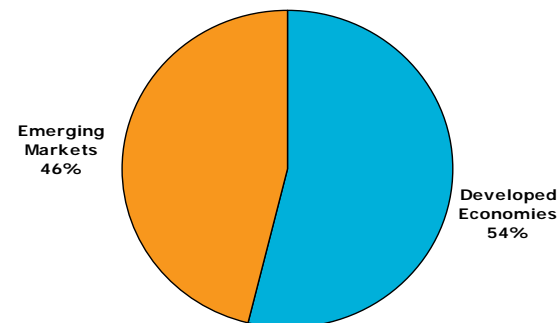
(1) Q2 2011 and YTD 2011 sales are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Aftermarket Revenue – YTD 2012

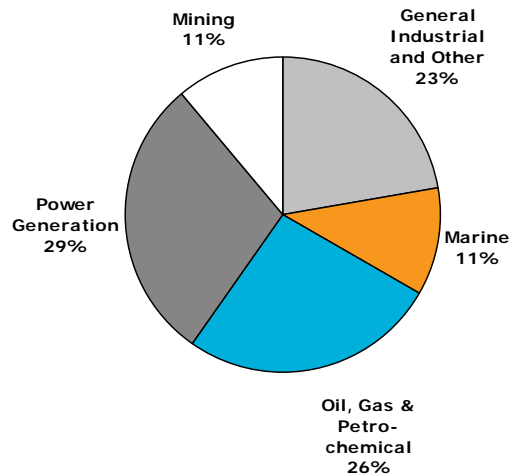


Geographic Exposure – YTD 2012



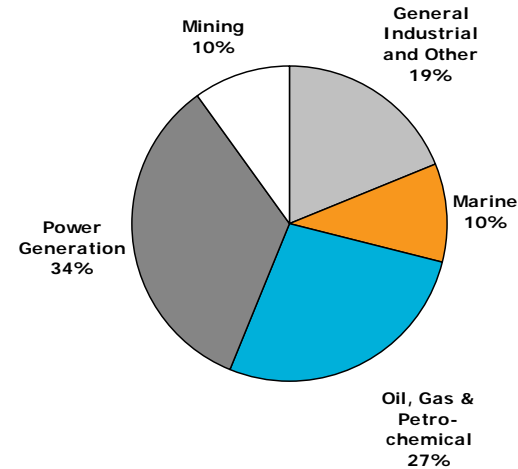
Q2 2012 Sales and Orders by End Market

Sales: \$496.5 million



	<u>Total Growth</u> (Decline)	<u>Organic Growth</u> (Decline)
Power Generation	12.5 %	15.1 %
Oil, Gas & Petrochemical	0.6%	6.6%
Marine	(15.3)%	(9.0)%
Mining	52.2%	61.4%
General Industrial & Other	9.2 %	13.8 %
Total	7.7 %	12.8%

Orders: \$534.4 million

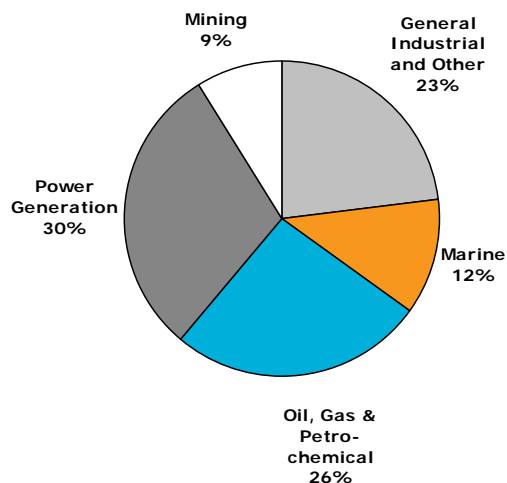


	<u>Total Growth</u> (Decline)	<u>Organic Growth</u> (Decline)
Power Generation	44.7%	48.5 %
Oil, Gas & Petrochemical	(14.9)%	(11.5)%
Marine	(0.2)%	7.4 %
Mining	(21.6)%	(14.1)%
General Industrial & Other	(4.3)%	0.8 %
Total	2.3 %	7.2 %

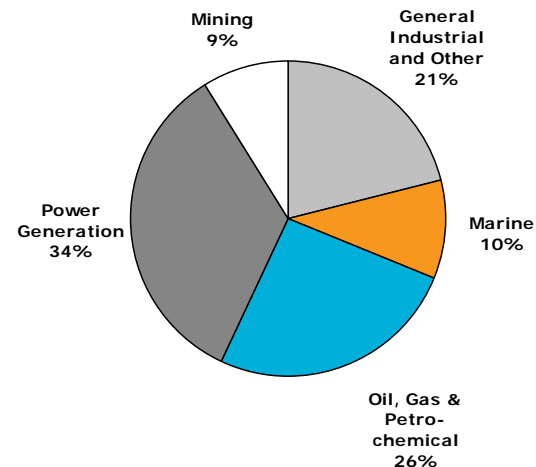
Note: Dollars in millions (unaudited). Total and organic growth (decline) is calculated on a proforma basis.

YTD 2012 Sales and Orders by End Market

Sales: \$921.8 million



Orders: \$1,031.9 million



	<u>Total Growth</u> <u>(Decline)</u>	<u>Organic Growth</u> <u>(Decline)</u>
Power Generation	20.2 %	21.8%
Oil, Gas & Petrochemical	23.1%	12.1%
Marine	(9.6)%	(5.3)%
Mining	34.5%	41.4%
General Industrial & Other	8.9%	11.5%
Total	14.7%	14.3%

	<u>Total Growth</u> <u>(Decline)</u>	<u>Organic Growth</u> <u>(Decline)</u>
Power Generation	20.1%	22.2%
Oil, Gas & Petrochemical	8.0%	(13.5)%
Marine	(2.9)%	1.8%
Mining	(7.4)%	(0.9)%
General Industrial & Other	(4.2)%	(2.5)%
Total	5.9%	2.7%

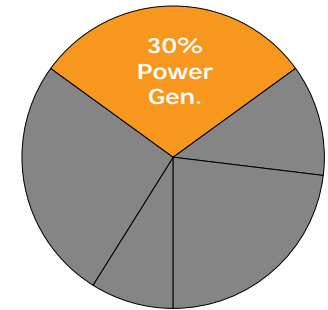
Note: Dollars in millions (unaudited). Total and organic growth (decline) is calculated on a proforma basis.

Power Generation Market Perspective

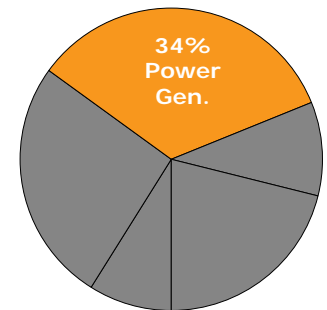
Sales & Orders Growth

	Q2 2012 vs. Q2 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	12.5%	15.1%	20.2%	21.8%
Orders	44.7%	48.5%	20.1%	22.2%

Colfax YTD 2012
Sales Split



Colfax YTD 2012
Orders Split



Highlights

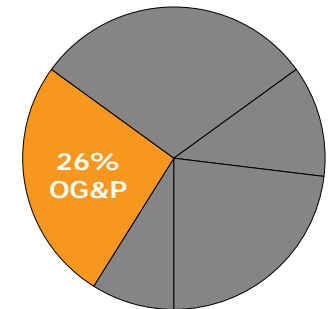
- Served by both Howden and Colfax Fluid Handling
- Driven by global fundamental undersupply of electricity
- Growth is strong in China, South Africa, South East Asia and the Middle East

Oil, Gas & Petrochemical Market Perspective

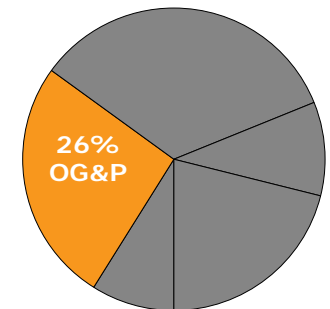
Sales & Orders Growth (Decline)

	Q2 2012 vs. Q2 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	0.6%	6.6%	23.1%	12.1%
Orders	(14.9)%	(11.5)%	8.0%	(13.5)%

Colfax YTD 2012 Sales Split



Colfax YTD 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
- Thomassen compressor acquisition increases presence in this market

Marine Market Perspective

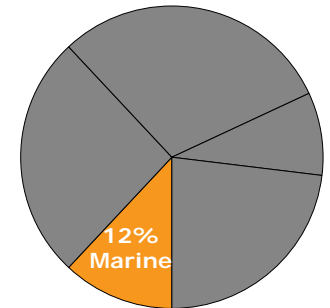
Sales & Orders (Decline) Growth

	Q2 2012 vs. Q2 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	(15.3)%	(9.0)%	(9.6)%	(5.3)%
Orders	(0.2)%	7.4%	(2.9)%	1.8%

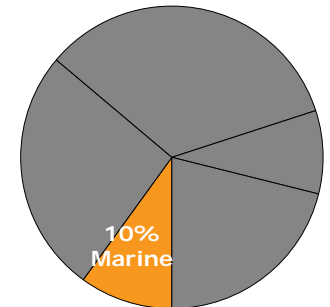
Highlights

- Comprised of commercial marine and government, or defense, customers
- Primarily served by Colfax Fluid Handling
- New ship build is down from 2011 peak
- Q2 orders strong for supply vessels and European OEMs
- Q2 sales decline largely Howden fans shipped in 2011 quarter not repeated; pump sales essentially flat

Colfax YTD 2012 Sales Split



Colfax YTD 2012 Orders Split



Mining Market Perspective

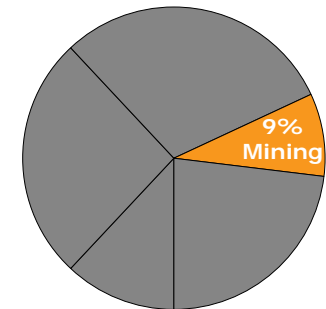
Sales & Orders Growth (Decline)

	Q2 2012 vs. Q2 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	52.2%	61.4%	34.5%	41.4%
Orders	(21.6)%	(14.1)%	(7.4)%	(0.9)%

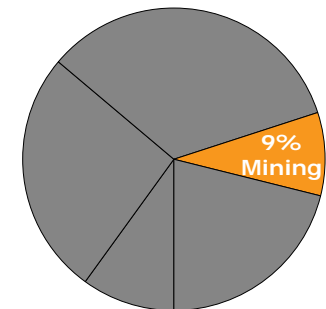
Highlights

- Primarily served by Howden
- Includes centrifugal and axial fans, providing mine ventilation
- Driven by demand of mined resources, including: coal, iron ore, copper, gold, rare earths, nickel and potash
- Orders slowed due to expectations of reduced capital expenditures and Chinese demand

Colfax YTD 2012 Sales Split



Colfax YTD 2012 Orders Split

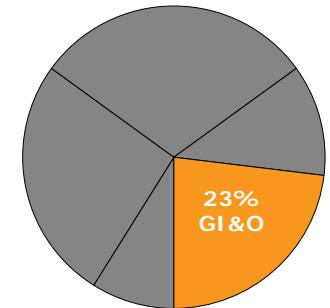


General Industrial & Other Market Perspective

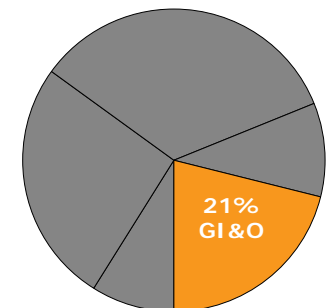
Sales & Orders Growth (Decline)

	Q2 2012 vs. Q2 2011		YTD 2012 vs. YTD 2011	
	Total	Organic	Total	Organic
Sales	9.2%	13.8%	8.9%	11.5%
Orders	(4.3)%	0.8%	(4.2)%	(2.5)%

Colfax YTD 2012 Sales Split



Colfax YTD 2012 Orders Split



Highlights

- Includes both Howden and Colfax Fluid Handling
- Represents a variety of industrial fans and compressors, tunnel ventilation and pumps serving various industrial needs
- Sales were driven by industrial fans and compressors, and fluid-handling's distribution, waste water and chemical processing submarkets

Fabrication Technology

Fabrication Technology Q2 2012 Highlights

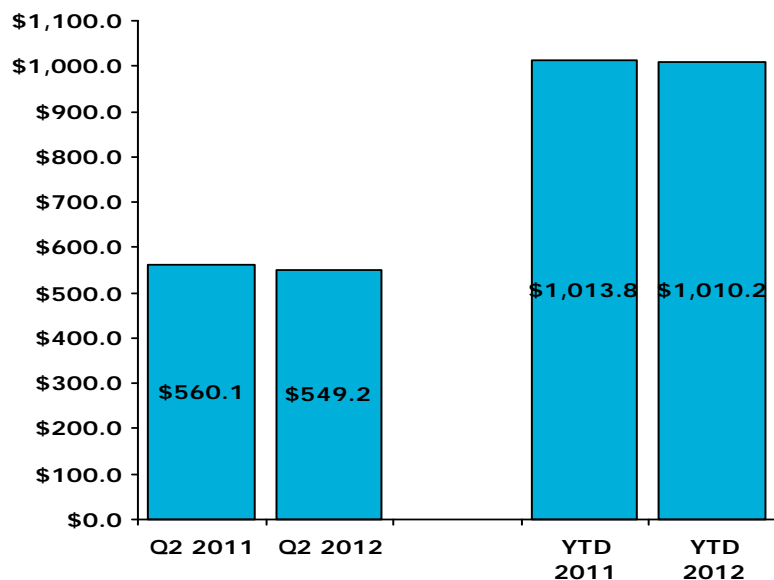
- Net sales of \$549.2 million compared to proforma net sales of \$560.1 million in Q2 2011, a decrease of 2.0%; an organic increase of 6.9%
- Adjusted segment operating income of \$45.4 million and adjusted operating income margin of 8.3%
- Higher consumable volumes in North America, the Middle East and South America
- Higher consumable volumes and margin improvements were partially offset by higher production costs in India and Asia and the start up of a new consumables facility in the U.S.

Fabrication Technology YTD 2012 Highlights

- Net sales of \$1.01 billion, a decrease of 0.4% compared to proforma YTD Q2 2011 sales; an organic increase of 6.3%
- Adjusted segment operating income of \$79.4 million and adjusted operating income margin of 7.9%
- Higher consumable volumes in North America, the Middle East and South America

Revenue

Revenue⁽¹⁾

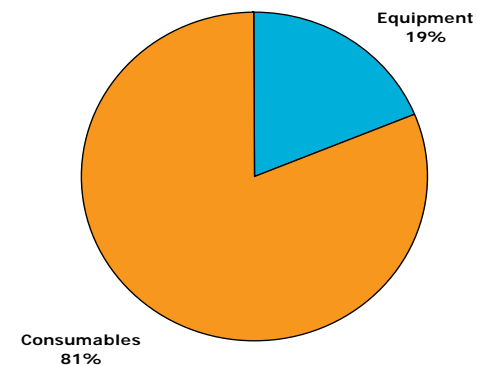


	QTD	YTD
Volume	5.4 %	3.8%
Price/Mix	1.5 %	2.5%
Acquisitions	0.6 %	0.6%
FX Translation	(9.5)%	(7.3)%
Total Decline	(2.0)%	(0.4)%

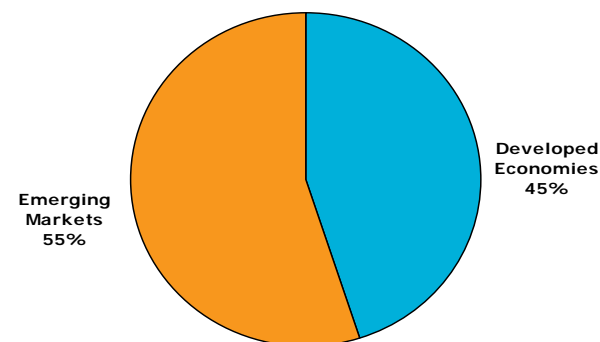
(1) Q2 2011 and YTD 2011 sales are presented on a proforma basis.

Note: Dollars in millions (unaudited).

Revenue – YTD 2012



Geographic Exposure – YTD 2012



Results of Operations

Income Statement Summary

(unaudited)

	Three Months Ended	
	June 29, 2012	July 1, 2011
Net sales	\$ 1,045.6	\$ 186.7
Gross profit	\$ 327.9	\$ 64.7
% of sales	31.4%	34.7%
SG&A expense	\$ 245.0	\$ 44.4
% of sales	23.4%	23.8%
Adjusted operating income	\$ 97.3	\$ 20.3
% of sales	9.3%	10.8%
Adjusted net income	\$ 43.1	\$ 12.8
% of sales	4.1%	6.8%
Adjusted net income per share	\$ 0.35	\$ 0.29

Refer to Appendix for Non-GAAP reconciliation and footnotes.

Note: Dollars in millions, except per share amounts

Income Statement Summary

(unaudited)

	Six Months Ended	
	June 29, 2012	July 1, 2011
Net sales	\$ 1,932.0	\$ 345.3
Gross profit	\$ 583.3	\$ 117.9
% of sales	30.2%	34.2%
SG&A expense	\$ 470.8	\$ 82.3
% of sales	24.4%	23.8%
Adjusted operating income	\$ 160.6	\$ 35.6
% of sales	8.3%	10.3%
Adjusted net income	\$ 68.6	\$ 22.0
% of sales	3.5%	6.4%
Adjusted net income per share	\$ 0.59	\$ 0.50

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 and organic order growth. Adjusted net income, 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, adjusted net income per share and projected adjusted net income per share are 31% for the second quarter and six months ended June 29, 2012 in comparison to 32% for the second quarter and six months ended July 1, 2011. 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 items outside the control of its operating management.

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		Six Months Ended	
	June 29, 2012	July 1, 2011	June 29, 2012	July 1, 2011
Adjusted Net Income and Adjusted Earnings Per Share				
Net income (loss) attributable to Colfax Corporation	\$ 12,366	\$ 10,390	\$ (93,232)	\$ 16,945
Restructuring and other related charges	18,558	242	27,201	2,219
Charter acquisition-related expense	766	-	43,617	-
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	14,422	-	48,127	-
Asbestos coverage litigation expense	3,240	3,302	5,527	5,368
Tax adjustment ⁽¹⁾	(6,247)	(1,157)	37,345	(2,543)
Adjusted net income	43,105	12,777	68,585	21,989
Adjusted net income margin	4.1%	6.8%	3.5%	6.4%
Dividends on preferred stock	5,073	-	8,807	-
Adjusted net income available to Colfax Corporation common shareholders	38,032	12,777	59,778	21,989
Less: net income attributable to participating securities ⁽²⁾	4,859	-	7,129	-
	<u>\$ 33,173</u>	<u>\$ 12,777</u>	<u>\$ 52,649</u>	<u>\$ 21,989</u>
Weighted-average shares outstanding - diluted	94,733,164	44,277,234	88,825,431	44,203,940
Adjusted net income per share	<u>\$ 0.35</u>	<u>\$ 0.29</u>	<u>\$ 0.59</u>	<u>\$ 0.50</u>
Net income (loss) per share— basic and diluted (in accordance with GAAP)	<u>\$ 0.07</u>	<u>\$ 0.23</u>	<u>\$ (1.16)</u>	<u>\$ 0.38</u>

(1) The effective tax rates used to calculate adjusted net income and adjusted net income per share are 31% for the second quarter and six months ended June 29, 2012 and 32% for the second quarter and six months ended July 1, 2011.

(2) Adjusted net income per share was calculated consistent 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.

Non-GAAP Reconciliation

(unaudited)

	Q2 2012				Q2 2011									
	Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Fluid Handling		Corporate and Other		Total Colfax Corporation	
Net sales	\$ 496,495		\$ 549,158		\$ -		\$ 1,045,653		\$ 186,749		\$ -		\$ 186,749	
Operating income	42,077	8.5%	32,405	5.9%	(14,176)	60,306	5.8%	21,421	11.5%	(4,714)	\$ 16,707	8.9%		
Charter acquisition-related expense	-		-		766	766		-		-	-		-	
Restructuring and other related charges	3,035		13,006		2,517	18,558		156		86	242		3,302	
Asbestos coverage litigation expense	3,240		-		-	3,240		3,302		-	3,302		-	
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	14,400		22		-	14,422		-		-	-		-	
Adjusted operating income	<u>62,752</u>	<u>12.6%</u>	<u>45,433</u>	<u>8.3%</u>	<u>(10,893)</u>	<u>97,292</u>	<u>9.3%</u>	<u>\$ 24,879</u>	<u>13.3%</u>	<u>\$ (4,628)</u>	<u>\$ 20,251</u>	<u>10.8%</u>		

Note: Dollars in thousands.

Non-GAAP Reconciliation

(unaudited)

	YTD 2012				YTD 2011									
	Gas and Fluid Handling		Fabrication Technology		Corporate and Other		Total Colfax Corporation		Fluid Handling		Corporate and Other		Total Colfax Corporation	
Net sales	\$ 921,826		\$ 1,010,193		\$ -		\$ 1,932,019		\$ 345,307		\$ -		\$ 345,307	
Operating income	61,106	6.6%	43,285	4.3%	(68,216)		36,175	1.9%	\$ 39,390	11.4%	\$ (11,351)		\$ 28,039	8.1%
Charter acquisition-related expense	-		-		43,617		43,617		-		-		-	
Restructuring and other related charges	3,815		19,122		4,264		27,201		1,170		1,049		2,219	
Asbestos coverage litigation expense	5,527		-		-		5,527		5,368		-		5,368	
Fair value adjustments - ESAB/Howden backlog and inventory amortization expense	31,142		16,985		-		48,127		-		-		-	
Adjusted operating income	<u>101,590</u>	<u>11.0%</u>	<u>79,392</u>	<u>7.9%</u>	<u>(20,335)</u>		<u>160,647</u>	<u>8.3%</u>	<u>\$ 45,928</u>	<u>13.3%</u>	<u>\$ (10,302)</u>		<u>\$ 35,626</u>	<u>10.3%</u>

Note: Dollars in thousands.

Sales & Order Growth

(unaudited)

	Sales		Orders	
	\$	%	\$	%
Proforma three months ended July 1, 2011	\$ 1,021.0		\$ 522.5	
<i>Components of Change:</i>				
Existing Businesses	97.3	9.5 %	37.4	7.2 %
Acquisitions	9.9	1.0 %	7.4	1.4 %
Foreign Currency Translation	<u>(82.6)</u>	<u>(8.1)%</u>	<u>(32.9)</u>	<u>(6.3)%</u>
Total	<u>24.6</u>	2.4 %	<u>11.9</u>	2.3 %
Three months ended June 29, 2012	\$ 1,045.6		\$ 534.4	

	Sales		Orders		Backlog	
	\$	%	\$	%	\$	%
Proforma six months ended July 1, 2011	\$ 1,817.6		\$ 974.4		\$ 1,339.3	
<i>Components of Change:</i>						
Existing Businesses	179.2	9.9 %	26.4	2.7 %	110.6	8.3 %
Acquisitions	47.0	2.6 %	74.1	7.6 %	3.5	0.3 %
Foreign Currency Translation	<u>(111.8)</u>	<u>(6.2)%</u>	<u>(43.0)</u>	<u>(4.4)%</u>	<u>(62.5)</u>	<u>(4.7)%</u>
Total	<u>114.4</u>	6.3 %	<u>57.5</u>	5.9 %	<u>51.6</u>	3.9 %
Six months ended June 29, 2012	\$ 1,932.0		\$ 1,031.9		\$ 1,390.9	

Balance Sheet

(unaudited)

Dollars in thousands, except share amounts

ASSETS

CURRENT ASSETS:

	June 29, 2012	December 31, 2011
Cash and cash equivalents	\$ 538,956	\$ 75,108
Trade receivables, less allowance for doubtful accounts of \$6,092 and \$2,578	904,760	117,475
Inventories, net	530,352	56,136
Other current assets	321,815	102,489
Total current assets	<u>2,295,883</u>	<u>351,208</u>
Property, plant and equipment, net	651,000	90,939
Goodwill	1,853,558	204,844
Intangible assets, net	734,760	41,029
Other assets	469,667	400,523
Total assets	<u>\$ 6,004,868</u>	<u>\$ 1,088,543</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

Current portion of long-term debt	\$ 32,737	\$ 10,000
Accounts payable	660,663	54,035
Accrued liabilities	543,505	176,007
Total current liabilities	<u>1,236,905</u>	<u>240,042</u>
Long-term debt, less current portion	1,657,964	101,518
Other liabilities	1,006,054	557,708
Total liabilities	<u>3,900,923</u>	<u>899,268</u>

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; 93,879,365 and 43,697,570 issued and outstanding	94	44
Additional paid-in capital	2,187,498	415,527
Accumulated deficit	(157,542)	(55,503)
Accumulated other comprehensive loss	(147,107)	(170,793)
Total Colfax Corporation equity	<u>1,882,957</u>	<u>189,275</u>
Noncontrolling interest	220,988	—
Total equity	<u>2,103,945</u>	<u>189,275</u>
Total liabilities and equity	<u>\$ 6,004,868</u>	<u>\$ 1,088,543</u>

2012 Outlook Summary (July Update)

Revenue Range			
2012 Total	\$3.9 billion	To	\$4.0 billion

EPS and Adjusted Net Income Range			
2012 Net loss per share	\$(0.45)	To	\$(0.35)
Adjusted net income – Colfax ⁽¹⁾	\$142.8 million	To	\$153.3 million
2012 Adjusted net income per share ⁽²⁾	\$1.35	To	\$1.45

Assumptions	
Asbestos coverage litigation	\$11 million
Asbestos liability and defense costs	\$9 million
Restructuring costs	\$43 million
Charter acquisition-related expense	\$44 million
Fair value adjustments – ESAB/Howden inventory and backlog	\$78 million
FX for Q3 and Q4 (EUR, INR, BRL)	\$1.225, \$0.018, \$0.48
Tax rate - Adjusted basis/GAAP for Q3 and Q4	30%/33%
Outstanding shares – common and equivalents/preferred	95 million/13.9 million (Q3 – Q4) 92 million/13.4 million (Full Year)

(1) Before preferred stock dividend.

(2) Excludes impact of asbestos coverage litigation costs, Charter acquisition-related expense, Charter inventory and backlog fair value adjustments and restructuring charges.

(See Non-GAAP Reconciliation included in this Appendix)

2012 Outlook Summary

(continued)

Assumptions (continued)	
Depreciation	\$70 million
Amortization	\$105 million
Interest Expense	\$95 million
Capital Expenditures	2.0% of revenue
Pension funding in excess of expense	\$40 million
Preferred dividend	\$19 million

2012 Guidance Update

(unaudited)

(millions except per share)	<u>Adjusted Income</u>		<u>EPS Range</u>	
	<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
Adjusted Operating Profit- February Guidance	\$ 357.6	\$ 385.6		
<i>Foreign Currency Rate Adjustment</i>	(7.5)	(8.0)		
<i>Update to Adjusted Operating Profit</i>	9.4	(3.0)		
Updated Adjusted Operating Profit	\$ 359.5	\$ 374.6		
<i>Interest Expense</i>	(95.0)	(95.0)		
<i>Income tax</i>	(80.7)	(85.3)		
	183.8	194.3		
<i>Noncontrolling Interest</i>	(22.0)	(22.0)		
<i>Preferred Dividend</i>	(19.0)	(19.0)		
	\$ 142.8	\$ 153.3	\$ 1.35	\$ 1.45

2012 EPS Reconciliation

(unaudited)

	<u>Low</u>	<u>High</u>
Original Guidance	\$ 1.45	\$ 1.65
Impact of 9 million new shares	(0.07)	(0.07)
More profit attributable to entities not wholly owned	(0.03)	(0.03)
Narrowing range of operating profit	0.07	(0.02)
Tax rate	(0.02)	(0.03)
FX- stronger dollar	(0.05)	(0.05)
Revised Guidance	<u><u>\$ 1.35</u></u>	<u><u>\$ 1.45</u></u>

Non-GAAP Reconciliation

(unaudited)

	<u>EPS Range</u>	
Projected net loss per share - diluted	\$ (0.45)	\$ (0.35)
Fair value adjustments - Charter inventory and backlog	0.78	0.78
Restructuring costs	0.43	0.43
Asbestos coverage litigation	0.09	0.09
Charter transaction costs	0.44	0.44
Tax adjustment	<u>0.06</u>	<u>0.06</u>
Projected adjusted net income per share - diluted	<u>\$ 1.35</u>	<u>\$ 1.45</u>