
**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): November 4, 2010

CIRCOR INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

001-14962
(Commission
file number)

04-3477276
(IRS employer
identification no.)

**25 CORPORATE DRIVE, SUITE 130
BURLINGTON, MASSACHUSETTS 01803-4238**
(Address of principal executive offices) (Zip Code)

(781) 270-1200
(Registrant's telephone number, including area code)

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 (see General Instruction A.2. below):

- ☐ 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.

By press release dated November 4, 2010, the Company announced its financial results for the three months ended October 3, 2010. The full text of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Form 8-K and the Exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by special reference in such filing.

In the press release and accompanying supplemental information, the Company uses the following non-GAAP financial measures: free cash flow, EBIT, EBITDA, adjusted operating income, and adjusted earnings per share (EPS). Management of the Company believes that free cash flow (defined as net cash flow from operating activities, less capital expenditures and dividends paid) is an important measure of its liquidity as well as its ability to service long-term debt, fund future growth and to provide a return to shareholders. We also believe this free cash flow definition does not have any material limitations. EBIT (defined as net income plus interest expense, net plus provision for income taxes), EBITDA (defined as net income plus interest expense, net, plus provision for income taxes, plus depreciation and amortization), adjusted operating income (defined as operating income, excluding the impact of special and asbestos charges), and adjusted EPS (defined as earnings per common share, excluding special charges and the Q4 2009 five year future asbestos claim liability, net of tax) are provided because management believes these measurements are useful for investors and financial institutions to analyze and compare companies on the basis of operating performance. Free cash flow, EBIT, EBITDA, adjusted operating income, and adjusted EPS are not measurements for financial performance under GAAP and should not be construed as a substitute for cash flows, operating income, net income or earnings per share. Free cash flow, EBIT, EBITDA, adjusted operating income, and adjusted EPS as we have calculated here, may not necessarily be comparable to similarly titled measures used by other companies. A reconciliation of free cash flow, EBIT, EBITDA, adjusted operating income, and adjusted EPS to the most directly comparable GAAP financial measure is provided in the supplemental information table titled “Reconciliation of Key Performance Measures to Commonly Used Generally Accepted Accounting Principle Terms” which is included as an attachment to the press release.

Item 8.01 Other Events.

On November 4, 2010, the Company issued a press release relating to its filing of a universal shelf registration. The press release is filed as Exhibit 99.2 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release regarding Earnings, Dated November 4, 2010
99.2	Press Release regarding the filing of a universal shelf registration, Dated November 4, 2010

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 4, 2010

CIRCOR INTERNATIONAL, INC.

/s/ Frederic M. Burditt

By: Frederic M. Burditt

Title: Vice President, Chief Financial Officer and
Treasurer

PRESS RELEASE

CIRCOR Reports Third-Quarter 2010 Results

- *23% Revenue Growth Driven by Year-Over-Year Increase in Energy Sales*
- *51% Orders Increase Due to Strength in Short-Cycle Energy and Earlier Cycle End Markets, as well as Acquisitions*
- *Adjusted EPS Above Guidance Primarily from Operating Performance, Currency Impacts and Favorable Tax Rate*

Burlington, MA – November 4, 2010 – CIRCOR International, Inc. (NYSE: CIR), a provider of valves and other highly engineered products and subsystems that control the flow of fluids safely and efficiently in the aerospace, energy and industrial markets, today announced financial results for the third quarter ended October 3, 2010.

Management Comments on Third-Quarter Results

“Our third-quarter financial results demonstrate continuing improvements on the top and bottom line,” said Chairman and Chief Executive Officer Bill Higgins. “Revenues came in at the high end of our guidance, while earnings, exclusive of Leslie bankruptcy and asbestos charges, surpassed our expectations. Revenue growth was primarily driven by continued strength at the short cycle Energy business and earlier-cycle Flow Technologies end markets. Earnings benefited from segment performance, currency impacts and a reduced tax rate.”

“We are particularly pleased with our bookings performance, with orders up 51% year-over-year, which includes 17% from acquisitions,” said Higgins. “We achieved order growth across all three business segments, but saw particular strength in our short-cycle Energy business. While we had expected further sequential pick up in Energy’s longer cycle international project businesses, orders remained essentially flat. Flow Technologies experienced increased orders across most end markets. The increase in orders at Aerospace was primarily driven by the acquisition of Castle Precision Industries.”

“As previously announced, we have obtained the asbestos claimant votes necessary for approval of Leslie Controls’ pre-negotiated Chapter 11 reorganization and the U.S. Bankruptcy Court has entered an order confirming the plan,” said Higgins. “We are now focused on obtaining district court approval and then winning any appeals that may be pursued.”

Leslie’s final emergence from bankruptcy would not occur until any appeals are favorably resolved, although CIRCOR and Leslie believe that any such appeals would be without merit. Leslie is continuing to conduct business as usual during the Chapter 11 process.

Consolidated Results

Revenues for the third quarter of 2010 were \$177.6 million, a 23% increase from \$144.3 million generated in the third quarter of 2009. CIRCOR reported net income for the third quarter of 2010 of \$10.4 million, or \$0.60 per diluted share, compared with net income of \$8.4 million, or \$0.49 per diluted share, for the third quarter of 2009.

Pre-tax Leslie bankruptcy and asbestos charges were \$2.3 million for the three months ended October 3, 2010, compared with \$2.0 million of non-bankruptcy asbestos charges for the year-earlier period. Excluding special charges and Leslie bankruptcy and asbestos charges net of tax, adjusted earnings per diluted share were \$0.70 for the third quarter of 2010, an increase of 27% compared with \$0.54 in the third quarter of 2009.

Consolidated Orders and Free Cash Flow

The Company received orders totaling \$207.1 million during the third quarter of 2010, an increase of 51% compared with the third quarter of 2009 and a 21% increase compared with the second quarter of 2010. Backlog as of October 3, 2010 was \$391.6 million, up 32% from backlog of \$297.9 million at September 27, 2009 and up 23% from \$317.6 million at July 4, 2010.

During the third quarter of 2010, the Company used \$3.3 million of free cash flow (defined as net cash from operating activities, less capital expenditures and dividends paid) compared with generating \$11.2 million in the third quarter of 2009 due primarily to changes in working capital and increased capital expenditures.

Energy

CIRCOR's Energy segment revenues of \$80.6 million for the quarter ended October 3, 2010 represent a 32% increase from \$61.2 million for the quarter ended September 27, 2009. The increase included 24% organic growth and 12% from acquisitions, which was partially offset by a negative foreign currency adjustment of 4%. The organic growth was the result of a strong year-over-year rebound in the North American short-cycle business.

Incoming orders for the third quarter of 2010 were \$98.5 million, an increase of 95% year over year and 24.0% sequentially. The year-over-year growth was due to strength in the North American short-cycle business and the acquisition of Pipeline Engineering in the fourth quarter of 2009. Ending backlog totaled \$153.0 million, a 34% increase year over year and a 23% increase sequentially.

The Energy segment adjusted operating margin, which excludes the impact of special charges, was 11.1% during the third quarter of 2010 compared with 10.9% for the third quarter of 2009 and 8.3% for the second quarter of 2010. The increase in third-quarter 2010 operating margin was primarily driven by organic growth, associated operating leverage, favorable penalty reserve adjustments and productivity improvements. This was partially offset by continued pricing pressures - especially for large international projects - unfavorable mix and acquisition impacts.

Aerospace

CIRCOR's Aerospace segment revenues increased by 8% to \$28.3 million for the third quarter of 2010 from \$26.2 million in the third quarter of 2009. The increase in revenues was driven by 9% growth from acquisitions and 2% organic growth, which was partially offset by a 2% decline from foreign currency adjustments. The organic growth was from sales of military landing gear, which offset small declines in other end markets.

Incoming orders for the third quarter of 2010 were \$31.3 million, an increase of 15% year over year and 16% sequentially. The majority of the increase in orders was due to the acquisition of Castle in August. Ending backlog totaled \$152.8 million, an increase of 27% year over year and 30% sequentially.

The Aerospace segment's adjusted operating margin, which excludes the impact of special charges, was 9.6% for the third quarter of 2010 compared with 13.2% for the third quarter of 2009 and 14.6% for the second quarter of 2010. Third-quarter 2010 margins decreased primarily due to higher operating expenses related to support of new programs and acquisition transaction costs, partially offset by productivity gains and favorable pricing.

Flow Technologies

CIRCOR's Flow Technologies segment revenues increased 21% to \$68.6 million from \$56.9 million in the third quarter of 2009. Third-quarter 2010 revenues reflected organic growth of 22%, primarily due to semiconductor, maritime, instrumentation and process strength, and growth from acquisitions of 2%, which was partially offset by foreign currency adjustments of 3%.

Incoming orders for this segment were \$77.4 million for the third quarter of 2010, an increase of 30% year over year and 20% sequentially. The year-over-year increase was due to strength in all markets, with the exception of petrochemical and refining. Ending backlog totaled \$85.9 million, an increase of 36% year over year and 14% sequentially.

This segment's adjusted operating margin, which excludes the impact of special and Leslie asbestos and bankruptcy charges, for the third quarter of 2010 was 13.1% compared with 10.9% in the third quarter of 2009, and 10.1% in the second quarter of 2010. The third-quarter year-over-year margin increase was due to higher volumes, productivity and favorable mix.

Business and Financial Outlook

“Our sales and bookings trends are both positive, led by the short-cycle Energy and early-cycle Flow Technologies businesses,” said Higgins. “While the long-cycle businesses have recently stabilized, we have not seen a meaningful pick up at this point. Our balance sheet remains strong and will enable us to fund the Leslie reorganization plan and continue to invest in organic growth and strategic acquisitions.”

CIRCOR currently expects revenues for the fourth quarter of 2010 in the range of \$192 million to \$202 million and adjusted earnings in the range of \$0.50 to \$0.63 per diluted share. CIRCOR’s guidance for adjusted earnings per share excludes \$0.06 per diluted share in Leslie asbestos and bankruptcy charges and assumes that exchange rates remain at present levels.

Conference Call Information

CIRCOR International will hold a conference call to review its financial results today, November 4, 2010, at 10:00 a.m. ET. Those who wish to listen to the conference call and view the accompanying presentation slides should visit “[Webcasts & Presentations](#)” in the “[Investors](#)” portion of the CIRCOR website. The live call also can be accessed by dialing (877) 407-5790 or (201) 689-8328. If you are unable to listen to the live call, the webcast will be archived for one year on the Company’s website.

Use of Non-GAAP Financial Measures

Adjusted net income, adjusted earnings per diluted share, adjusted operating margin, and free cash flow are non-GAAP financial measures and are intended to serve as a complement to results provided in accordance with accounting principles generally accepted in the United States. CIRCOR believes that such information provides an additional measurement and consistent historical comparison of the Company’s performance. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in this news release.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Reliance should not be placed on forward-looking statements because they involve unknown risks, uncertainties and other factors, which are, in some cases, beyond the control of CIRCOR. Any statements in this press release that are not statements of historical fact are forward-looking statements, including, but not limited to, those relating to CIRCOR’s future performance, including fourth-quarter revenue and earnings guidance; and the

Company’s expectations related to the process for Leslie Controls’ emergence from bankruptcy. Actual events, performance or results could differ materially from the anticipated events, performance or results expressed or implied by such forward-looking statements. BEFORE MAKING ANY INVESTMENT DECISIONS REGARDING OUR COMPANY, WE STRONGLY ADVISE YOU TO READ THE SECTION ENTITLED “RISK FACTORS” IN OUR MOST RECENT ANNUAL REPORT ON FORM 10-K AND SUBSEQUENT REPORTS ON FORMS 10-Q, WHICH CAN BE ACCESSED UNDER THE “INVESTORS” LINK OF OUR WEBSITE AT WWW.CIRCOR.COM. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

About CIRCOR International, Inc. CIRCOR International, Inc. designs, manufactures and markets valves and other highly engineered products and subsystems that control the flow of fluids safely and efficiently in the aerospace, energy and industrial markets. With more than 9,000 customers in over 100 countries, CIRCOR has a diversified product portfolio with recognized, market-leading brands. CIRCOR’s culture, built on the CIRCOR Business System, is defined by the Company’s commitment to attracting, developing and retaining the best talent and pursuing continuous improvement in all aspects of its business and operations. The Company’s strategy includes growing organically by investing in new, differentiated products; adding value to component products; and increasing the development of mission-critical subsystems and solutions. CIRCOR also plans to leverage its strong balance sheet to acquire strategically complementary businesses. For more information, visit the Company’s investor relations web site at <http://investors.circor.com>.

Contact:

Frederic M. Burditt
Chief Financial Officer
CIRCOR International
(781) 270-1200

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
UNAUDITED

	Three Months Ended		Nine Months Ended	
	October 3, 2010	September 27, 2009	October 3, 2010	September 27, 2009
Net revenues	\$ 177,577	\$ 144,327	\$ 491,851	\$ 484,509
Cost of revenues	126,096	102,462	348,109	338,123
GROSS PROFIT	51,481	41,865	143,742	146,386
Selling, general and administrative expenses	35,648	29,787	109,024	98,127
Leslie asbestos and bankruptcy charges	2,343	1,977	30,603	13,682
Special recoveries	—	(543)	—	(1,678)
OPERATING INCOME	13,490	10,644	4,115	36,255
Other (income) expense:				
Interest income	(69)	(77)	(162)	(391)
Interest expense	803	471	2,036	857
Other income, net	(853)	(959)	(646)	(1,409)
Total other (income) expense	(119)	(565)	1,228	(943)
INCOME BEFORE INCOME TAXES	13,609	11,209	2,887	37,198
Provision (benefit) for income taxes	3,210	2,804	(2,005)	10,601
NET INCOME	\$ 10,399	\$ 8,405	\$ 4,892	\$ 26,597
Earnings per common share:				
Basic	\$ 0.61	\$ 0.49	\$ 0.29	\$ 1.56
Diluted	\$ 0.60	\$ 0.49	\$ 0.28	\$ 1.56
Weighted average common shares outstanding:				
Basic	17,123	17,023	17,095	17,003
Diluted	17,258	17,116	17,238	17,050

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
UNAUDITED

	Nine Months Ended	
	<u>October 3, 2010</u>	<u>September 27, 2009</u>
OPERATING ACTIVITIES		
Net income	\$ 4,892	\$ 26,597
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	9,509	9,620
Amortization	3,065	1,956
Provision for Leslie bankruptcy settlement	24,974	—
Compensation expense of stock-based plans	2,445	2,351
Tax effect of share based compensation	(114)	412
Loss (gain) on disposal of property, plant and equipment	248	(60)
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Trade accounts receivable	(13,734)	30,690
Inventories	(20,727)	40,836
Prepaid expenses and other assets	5,368	8,546
Accounts payable, accrued expenses and other liabilities	(1,183)	(91,717)
Net cash provided by operating activities	<u>14,743</u>	<u>29,231</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(11,400)	(6,106)
Proceeds from the sale of property, plant and equipment	75	95
Purchase of investments	—	(278,916)
Proceeds from sale of investments	21,427	312,918
Business acquisitions, net of cash acquired	(34,401)	(10,428)
Net cash (used in) provided by investing activities	<u>(24,299)</u>	<u>17,563</u>
FINANCING ACTIVITIES		
Proceeds from long-term debt	91,750	57,372
Payments of long-term debt	(60,202)	(64,703)
Debt issuance costs		(2,814)
Dividends paid	(1,982)	(1,930)
Proceeds from the exercise of stock options	329	37
Tax effect of share based compensation	114	(412)
Net cash provided by (used in) financing activities	<u>30,009</u>	<u>(12,450)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>1,723</u>	<u>1,891</u>
INCREASE IN CASH AND CASH EQUIVALENTS	22,176	36,235
Cash and cash equivalents at beginning of year	46,350	47,473
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 68,526</u>	<u>\$ 83,708</u>

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
UNAUDITED

	<u>October 3, 2010</u>	<u>December 31, 2009</u>
ASSETS		
Current Assets:		
Cash & cash equivalents	\$ 68,526	\$ 46,350
Short-term investments	97	21,498
Trade accounts receivable, less allowance for doubtful accounts of \$1,208 and \$1,992, respectively	135,199	115,260
Inventories	172,543	145,031
Income taxes refundable	—	726
Prepaid expenses and other current assets	8,324	4,195
Deferred income tax asset	43,177	15,847
Insurance receivables	194	4,614
Assets held for sale	542	1,167
Total Current Assets	<u>428,602</u>	<u>354,688</u>
Property, Plant and Equipment, net	96,547	95,167
Other Assets:		
Goodwill	60,437	47,893
Intangibles, net	63,943	55,238
Deferred income tax asset	—	5,676
Other assets	5,351	3,391
Total Assets	<u>\$ 654,880</u>	<u>\$ 562,053</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 80,841	\$ 57,239
Accrued expenses and other current liabilities	44,694	46,736
Accrued compensation and benefits	21,658	18,617
Leslie asbestos and bankruptcy related liabilities	80,064	12,476
Income taxes payable	1,471	—
Notes payable and current portion of long-term debt	10,613	5,914
Total Current Liabilities	<u>239,341</u>	<u>140,982</u>
Long-Term Debt, net of current portion	31,785	1,565
Deferred income taxes	11,786	—
Long-Term Leslie asbestos liability	—	47,785
Other Non-Current Liabilities	20,249	21,313
Shareholders' Equity:		
Preferred stock, \$.01 par value; 1,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$.01 par value; 29,000,000 shares authorized; and 17,098,925 and 16,991,365 issued and outstanding, respectively	171	170
Additional paid-in capital	252,471	249,960
Retained earnings	89,328	86,408
Accumulated other comprehensive income	9,749	13,870
Total Shareholders' Equity	<u>351,719</u>	<u>350,408</u>
Total Liabilities and Shareholders' Equity	<u>\$ 654,880</u>	<u>\$ 562,053</u>

CIRCOR INTERNATIONAL, INC.
SUMMARY OF ORDERS AND BACKLOG
(in thousands)
UNAUDITED

	Three Months Ended		Nine Months Ended	
	<u>October 3, 2010</u>	<u>September 27, 2009</u>	<u>October 3, 2010</u>	<u>September 27, 2009</u>
ORDERS ¹				
Energy	\$ 98,456	\$ 50,574	\$ 244,070	\$ 170,100
Aerospace	31,280	27,231	93,109	89,415
Flow Technologies	<u>77,367</u>	<u>59,688</u>	<u>210,787</u>	<u>167,902</u>
Total orders	<u>\$ 207,103</u>	<u>\$ 137,493</u>	<u>\$ 547,966</u>	<u>\$ 427,417</u>
BACKLOG ²				
Energy	\$ 152,968	\$ 114,139		
Aerospace	152,790	120,453		
Flow Technologies	<u>85,859</u>	<u>63,280</u>		
Total backlog	<u>\$ 391,617</u>	<u>\$ 297,872</u>		

Note 1: Beginning in Q2 2010, orders have been adjusted to exclude the foreign exchange impact from backlog remeasurement. The three and nine months ended September 27, 2009 reflect a decrease of \$6.1 million and \$7.4 million, respectively.

Note 2: Backlog includes all unshipped customer orders.

CIRCOR INTERNATIONAL, INC.
SUMMARY REPORT BY SEGMENT
(in thousands, except earnings per share)
UNAUDITED

	2009					2010			
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD	1ST QTR	2ND QTR	3RD QTR	YTD
NET REVENUES									
Energy	\$ 89,307	\$ 76,814	\$ 61,185	\$ 66,113	\$293,419	\$ 57,722	\$ 77,305	\$ 80,613	\$215,640
Aerospace	28,344	30,243	26,234	28,506	113,327	27,274	27,811	28,316	83,401
Flow Technologies	57,996	57,478	56,908	63,494	235,876	61,273	62,889	68,648	192,810
Total	175,647	164,535	144,327	158,113	642,622	146,269	168,005	177,577	491,851
* ADJUSTED OPERATING MARGIN									
Energy	18.1%	12.3%	10.9%	3.0%	11.7%	3.5%	8.3%	11.1%	8.1%
Aerospace	15.4%	16.2%	13.2%	14.7%	14.9%	13.2%	14.6%	9.6%	12.5%
Flow Technologies	11.6%	9.5%	10.9%	11.7%	11.0%	10.2%	10.1%	13.1%	11.2%
Segment operating margin	15.5%	12.1%	11.3%	8.6%	12.0%	8.1%	10.0%	11.7%	10.1%
Corporate expenses	-3.1%	-3.4%	-3.0%	-3.3%	-3.2%	-3.1%	-3.1%	-2.7%	-3.0%
* Adjusted operating margin	12.5%	8.7%	8.4%	5.3%	8.8%	5.0%	6.9%	8.9%	7.1%
Leslie asbestos and bankruptcy charges (recoveries)	4.7%	2.1%	1.4%	25.5%	8.4%	-0.4%	17.2%	1.3%	6.2%
Impairment charges	0.0%	0.0%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%
Special charges (recoveries)	-0.6%	0.0%	-0.4%	0.0%	-0.3%	0.0%	0.0%	0.0%	0.0%
Total operating margin	8.4%	6.6%	7.4%	-20.6%	0.6%	5.4%	-10.3%	7.6%	0.8%
* ADJUSTED OPERATING INCOME									
Energy	16,169	9,461	6,696	1,966	34,292	2,025	6,424	8,968	17,417
Aerospace	4,372	4,905	3,461	4,195	16,933	3,607	4,067	2,726	10,400
Flow Technologies	6,744	5,484	6,197	7,444	25,869	6,276	6,367	8,997	21,640
Segment operating income	27,285	19,850	16,354	13,605	77,094	11,908	16,858	20,691	49,457
Corporate expenses	(5,365)	(5,589)	(4,276)	(5,267)	(20,497)	(4,607)	(5,274)	(4,859)	(14,740)
* Adjusted operating income	21,920	14,261	12,078	8,338	56,597	7,301	11,584	15,832	34,717
Leslie asbestos and bankruptcy charges (recoveries)	8,263	3,442	1,977	40,397	54,079	(648)	28,908	2,343	30,603
Impairment charges	—	—	—	485	485	—	—	—	—
Special charges (recoveries)	(1,135)	—	(543)	—	(1,678)	—	—	—	—
Total operating income	14,792	10,819	10,644	(32,544)	3,711	7,949	(17,325)	13,490	4,115
INTEREST EXPENSE, NET	(32)	(41)	(394)	(602)	(1,069)	(554)	(586)	(734)	(1,874)
OTHER (EXPENSE) INCOME, NET	183	267	959	(967)	442	51	(258)	853	646
PRETAX INCOME (LOSS)	14,943	11,045	11,209	(34,113)	3,084	7,446	(18,169)	13,609	2,886
(PROVISION) BENEFIT FOR INCOME TAXES	(4,483)	(3,313)	(2,804)	13,386	2,786	(1,713)	6,928	(3,210)	2,005
EFFECTIVE TAX RATE	30.0%	30.0%	25.0%	39.2%	-90.3%	23.0%	38.1%	23.6%	-69.5%
NET (LOSS) INCOME	\$ 10,460	\$ 7,732	\$ 8,405	\$ (20,727)	\$ 5,870	\$ 5,733	\$ (11,241)	\$ 10,399	\$ 4,892
Weighted Average Common Shares Outstanding (Diluted)	17,014	17,066	17,116	17,033	17,111	17,193	17,109	17,258	17,238
EARNINGS PER COMMON SHARE (Diluted)									
	\$ 0.61	\$ 0.45	\$ 0.49	\$ (1.22)	\$ 0.34	\$ 0.33	\$ (0.66)	\$ 0.60	\$ 0.28
EBIT	\$ 14,975	\$ 11,086	\$ 11,603	\$ (33,511)	\$ 4,153	\$ 8,000	\$ (17,583)	\$ 14,343	\$ 4,761
Depreciation	2,839	3,245	3,536	3,687	13,307	3,228	3,115	3,166	9,509
Amortization of intangibles	622	627	707	1,078	3,034	979	964	1,122	3,064
EBITDA	\$ 18,436	\$ 14,958	\$ 15,846	\$ (28,746)	\$ 20,494	\$ 12,207	\$ (13,504)	\$ 18,631	\$ 17,334
EBITDA AS A PERCENT OF SALES	10.5%	9.1%	11.0%	-18.2%	3.2%	8.3%	-8.0%	10.5%	3.5%
CAPITAL EXPENDITURES	\$ 2,576	\$ 1,925	\$ 1,605	\$ 4,926	\$ 11,032	\$ 3,606	\$ 4,580	\$ 3,213	\$ 11,400

* Adjusted Operating Income & Margin excludes Special, Impairment, and Leslie asbestos and bankruptcy charges

CIRCOR INTERNATIONAL, INC.
RECONCILIATION OF KEY PERFORMANCE MEASURES TO COMMONLY USED
GENERALLY ACCEPTED ACCOUNTING PRINCIPLE TERMS
(in thousands)
UNAUDITED

	2009					2010			
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD	1ST QTR	2ND QTR	3RD QTR	YTD
FREE CASH FLOW [NET CASH FLOW FROM OPERATING ACTIVITIES LESS CAPITAL EXPENDITURES LESS DIVIDENDS PAID]	\$ (7,928)	\$ 17,882	\$ 11,241	\$ 11,757	\$ 32,952	\$ (7,019)	\$ 11,947	\$ (3,566)	\$ 1,361
ADD: Capital expenditures	2,576	1,925	1,605	4,926	11,032	3,606	4,580	3,213	11,400
Dividends paid	657	637	636	638	2,568	639	640	703	1,982
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (4,695)</u>	<u>\$ 20,444</u>	<u>\$ 13,482</u>	<u>\$ 17,321</u>	<u>\$ 46,552</u>	<u>\$ (2,774)</u>	<u>\$ 17,167</u>	<u>\$ 350</u>	<u>\$ 14,743</u>
NET (CASH) DEBT [TOTAL DEBT LESS CASH & CASH EQUIVALENTS LESS INVESTMENTS]	\$ (49,519)	\$ (69,331)	\$ (77,081)	\$ (60,369)	\$ (60,369)	\$ (52,713)	\$ (55,976)	\$ (26,225)	\$ (26,225)
ADD:									
Cash & cash equivalents	36,113	33,038	83,708	46,350	46,350	37,812	60,857	68,526	68,526
Investments	36,991	48,344	3,023	21,498	21,498	22,412	94	97	97
TOTAL DEBT	<u>\$ 23,585</u>	<u>\$ 12,051</u>	<u>\$ 9,650</u>	<u>\$ 7,479</u>	<u>\$ 7,479</u>	<u>\$ 7,511</u>	<u>\$ 4,975</u>	<u>\$ 42,398</u>	<u>\$ 42,398</u>
DEBT AS % OF EQUITY	7%	3%	3%	2%	2%	2%	2%	12%	12%
TOTAL DEBT	23,585	12,051	9,650	7,479	7,479	7,511	4,975	42,398	42,398
TOTAL SHAREHOLDERS' EQUITY	341,860	357,596	371,728	350,408	350,408	349,244	324,128	351,719	351,719
EBIT [NET INCOME LESS INCOME TAXES LESS INTEREST EXPENSE, NET]	\$ 14,975	\$ 11,086	\$ 11,603	\$ (33,511)	\$ 4,153	\$ 8,000	\$ (17,583)	\$ 14,343	\$ 4,760
LESS:									
Interest expense, net	(32)	(41)	(394)	(602)	(1,069)	(554)	(586)	(734)	(1,874)
Provision for income taxes	(4,483)	(3,313)	(2,804)	13,386	2,786	(1,713)	6,928	(3,210)	2,005
NET INCOME	<u>\$ 10,460</u>	<u>\$ 7,732</u>	<u>\$ 8,405</u>	<u>\$ (20,727)</u>	<u>\$ 5,870</u>	<u>\$ 5,733</u>	<u>\$ (11,241)</u>	<u>\$ 10,399</u>	<u>\$ 4,892</u>
EBITDA [NET INCOME LESS INTEREST EXPENSE, NET, LESS DEPRECIATION LESS AMORTIZATION LESS INCOME LESS DEPRECIATION LESS AMORTIZATION LESS INCOME TAXES] TAXES]	\$ 18,436	\$ 14,958	\$ 15,846	\$ (28,746)	\$ 20,494	\$ 12,207	\$ (13,504)	\$ 18,631	\$ 17,334
LESS:									
Interest expense, net	(32)	(41)	(394)	(602)	(1,069)	(554)	(586)	(734)	(1,874)
Depreciation	(2,839)	(3,245)	(3,536)	(3,687)	(13,307)	(3,228)	(3,115)	(3,166)	(9,509)
Amortization	(622)	(627)	(707)	(1,078)	(3,034)	(979)	(964)	(1,122)	(3,065)
Provision for income taxes	(4,483)	(3,313)	(2,804)	13,386	2,786	(1,713)	6,928	(3,210)	2,005
NET INCOME	<u>\$ 10,460</u>	<u>\$ 7,732</u>	<u>\$ 8,405</u>	<u>\$ (20,727)</u>	<u>\$ 5,870</u>	<u>\$ 5,733</u>	<u>\$ (11,241)</u>	<u>\$ 10,399</u>	<u>\$ 4,891</u>
ADJUSTED INCOME [NET INCOME EXCLUDING SPECIAL, IMPAIRMENT, AND LESLIE ASBESTOS AND BANKRUPTCY CHARGES, NET OF TAX]	\$ 15,037	\$ 9,969	\$ 9,285	\$ 5,826	\$ 40,117	\$ 5,312	\$ 7,549	\$ 11,922	\$ 24,784
LESS:									
Special charges (recoveries), net of tax	(794)	—	(405)	—	(1,199)	—	—	—	—
Impairment charges	—	—	—	295	295	—	—	—	—

	Leslie asbestos and bankruptcy charges (recoveries), net of tax	5,371	2,237	1,285	26,258	35,151	(421)	18,790	1,523	19,892
NET INCOME		<u>\$ 10,460</u>	<u>\$ 7,732</u>	<u>\$ 8,405</u>	<u>\$ (20,727)</u>	<u>\$ 5,870</u>	<u>\$ 5,733</u>	<u>\$ (11,241)</u>	<u>\$ 10,399</u>	<u>\$ 4,892</u>
ADJUSTED WEIGHTED										
AVERAGE SHARES		N/A	N/A	N/A	17,140	N/A	N/A	17,109	N/A	17,095
Adjustment for anti-dilutive conversion of shares		—	—	—	107	—	—	153	—	143
Weighted average common shares outstanding (diluted)		<u>17,014</u>	<u>17,066</u>	<u>17,116</u>	<u>17,033</u>	<u>17,111</u>	<u>17,193</u>	<u>17,262</u>	<u>17,258</u>	<u>17,238</u>
ADJUSTED EARNINGS PER SHARE [EPS EXCLUDING SPECIAL, IMPAIRMENT, AND LESLIE ASBESTOS AND BANKRUPTCY CHARGES, NET OF TAX]										
		\$ 0.88	\$ 0.58	\$ 0.54	\$ 0.34	\$ 2.34	\$ 0.31	\$ 0.44	\$ 0.69	\$ 1.45
LESS: Special charges (recoveries), net of tax impact on EPS		\$ (0.05)	\$ —	\$ (0.02)	\$ —	\$ (0.07)	\$ —	\$ —	\$ —	\$ —
Impairment charges		\$ —	\$ —	\$ —	\$ 0.02	\$ 0.02				
Leslie asbestos and bankruptcy charges (recoveries), net of tax impact on EPS		<u>\$ 0.32</u>	<u>\$ 0.13</u>	<u>\$ 0.08</u>	<u>\$ 1.54</u>	<u>\$ 2.05</u>	<u>\$ (0.02)</u>	<u>\$ 1.10</u>	<u>\$ 0.09</u>	<u>\$ 1.16</u>
EARNINGS PER COMMON SHARE (Diluted)		<u>\$ 0.61</u>	<u>\$ 0.45</u>	<u>\$ 0.49</u>	<u>\$ (1.22)</u>	<u>\$ 0.34</u>	<u>\$ 0.33</u>	<u>\$ (0.66)</u>	<u>\$ 0.60</u>	<u>\$ 0.28</u>

CIRCOR INTERNATIONAL, INC
Leslie Controls Asbestos Items
(in thousands, except case information)

	2009					2010			
	<u>1ST QTR</u>	<u>2ND QTR</u>	<u>3RD QTR</u>	<u>4TH QTR</u>	<u>YTD</u>	<u>1ST QTR</u>	<u>2ND QTR</u>	<u>3RD QTR</u>	<u>YTD</u>
<u>Quarterly Case Rollforward</u>									
Beginning open cases	968	1,103	1,158	1,143	968	1,104	1,150	1,214	1,104
Cases filed	222	203	131	131	687	150	169	132	451
Cases resolved and dismissed	<u>(87)</u>	<u>(148)</u>	<u>(146)</u>	<u>(170)</u>	<u>(551)</u>	<u>(104)</u>	<u>(105)</u>	<u>(6)</u>	<u>(215)</u>
Ending open cases	<u>1,103</u>	<u>1,158</u>	<u>1,143</u>	<u>1,104</u>	<u>1,104</u>	<u>1,150</u>	<u>1,214</u>	<u>1,340</u>	<u>1,340</u>
Ending open mesothelioma cases	<u>578</u>	<u>584</u>	<u>612</u>	<u>597</u>	<u>597</u>	<u>623</u>	<u>672</u>	<u>713</u>	<u>713</u>
<u>Income Statement Amounts</u>									
Indemnity costs accrued (cases filed)	\$ 4,602	\$ 2,109	\$ 1,140	\$ 39,810	\$ 47,661	\$ 699	\$ 1,797	\$ —	\$ 2,496
Adverse verdict costs (recoveries)	90	97	95	(1,308)	(1,026)	65	(2,455)	—	(2,390)
Defense costs incurred	3,166	3,275	3,009	2,862	12,312	3,731	3,435	16	7,182
Insurance recoveries adjustment	2,069	—	—	—	2,069	(3,652)	—	—	(3,652)
Insurance recoveries accrued	(1,664)	(2,039)	(2,268)	(966)	(6,937)	(1,491)	(1,135)	—	(2,626)
Leslie Bankruptcy related charges, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>27,266</u>	<u>2,327</u>	<u>29,593</u>
Net pre-tax Leslie asbestos and bankruptcy expense (recovery)	<u>\$ 8,263</u>	<u>\$ 3,442</u>	<u>\$ 1,976</u>	<u>\$ 40,398</u>	<u>\$ 54,079</u>	<u>\$ (648)</u>	<u>\$ 28,908</u>	<u>\$ 2,343</u>	<u>\$ 30,603</u>
<u>Balance Sheet Amounts</u>									
Bankruptcy and indemnity liability	\$ 20,781	\$ 19,849	\$ 20,060	\$ 57,716		\$ 57,732	\$ 78,976	\$ 78,067	
Incurred defense cost liability	4,212	5,169	3,615	2,544		2,099	3,455	1,997	
Insurance recoveries receivable	<u>(9,088)</u>	<u>(7,426)</u>	<u>(6,485)</u>	<u>(4,614)</u>		<u>(7,997)</u>	<u>(1,180)</u>	<u>(194)</u>	
Net Leslie asbestos liability	<u>\$ 15,905</u>	<u>\$ 17,592</u>	<u>\$ 17,190</u>	<u>\$ 55,646</u>		<u>\$ 51,834</u>	<u>\$ 81,251</u>	<u>\$ 79,870</u>	

CIRCOR INTERNATIONAL, INC.
RECONCILIATION OF FUTURE PERFORMANCE MEASURES TO COMMONLY
USED GENERALLY ACCEPTED ACCOUNTING PRINCIPLE TERMS
UNAUDITED

	<u>4TH QTR 2010</u>	
	<u>Low</u>	<u>High</u>
EXPECTED ADJUSTED EARNINGS PER SHARE [EPS EXCLUDING SPECIAL, IMPAIRMENT, AND LESLIE ASBESTOS AND BANKRUPTCY CHARGES, NET OF TAX]	\$0.50	\$0.63
LESS:		
Expected special charges (recoveries), net of tax impact on EPS	\$ —	\$ —
Expected impairment charges, net of tax impact on EPS	\$ —	\$ —
Expected Leslie asbestos and bankruptcy charges, net of tax impact on EPS	\$0.06	\$0.06
EXPECTED EARNINGS PER COMMON SHARE (Diluted)	<u>\$0.44</u>	<u>\$0.57</u>

PRESS RELEASE

CIRCOR International Announces Filing of Universal Shelf Registration Statement

Burlington, MA – November 4, 2010 – CIRCOR International, Inc. (NYSE: CIR), a provider of valves and other highly engineered products and subsystems that control the flow of fluids safely and efficiently in the aerospace, energy and industrial markets, today announced the filing of a universal shelf registration statement on Form S-3 with the Securities and Exchange Commission (the “SEC”). The offering of securities covered by the shelf registration statement is designed to provide the Company with greater flexibility to take advantage of financing opportunities, acquisitions, and other business opportunities when and if such opportunities arise, subject to market conditions and the capital requirements of the Company.

If and when the shelf registration statement is declared effective, it will permit the Company from time to time, to offer and sell up to \$400 million of common stock, preferred stock, debt securities, warrants to purchase any such securities, units comprised of any such securities, or any combination thereof in one or more future public offerings. The actual amount and type of securities, or combination of securities, and the terms of those securities, will be determined at the time of sale, if such sale occurs. As of the date of this release, the Company has no specific plans to offer the securities covered by the registration statement, and is not required to offer the securities in the future.

The terms of any offering under the registration statement will be established at the time of the offering and will be described in a prospectus supplement filed with the SEC at the time of the offering. Once declared effective by the SEC, the registration statement would remain in place for a period of three years. These securities may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This press release is not an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About CIRCOR International, Inc. CIRCOR International, Inc. designs, manufactures and markets valves and other highly engineered products and subsystems that control the flow of fluids safely and efficiently in the aerospace, energy and industrial markets. With more than 9,000 customers in over 100 countries, CIRCOR has a diversified product portfolio with recognized, market-leading brands. CIRCOR’s culture, built on the CIRCOR Business System, is defined by the Company’s commitment to attracting, developing and retaining the best talent and pursuing continuous improvement in all aspects of its business and operations. The Company’s strategy includes growing organically by investing in new, differentiated products; adding value to component products; and increasing the development of mission-critical subsystems and solutions. CIRCOR also plans to leverage its strong balance sheet to acquire strategically complementary businesses. For more information, visit the Company’s investor relations web site at <http://investors.circor.com>.

Contact:

Frederic M. Burditt
Chief Financial Officer
CIRCOR International
(781) 270-1200