



Energy
Aerospace & Defense
Industrial

Gabelli Research 29th Annual Pump, Valve & Water Systems Symposium

**Scott Buckhout
CEO**

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This presentation contains forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933, as amended, and Section 21 E 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 presentation that are not statements of historical fact are forward-looking statements, including, but not limited to, those relating to CIRCOR's first-quarter 2019 guidance, our future performance, including realization of cost reductions from restructuring activities and expected synergies, and our corporate priorities. Actual events, performance or results could differ materially from the anticipated events, performance or results expressed or implied by such forward-looking statements. Important factors that could cause actual results to vary from expectations include, but are not limited to: our ability to respond to competitive developments and to grow our business, both domestically and internationally; changes in the cost, quality or supply of raw materials; our ability to comply with our debt obligations; our ability to successfully implement our acquisition, divesture or restructuring strategies, including our integration of the Fluid Handling business; changes in industry standards, trade policies or government regulations, both in the United States and internationally; and our ability to operate our manufacturing facilities at current or higher levels and respond to increases in manufacturing costs. 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.

See page 13 for information on the use of non-GAAP financial measures.

(\$ Millions)

The Leading Global Flow and Motion Control Technology Company

Key Statistics

2018 Revenue	~1,200
Adjusted Operating Income:	97
Employees:	~4,900

Pumps

3 Screw Centrifugal



Valves

Control Ball Valve

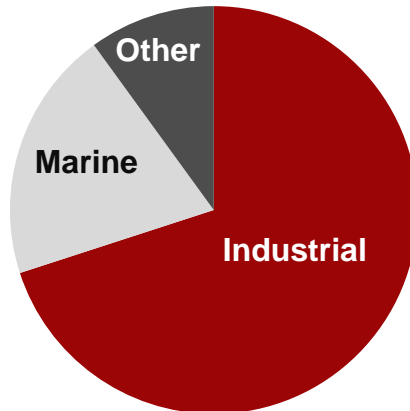


Actuation

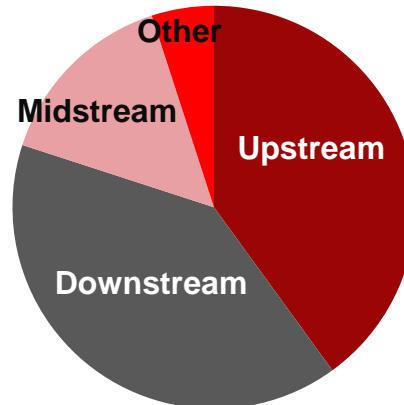
Electromechanical Actuation



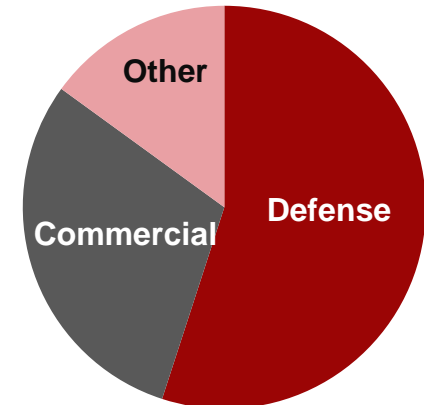
Industrial 490



Energy 450



Aerospace & Defense 240



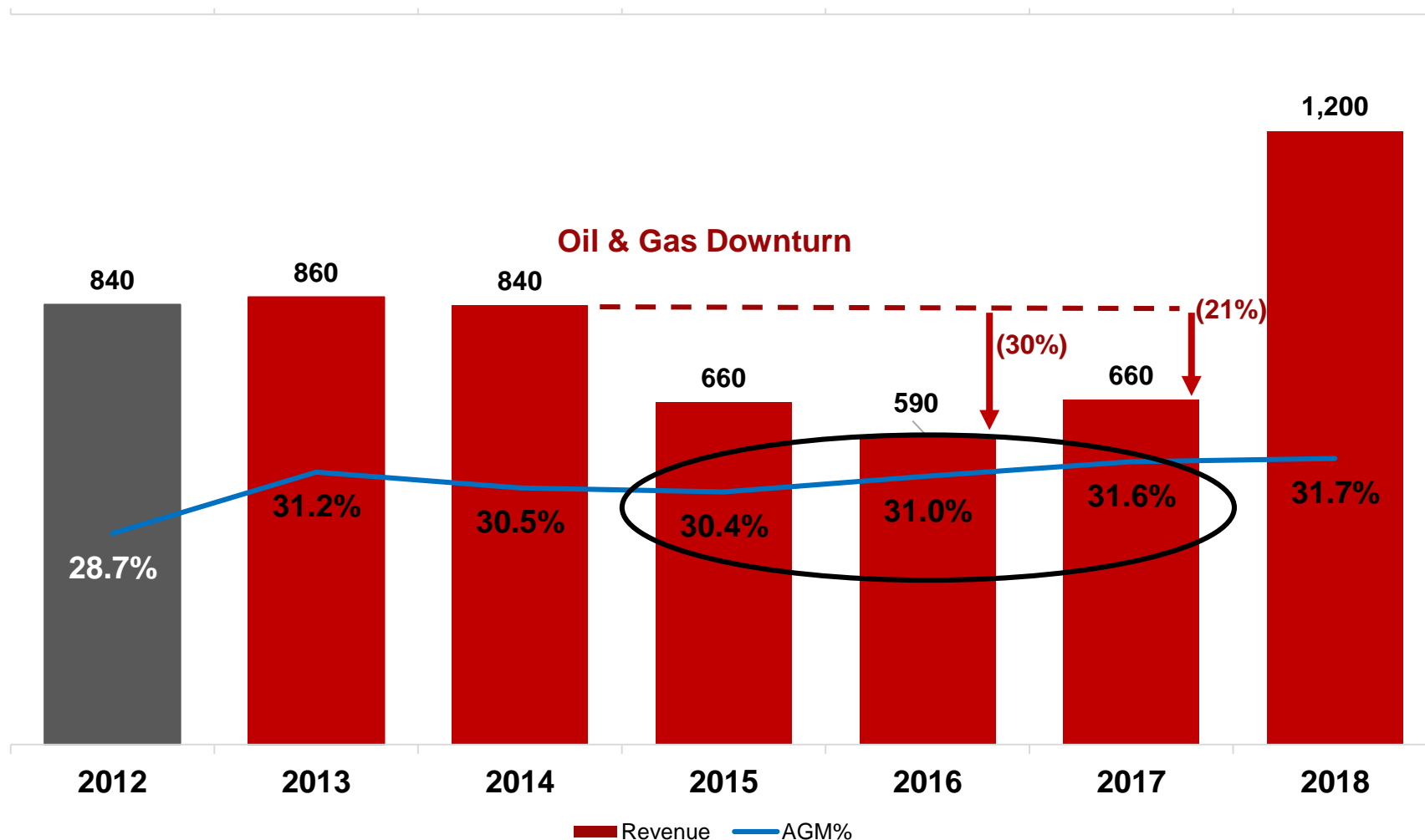
Sales Mix

Strong Execution Through the Downturn



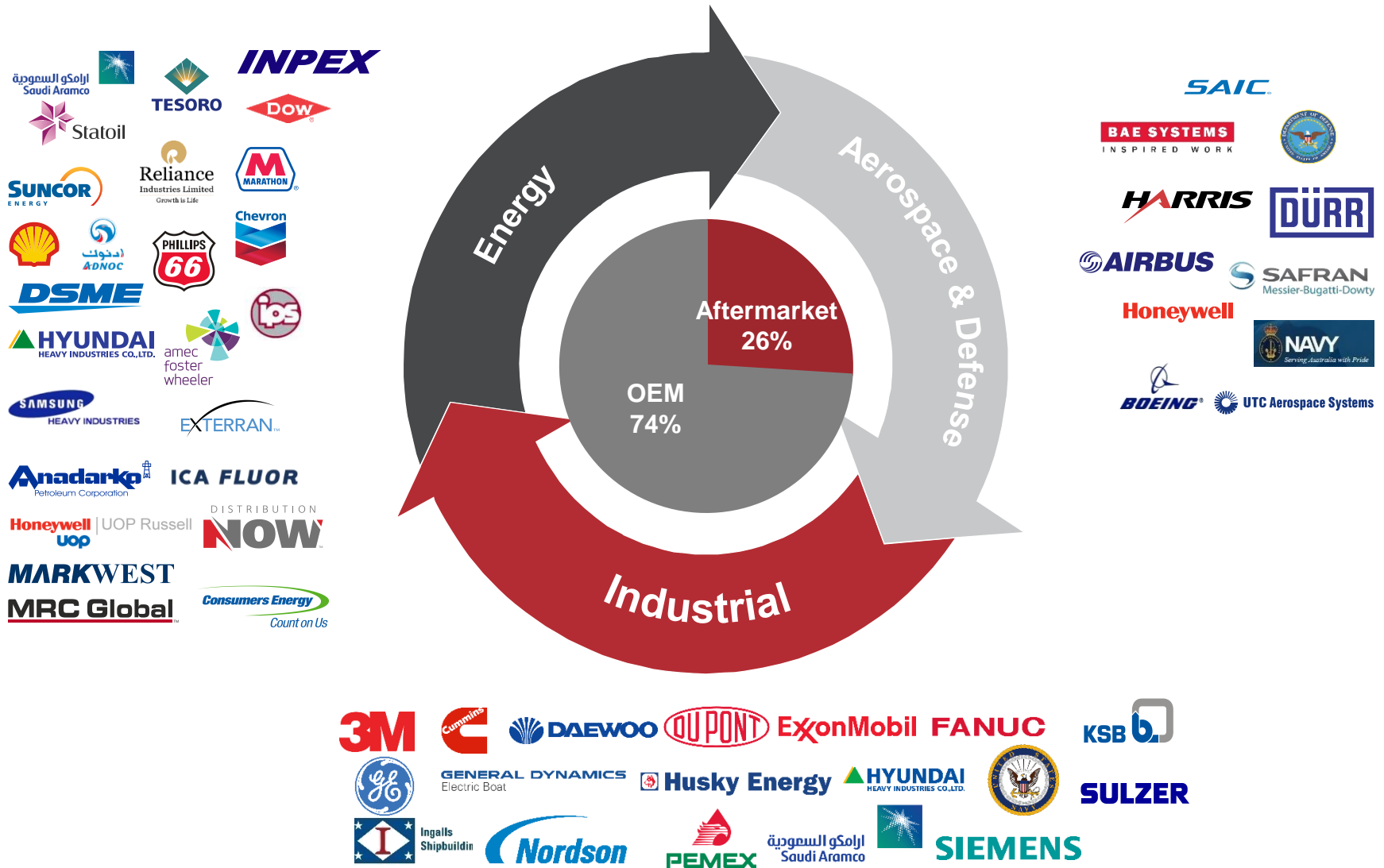
(\$ Millions)

Reported Revenue and Gross Margin Through the Cycle




Note: All financials are reported CIRCOR numbers – including acquisitions

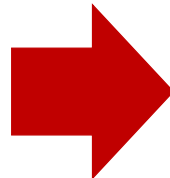
Diverse Customer Base



End Market Overview

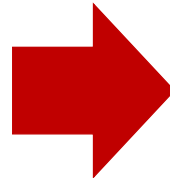
Segment	Trends	Outlook
 Industrial	<ul style="list-style-type: none"> Continued growth in global capital spending driving demand for machinery Chemical processing strength in N. America and Asia Energy efficiency initiatives driving equipment growth On going strength in N. America Early signs of softness in Europe and China 	
 Commercial Marine	<ul style="list-style-type: none"> Shipbuilding demand for merchant marine remains flat Off-shore vessels build rate very low IMO2020 Low Sulphur regulation increasing demand for scrubber pumps Expanded global fleet aging, increasing aftermarket demand 	
 Oil & Gas	<ul style="list-style-type: none"> Take away capacity constraining growth in N. American up and midstream Low activity in international upstream markets Refining capacity growth in Middle East and Asia Pacific Refining expansions and upgrades in the Americas 	
 Aerospace	<ul style="list-style-type: none"> Commercial aircraft build rates and backlog at historic highs Global airline passenger traffic growth Ramp up of newer programs 	
 Defense	<ul style="list-style-type: none"> Global increases in defense spending Key programs to receive increased funding / ramping up <ul style="list-style-type: none"> Submarines / aircraft carriers F35 Joint Strike Fighter Missiles 	

Products for mission critical and severe service applications



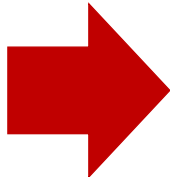
- Managing product portfolio
 - Divesting commodity businesses
 - Acquiring severe service technologies
- Increasing new product launches

Leader in niche segments with benefits of scale



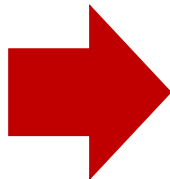
- Transformative deal closed one year ago
- Integration on track
- Synergies ahead of schedule

Diverse end markets with longstanding customer base



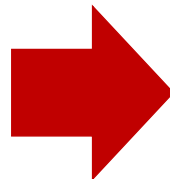
- Increasing aftermarket exposure
- Balanced global end market exposure

Proven operator with clearly executable strategy



- Simplification
- CIRCOR Operating System
- Leveraging low cost footprint

Ongoing focus on cash flow and delevering



- Working capital opportunity
 - Growth and margin expansion
 - Potential non-core divestitures
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APPENDIX

Use of Non-GAAP Financial Measures



Within this presentation the Company uses non-GAAP financial measures, including Adjusted operating income, Adjusted operating margin, Adjusted net income, Adjusted earnings per share (diluted), EBITDA, Adjusted EBITDA, net debt, free cash flow, organic growth, pro forma combined amounts and pro forma organic growth. These non-GAAP financial measures are used by management in our financial and operating decision making because we believe they reflect our ongoing business and facilitate period-to-period comparisons. We believe these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating the Company's current operating performance and future prospects in the same manner as management does, if they so choose. These non-GAAP financial measures also allow investors and others to compare the Company's current financial results with the Company's past financial results in a consistent manner.

For example:

- We exclude costs and tax effects associated with restructuring activities, such as reducing overhead and consolidating facilities. We believe that the costs related to these restructuring activities are not indicative of our normal operating costs.*
- We exclude certain acquisition-related costs, including significant transaction costs and amortization of inventory and fixed-asset step-ups and the related tax effects. We exclude these costs because we do not believe they are indicative of our normal operating costs.*
- We exclude the expense and tax effects associated with the non-cash amortization of acquisition-related intangible assets because a significant portion of the purchase price for acquisitions may be allocated to intangible assets that have lives up to 25 years. Exclusion of the non-cash amortization expense allows comparisons of operating results that are consistent over time for both our newly acquired and long-held businesses and with both acquisitive and non-acquisitive peer companies.*
- We also exclude certain gains/losses and related tax effects, which are either isolated or cannot be expected to occur again with any predictability, and that we believe are not indicative of our normal operating gains and losses. For example, we exclude gains/losses from items such as the sale of a business, significant litigation-related matters and lump-sum pension plan settlements.*
- Due to the significance of the Fluid Handling acquisition and to provide a more meaningful comparison of changes in our orders and revenue, we also discuss these changes on a "pro forma organic" basis. Pro forma organic is calculated assuming the Fluid Handling acquisition was completed on January 1, 2017 and excluding the impact of changes in foreign currency exchange rates.*

CIRCOR's management uses these non-GAAP measures, in addition to GAAP financial measures, as the basis for measuring the Company's operating performance and comparing such performance to that of prior periods and to the performance of our competitors. We use such measures when publicly providing our business outlook, assessing future earnings potential, evaluating potential acquisitions and dispositions and in our financial and operating decision-making process, including for compensation purposes.

Investors should recognize that these non-GAAP measures might not be comparable to similarly titled measures of other companies. These measures should be considered in addition and not as a substitute for or superior to, any measure of performance, cash flow or liquidity prepared in accordance with accounting principles generally accepted in the United States. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in the Company's Fourth-quarter 2018 news release available on its website at www.CIRCOR.com.

Figures labeled "Adjusted" exclude certain charges and recoveries. A description of these charges and recoveries and a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in the Company's Fourth-quarter 2018 news release available on its website at www.CIRCOR.com.

Use of Non-GAAP Financial Measures



(\$ Millions)

Reconciliation of reported operating income and operating income % to adjusted operating income and operating income %

	Revenue	Operating Income	Operating Income %
Reported	\$ 1,175.8	\$ 9.4	0.8%
Restructuring-related inventory charges	-	2.4	0.2%
Amortization of inventory step-up	-	6.6	0.6%
Restructuring charges, net	-	12.8	1.1%
Acquisition amortizaiton	-	47.3	4.0%
Acquisition depreciation	-	7.0	0.6%
Special (recoveries) charges, net	-	11.1	0.9%
Adjusted	<u>\$ 1,175.8</u>	<u>\$ 96.6</u>	<u>8.2%</u>