UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 18, 2015

CIRCOR INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

001-14962

04-3477276

(State or Other Jurisdiction of Incorporation or Organization)

(Commission file number)

(I.R.S. Employer Identification No.)

30 CORPORATE DRIVE, SUITE 200 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):

- O Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- O Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- O Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- O 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 February 18, 2015, the Company announced its financial results for the three months ended December 31, 2014. 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 Item 2.02 of Form 8-K and the Exhibits 99.1 & 99.2 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, adjusted net income, adjusted earnings per share (EPS), and Q1 2014 proforma revenue and adjusted EPS. Management of the Company believes that free cash flow (defined as net cash flow from operating activities, less capital expenditures) 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 restructuring related inventory, impairment and special charges/gains), adjusted net income (defined as net income, excluding the impact of restructuring related inventory, impairment and special charges/gains, net of tax), adjusted EPS (defined as earnings per common share, excluding restructuring related inventory, impairment and special charges/gains, net of tax) and Q1 2014 proforma revenue and adjusted EPS (defined as Q1 2014 revenue and adjusted EPS excluding 2 divested businesses and foreign subsidiary amounts converted at current exchange rates) 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. Management believes Q1 2014 proforma non-GAAP measures are important for investors to consider when evaluating the outlook of future Company performance. Free cash flow, EBIT, EBITDA, adjusted operating income, adjusted net income, adjusted EPS, and Q1 2014 proforma revenue and 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, adjusted net income, adjusted EPS, and Q1 2014 proforma revenue and 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, adjusted net 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 in Exhibit 99.1. A reconciliation of O1 2014 proforma revenue and EPS to the most directly comparable GAAP financial measure is provided in the supplemental information table titled "Pro forma Q1 2014" which is included as an attachment to the press release in Exhibit 99.2

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	<u>Description</u>
99.1	Press Release regarding Earnings, Dated February 18, 2015
99.2	Fourth Quarter 2014 Investor Review Presentation

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: February 18, 2015 CIRCOR INTERNATIONAL, INC.

<u>/s/ Rajeev Bhalla</u> By: Rajeev Bhalla

Title: Executive Vice President and Chief Financial Officer

CIRCOR Reports Fourth-Quarter and Year-End 2014 Financial Results

Burlington, MA - **February 18, 2015** - CIRCOR International, Inc. (NYSE: CIR), a leading provider of valves and other highly engineered products for markets including oil & gas, power generation and aerospace & defense, today announced financial results for the fourth quarter and fiscal year ended December 31, 2014.

Fourth-Quarter 2014 Highlights

- Revenue increases 6% organically to \$218.6 million
- Adjusted EPS grows 14% to \$1.08
- Completed 2 divestitures
- Company announces new restructuring actions
- · Company announces new Energy Group President

Full-Year 2014 Highlights

- Adjusted Operating Margins expand 30 bps
- Adjusted EPS increases 16% to \$3.72
- Free cash flow of \$58 million, or 115% of net income

"CIRCOR concluded 2014 with strong top-line growth and free cash flow generation in the fourth quarter," said Scott Buckhout, President and Chief Executive Officer. "Revenues for the quarter were up 6% organically from the prior year driven in large part by our North American short-cycle businesses. In addition, we are reporting adjusted EPS of \$1.08 for the quarter and \$3.72 for the full year. Full year free cash flow was 115% of net income."

During the quarter, a number of Brazilian engineering and construction customers filed for bankruptcy resulting in a \$0.34 per share charge against outstanding receivables and an operating margin reduction of approximately 300 basis points. In addition, EPS reflects a net tax benefit of \$0.21 per share primarily due to the utilization of foreign tax credits.

"Looking ahead to 2015, we expect the recent decline in oil prices to put pressure on our top line. As a result, we are implementing a broad-based cost reduction program, including restructuring actions, to mitigate the impact on our earnings and to align our businesses with a lower near-term demand outlook. We expect to take actions generating approximately \$8 million of annualized savings. We commenced these actions earlier this quarter and expect to complete them before the end of the second quarter," added Buckhout.

"Going forward, we will continue to invest in growth, simplify the Company and remain focused on building shareholder value through growth, margin expansion, strong cash flows and disciplined capital deployment," concluded Buckhout.

First-Quarter 2015 Guidance

For the first quarter of 2015, the Company will provide its guidance during the conference call later today.

Selected Consolidated Results

(In millions, except percentages and bps)	Ç	24 2014	(24 2013	Change	FY 2014		F	Y 2013	Change
Revenue	s	218.6	\$	214.0	2%	\$	841.4	\$	857.8	-2%
Adjusted Operating Income ¹	\$	21.0	\$	24.8	-15%	\$	86.2	\$	85.3	1%
Adjusted Operating Margin ¹		9.6%		11.6%	-200 bps		10.2%		9.9%	30 bps
GAAP Earnings Per Share (Diluted)	\$	0.51	\$	0.50	2%	\$	2.84	\$	2.67	6%
Adjusted Earnings Per Share (Diluted)1	\$	1.08	\$	0.95	14%	\$	3.72	\$	3.21	16%
Orders	s	203.4	\$	231.1	-12%	\$	849.3	\$	881.3	-4%
Free Cash Flow	\$	22.3	\$	14.7	51%	\$	58.0	\$	54.9	6%

Segment Results

(In millions, except percentages and bps)	Q4 2014		(Q4 2013	Change	F	Y 2014	F	Y 2013	Change
Energy										
Revenue	\$	172.4	\$	162.6	6%	S	653.3	\$	661.0	-1%
Adjusted Operating Margin ¹		14.3%		17.1%	-280 bps		14.9%		14.1%	80 bps
Orders	\$	158.3	\$	187.4	-16%	\$	675.9	\$	691.7	-2%
Aerospace & Defense										
Revenue	\$	46.1	\$	51.4	-10%	S	188.2	\$	196.8	-4%
Adjusted Operating Margin ¹		5.3%		8.4%	-310 bps		6.6%		9.5%	-290 bps
Orders	\$	45.1	\$	43.7	3%	\$	173.4	\$	189.6	-9%

^{1.} Consolidated and Segment Results includes approximately \$6.5 million of Q4 2014 charges associated with certain Brazilian customers for outstanding receivables and excludes special, restructuring charges/(recoveries) and impairments of \$12.9 million, \$12.0 million, \$13.5 million and \$15.5 million during Q4 2014, Q4 2013, FY2014 and FY2013 respectively, as well as restructuring inventory charges of \$5.1 million and \$2.9 million recorded in Q2 and Q3 2014, respectively, and \$0.6 million during Q4 2013

Conference Call Information

CIRCOR International will hold a conference call to review its financial results today, February 18, 2015, at 10:00 a.m. ET. To listen to the conference call and view the accompanying presentation slides, visit "Webcasts & Presentations" in the "Investors" portion of the CIRCOR website. The call also can be accessed by dialing (877) 407-5790 or (201) 689-8328. 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 estimated total annualized pre-tax savings from restructuring actions. 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 highly engineered products and sub-systems for markets including oil & gas, power generation and aerospace & defense. CIRCOR has a diversified product portfolio with recognized, market-leading brands that fulfill its customers' unique application needs. The Company's strategy is to grow organically and through complementary acquisitions; simplify CIRCOR's operations; achieve world class operational excellence; and attract and retain top industry talent. For more information, visit the Company's investor relations web site at http://investors.circor.com.

Contact:

Rajeev Bhalla Executive Vice President & Chief Financial Officer CIRCOR International (781) 270-1200

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

		Three Mo	nths En	ded		Twelve Mo	onths E	nded
	Dece	ember 31, 2014	Dece	mber 31, 2013	Dec	ember 31, 2014	Dec	ember 31, 2013
Net revenues	\$	218,558	\$	214,035	\$	841,446	\$	857,808
Cost of revenues		148,093		146,528		584,426		590,207
GROSS PROFIT		70,465		67,507		257,520		267,601
Selling, general and administrative expenses		49,430		43,394		178,800		182,954
Impairment charges		726		6,872		726		6,872
Special charges, net		12,159		5,160		12,737		8,602
OPERATING INCOME		8,150		12,081		64,757		69,173
Other (income) expense:								
Interest expense, net		407		792		2,652		3,161
Other (income) expense, net		(722)		167		(1,156)		1,975
TOTAL OTHER (INCOME) EXPENSE		(315)		959		1,496		5,136
INCOME BEFORE INCOME TAXES		8,465		11,122		63,261		64,037
Provision (benefit) for income taxes		(690)		2,297		12,875		16,916
NET INCOME	\$	9,155	\$	8,825	\$	50,386	\$	47,121
Earnings per common share:								
Basic	\$	0.52	\$	0.50	\$	2.85	\$	2.68
Diluted	\$	0.51	\$	0.50	\$	2.84	\$	2.67
Weighted average number of common shares outstanding:								
Basic		17,678		17,594		17,660		17,564
Diluted		17,782		17,710		17,768		17,629
Dividends paid per common share	\$	0.0375	\$	0.0375	\$	0.1500	\$	0.1500

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

Provision for bad debt expense 7,817 1,194 Intangible impairment charges 726 6,872 Compensation expense of share-based plans 7,188 5,056 Tax effect of share-based plan compensation (756) (732) Deferred (benefit) income taxes (2,740) 5,778 Gain on property, plant and equipment (2,740) 3,430 Cass on sale of businesses 3,413 — Gain on return of acquisition purchase price 3,430 — Changes in operating assets and liabilities 3,842 3,000 Inventories, net (3,852) (3,111) Prepaid expenses and other assets 384 160 Accounts payable, accrued expenses and other liabilities 26,816 (15,232) Vet cash provided by operating activities 70,826 72,206 Investificacy 70,826 72,206 Met cash used in investing activities 191 664 Proceeds from the sale of property, plant and equipment 1,212 1,222 Proceeds from long-term debt 1,212 2,224 Proceeds fr		Twelve	Months Ended
Net Income \$ 5,036 \$ 47,121 Adjustments to reconcile net income to net cash provided by operating activities: Application 16,46 16,043 Amortization 1,646 3,039 Provision for bad debt expense 7,817 1,1194 Intangible impairment charges 76 6,872 Compensation expense of share-based plans 7,50 (720 Tax effect of share-based plans on propenty plant and equipment (750) (722 Gain on property, plant and equipment (750) (322 Loss on sale of businesses 3,43 Gain on return of acquisition purchase price 3,43 Changes in operating asserts and liabilities 38,43 7,009 Inventories, net (38,43) 7,009 Inventories, net (38,43) 7,009 Ret cash provided by operating activities 884 160 Ret cash provided by operating activities 25,816 15,232 Investories, part covered expenses and other liabilities 25,816 16,232 Ret cash provided by operating activities 10,172 <t< th=""><th></th><th>December 31, 2014</th><th>December 31, 2013</th></t<>		December 31, 2014	December 31, 2013
Adjustments to reconcile net income to net cash provided by operating activities: 16,446 16,048 Depreciation 3,116 3,030 Provision for bad debt expense 7,817 1,194 Intangible impairment charges 726 6,872 Compensation expense of share-based plans 7,188 5,056 Tax effect of share-based plan compensation (7,50) 7,322 Deferred (benefit) income taxes (2,74) 5,738 Gain on property, plant and equipment (9) 3,413 - Casian on property, plant and equipment (3,40) 7,000 Changes in operating assets and liabilities: - 4,300 Tax face accounts receivable, net (3,849) 7,000 Inventories, net (3,94) 1,000 Inventories, net (3,94) 1,000 Inventories, plant and equipment (3,94) 1,000 Accounts payable, accrued expenses and other liabilities 2,816 1,522 Net cash provided by operating activities 1,12,810 1,732 Proceeds from the sale of property, plant and equipment 1,2,810	OPERATING ACTIVITIES		
Depreciation 16.446 16.034 Amortization 3.116 3.039 Provision for bad debt expense 7,817 1,194 Intangible impairment charges 726 6,872 Compensation expense of share-based plans 7,083 5,056 Tax effect of share-based plan compensation (759) 6722 Deferred (benefit) income taxes (2,740) 5,778 Gain on property, plant and equipment (9) 322 Loss on sale of businesses 3,413 — Gain on return of acquisition purchase price 3,400 7,009 Changes in operating assets and liabilities 3,532 3,11 Prepaid excounts receivable, net (38,439) 7,009 Inventories, net (38,439) 7,009 Inventories, net (38,532) (311 Prepaid expenses and other assets 884 150,202 Net cash provided by operating activities 26,816 15,232 Net extractive for surface 11,77 6 Proceeds from the sale of property, plant and equipment 12,810 13,26	Net income	\$ 50,386	\$ 47,121
Amortization 3.116 3.039 Provision for bad debt expease 7,817 1,134 Intangible impairment charges 7,817 1,134 Compensation expense of share-based plans 7,188 5,056 Tax effect of share-based plans ompensation 7,78 6,732 Deferred (benefit) income taxes (2,740) 5,78 Gain on property, plant and equipment (79) 3(22) Loss on sale of businesses 3,413 Gain on return of acquisition purchase price (3,400) Changes in operating assets and liabilities: (3,439) 7,009 Inventories, net (38,439) 7,009 1,012 Accounts receivable, net (38,439) 7,009 1,012 Inventories, net (38,439) 7,009 1,012 Accounts payable, accrued expenses and other assets 2,816 1,65,22 NET 1,022 1,022 1,022 NE cash provided by operating activities 1,02 1,02 Proceeds from the sale of property, plant and equipment 1,02	Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for bad debt expense 7,817 1,194 Intangible impairment charges 726 6,872 Compensation expense of share-based plans 7,186 5,056 Tax effect of share-based plan compensation (756) (732) Deferend (benefit) income taxes (2,740) 5,778 Gain on property, plant and equipment (2,740) 3,400 Changes in operating assets and liabilities 3,413 — Tade accounts receivable, net (3,852) (3,111) Inventories, net (3,852) (3,111) Prepaid expenses and other assets (384) 100 Accounts payable, accrued expenses and other liabilities 25,816 (15,232) Net cash provided by operating activities 70,826 72,206 Investince Activities 70,826 72,206 Net cash provided by operating activities 10,173 64 Proceeds from the sale of property, plant and equipment 12,180 13,282 Proceeds from the sale of property, plant and equipment 12,180 13,282 Net cash used in investing activities 1,180 13	Depreciation	16,446	16,034
Intangible impairment charges 726 6.872 Compensation expense of share-based plans 7.188 5.056 Tax. effect of share-based plan compensation 6.762 6.732 Deferred (benefit) income taxes (2,740) 5.778 Gain on property, plant and equipment 79 3.22 Loss on sale of businesses 3,413 — Gain on return of acquisition purchase price 3,430 — Gain on return of acquisition purchase price 88,439 7,000 Investories, net 38,439 7,000 Investories, net 38,439 7,000 Investories, net 38,439 7,000 Accounts payable, accrued expenses and other liabilities 36,400 15,202 Net cash provided by operating activities 28,61 15,202 Net cash provided by operating activities 10,202 7,206 Net cash provided by operating activities 10,172 2,206 Net cash provided by operating activities 10,172 2,204 Proceeds from the sale of property, plant and equipment 10,172 2,204	Amortization	3,116	3,039
Compensation expense of share-based plans 7,188 5,056 Tax effect of share-based plan compensation (756) (732) Deferred (benefit) income taxes (2,740) 5,778 Gain on property, plant and equipment (79) (322) Loss on sale of businesses 3,413 — Gain on premating assets and liabilities: — (3,400) Trade accounts receivable, net (3,952) (3,011) I Prepald expenses and other assets 84 160 Accounts payable, accrued expenses and their liabilities 26,161 (5,252) NUESTING ACTIVITIES 8 160 Proceeds from divestituans to property, plant and equipment (12,10) 1,732 Proceeds from divestitures 10,17 — Proceeds from divestitures 10,17 — Proceeds from divestitures 10,17 — Proceeds from livestitures 10,17 — Proceeds from long-term debt 15,062 1,45,28 Psyments of long-term debt 1,65,29 — Psyments of long-term debt 2,30	Provision for bad debt expense	7,817	1,194
Tax effect of share-based plan compensation (732) 7732 Deferred (benefit) income taxes (2,740) 5,778 Gain on opporty, plant and equipment 3,413 — Gain on return of acquisition purchase price 3,400 3,400 Changes in operating assets and liabilities: 3,302 3,000 Trade accounts receivable, net (3,843) 7,009 Inventories, net (3,843) 16,000 Accounts payable, accrued expenses and other liabilities 26,616 (5,222) Net cash provided by operating activities 70,826 72,206 INVESTING ACTIVITES 10,177 — Additions to property, plant and equipment (12,810) 10,132 Proceeds from the sale of property, plant and equipment 70 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 10,177 — Proceeds from livesting activities (18,52) 13,024 Proceeds from long-term debt (18,53) 16,627 Payments of long-term debt (18,53) 16,627	Intangible impairment charges	726	6,872
Deferred (benefit) income taxes (2,740) 5,778 Gain on property, plant and equipment (32) 3.22 Loss on sale of businesses 3,413 ————————————————————————————————————	Compensation expense of share-based plans	7,188	5,056
Gain on property, plant and equipment (322) Loss on sale of businesses 3,43 — Gain on return of acquisition purchase price — (3,400) Changes in operating assets and liabilities: — (38,439) 7,000 I rade accounts receivable, net (38,439) 7,009 (311) Prepald expenses and other assets 84 16 Accounts payable, accrued expenses and other liabilities 26,816 (15,292) Net Scatp provided by operating activities 7,206 72,206 RIVESTING ACTIVITIES 10,177 — Proceeds from the sale of property, plant and equipment (10,101) 16,24 Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from the sale of property, plant and equipment 10,182 10,282	Tax effect of share-based plan compensation	(756)	(732)
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Gain on return of acquisition purchase price — (3,400) Changes in operating assets and liabilities 38,439 7,000 I Trade accounts receivable, net (38,439) 7,000 Inventories, net (38,439) 3(311) Prepaid expenses and other assets 884 10 Accounts payable, accrued expenses and other liabilities 70,826 72,026 Accounts payable, accrued expenses and other liabilities 70,826 72,026 EVESTING ACTIVITIES 10,172 7.02 Additions to property, plant and equipment 791 664 Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 1,820 13,264 FINANCING ACTIVITIES 1,820 146,578 Poweds from long-term debt 15,062 146,578 Rayments of long-term debt 15,062 146,578 Payments of long-term debt 2,070 2,000 Proceeds from the exercise of stock options 420 2,304 E	Gain on property, plant and equipment	(79)	(322)
Changes in operating assets and liabilities: Trade accounts receivable, net (38,49) 7,009 Inventories, net (38,49) (31,20) Prepaid expenses and other assets 884 160 Accounts payable, accrued expenses and other liabilities 26,816 (15,229) Net each provided by operating activities 70,826 72,206 TNESTING ACTIVITIES 79 664 Proceeds from the sale of property, plant and equipment 10,177 — Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 10,107 — Receasing investing activities 10,107 — Proceeds from long-term debt 15,006 146,578 Payments of long-term debt (18,508) (16,508) Poil idends paid (2,600) — Debt is suarce costs (290) — Debt is suarce costs (290) — Debt is suarce costs (2,600) — Debt is suarce costs (2,601) — Recease from the exercise of s	Loss on sale of businesses	3,413	_
Trade accounts receivable, net (38,439) 7,009 Inventories, net (3,952) (311) Prepaid expenses and other assets 884 160 Accounts payable, accrued expenses and other liabilities 70,826 72,206 Net cash provided by operating activities 70,826 72,206 INVESTING ACTIVITIES 12,810 61,417 64 Proceeds from the sale of property, plant and equipment 91 64 Proceeds from divestitures 10,177 64 Proceeds from divestitures 10,176 64 Proceeds from divestitures 10,106 10,528 Proceeds from divestitures 10,062 14,528 Proceeds from long-term debt 10,502 14,528 Poweds from long-term debt 10,502 12,502 Proceeds from the exercise of stock options 40 2,904 Proceeds from the exercise of stock options 75 <td>Gain on return of acquisition purchase price</td> <td>_</td> <td>(3,400)</td>	Gain on return of acquisition purchase price	_	(3,400)
Inventories, net (3,952) (311) Prepaid expenses and other assets 884 160 Accounts payable, accrued expenses and other liabilities 76,826 72,026 Accounts payable, accrued expenses and other liabilities 76,826 72,026 INVESTING ACTIVITIES 78,026 72,026 Additions to property, plant and equipment (12,810) (17,328 Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 10,177 — Business acquisitions, return of purchase price 10,177 — Business acquisitions, return of purchase price 10,002 13,000 Proceeds from long-term debt 150,062 146,578 Payments of long-term debt 150,062 146,578 Payments of long-term debt (2,801) 1,62,209 Dividends paid (2,801) 2,201 Tocceds from the exercise of stock options 420 2,334 Raw effect of share-based compensation 756 732 <tr< td=""><td>Changes in operating assets and liabilities:</td><td></td><td></td></tr<>	Changes in operating assets and liabilities:		
Prepaid expenses and other assets 884 100 Accounts payable, accrued expenses and other liabilities 26,816 (15,292) Net cash provided by operating activities 70,826 72,026 INVESTING ACTIVITIES 1 1 664 Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 10,177 — Recease show the sale of property, plant and equipment 4,000 13,000 Net cash used in investitures 10,177 — — Business acquisitions, return of purchase price 1,000	Trade accounts receivable, net	(38,439)	7,009
Accounts payable, accrued expenses and other liabilities 26,929 (15,292) Net cash provided by operating activities 70,206 72,006 INVESTING ACTIVITIES 12,100 (12,301) (17,328) Additions to property, plant and equipment 791 66-46 Proceeds from the sale of property, plant and equipment 791 66-46 Proceeds from divestitures 10,107 — 3,400 Pusiness acquisitions, return of purchase price 1,802 1,302	Inventories, net	(3,952)	(311)
Net cash provided by operating activities 70,806 72,006 INVESTING ACTIVITIES Additions to property, plant and equipment (12,810) (17,328) Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 Business acquisitions, return of purchase price (1,840) (13,264) Proceeds from long-term of purchase price (1,840) (13,264) PAMOLING ACTIVITIES 150,062 146,578 Payments of long-term debt (185,361) (166,239) Poble issuance costs (920) Dividends paid (2,841) (2,700) Proceeds from the exercise of stock options 420 (2,841) To receds from the exercise of stock options 450 (3,732) Net cash used in financing activities 3(3,742) (19,235) Effect of exchange rate changes on cash and cash equivalents 10,105 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,422 Cash and cash equivalents at beginning of year 10,216 61,738	Prepaid expenses and other assets	884	160
INVESTING ACTIVITIES Invision to property, plant and equipment (12,810) (17,828) Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 1,840 (13,646 Proceads in investing activities (18,820) (13,646 PINANCING ACTIVITIES 150,662 146,578 Payments of long-term debt (185,361) (166,239) Post issuance costs (920) — Post issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 37.22 (19,235 Net cash used in financing activities (37,724) (19,235 Effect of exchange rate changes on cash and cash equivalents (12,156) 373 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 4,042 Cash and cash equivalents at beginning of year 102,180 6,1738 Cash paid during the year for:	Accounts payable, accrued expenses and other liabilities	26,816	(15,292)
Additions to property, plant and equipment (12,810) (17,828) Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 3,400 (1,840) (13,264) Net cash used in investing activities (1,842) (13,264) (13,264) FINANCING ACTIVITIES 5 150,062 146,578 <td>Net cash provided by operating activities</td> <td>70,826</td> <td>72,206</td>	Net cash provided by operating activities	70,826	72,206
Proceeds from the sale of property, plant and equipment 791 664 Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 3,400 — 3,400 Net cash used in investing activities (1,842) (13,624) — 1,400 — 3,400 — 1,400 — 3,400 — <	INVESTING ACTIVITIES		
Proceeds from divestitures 10,177 — Business acquisitions, return of purchase price 3,400 Net cash used in investing activities (1,842) (13,642) FINANCING ACTIVITIES 5 146,578 Proceeds from long-term debt (185,361) (166,239) Payments of long-term debt (920) — Potitissuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 Cash paid during the year for: 121,286 102,180 Income taxes \$ 16,672 8,143	Additions to property, plant and equipment	(12,810)	(17,328)
Business acquisitions, return of purchase price — 3,400 Net cash used in investing activities (1,842) (13,264) FINANCING ACTIVITIES Proceeds from long-term debt 150,062 146,578 Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$12,126 102,180 Cash paid during the year for: 1	Proceeds from the sale of property, plant and equipment	791	664
Net cash used in investing activities (1,842) (13,264) FINANCING ACTIVITIES Proceeds from long-term debt 150,062 146,578 Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,334 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 102,180 Cash paid during the year for: 100,000 8 16,672 8,143	Proceeds from divestitures	10,177	_
FINANCING ACTIVITIES Proceeds from long-term debt 150,062 146,578 Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 102,180 Cash paid during the year for: Income taxes \$ 16,672 \$ 8,143	Business acquisitions, return of purchase price		3,400
Proceeds from long-term debt 150,062 146,578 Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: \$ 16,672 \$ 8,143	Net cash used in investing activities	(1,842)	(13,264)
Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: 100,000 \$ 12,280 \$ 102,180 Income taxes \$ 16,672 \$ 8,143	FINANCING ACTIVITIES		
Payments of long-term debt (185,361) (166,239) Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: 100,000 \$ 12,280 \$ 102,180 Income taxes \$ 16,672 \$ 8,143	Proceeds from long-term debt	150,062	146,578
Debt issuance costs (920) — Dividends paid (2,681) (2,700) Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: \$ 16,672 \$ 8,143		(185,361)	(166,239)
Proceeds from the exercise of stock options 420 2,394 Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$121,286 \$102,180 Cash paid during the year for: Income taxes \$16,672 \$8,143	Debt issuance costs		_
Tax effect of share-based compensation 756 732 Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: Income taxes \$ 16,672 \$ 8,143	Dividends paid	(2,681)	(2,700)
Net cash used in financing activities (37,724) (19,235) Effect of exchange rate changes on cash and cash equivalents (12,156) 735 INCREASE IN CASH AND CASH EQUIVALENTS 19,106 40,442 Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$121,286 \$102,180 Cash paid during the year for: Income taxes \$16,672 \$8,143	Proceeds from the exercise of stock options		
Effect of exchange rate changes on cash and cash equivalents INCREASE IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at beginning of year CASH AND CASH EQUIVALENTS AT END OF PERIOD Cash paid during the year for: Income taxes (12,156) 735 40,442 40,442 61,738 61,738 735 19,106 102,180 61,738 735 735 740,442 750,780 760,780 760,780 760,780 760,780 770,780 7	Tax effect of share-based compensation	756	732
INCREASE IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at beginning of year CASH AND CASH EQUIVALENTS AT END OF PERIOD Cash paid during the year for: Income taxes 19,106 40,442 61,738 61,738 7121,286 \$ 102,180 8 16,672 8 143	Net cash used in financing activities	(37,724)	(19,235)
INCREASE IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at beginning of year CASH AND CASH EQUIVALENTS AT END OF PERIOD Cash paid during the year for: Income taxes 19,106 40,442 61,738 61,738 7121,286 \$ 102,180 8 16,672 8 143	Effect of exchange rate changes on cash and cash equivalents	(12,156)	735
Cash and cash equivalents at beginning of year 102,180 61,738 CASH AND CASH EQUIVALENTS AT END OF PERIOD \$ 121,286 \$ 102,180 Cash paid during the year for: Income taxes \$ 16,672 \$ 8,143			
CASH AND CASH EQUIVALENTS AT END OF PERIOD Cash paid during the year for: Income taxes \$ 121,286 \$ 102,180 \$ 16,672 \$ 8,143			
Cash paid during the year for: Income taxes \$ 16,672 \$ 8,143			
Income taxes \$ 16,672 \$ 8,143			
		\$ 16.672	\$ 8.143

CIRCOR INTERNATIONAL, INC. CONSOLIDATED BALANCE SHEETS (in thousands)

	Dece	mber 31, 2014	Dece	ember 31, 2013
ASSETS	(u	naudited)		
CURRENT ASSETS:				
Cash and cash equivalents	\$	121,286	\$	102,180
Short-term investments		86		95
Trade accounts receivable, less allowance for doubtful accounts of \$9,536 and \$2,449, respectively		156,738		144,742
Inventories, net		183,434		199,404
Prepaid expenses and other current assets		21,626		19,815
Deferred income tax asset		22,861		17,686
Total Current Assets		506,031		483,922
PROPERTY, PLANT AND EQUIPMENT, NET		96,212		107,724
OTHER ASSETS:				
Goodwill		72,430		75,876
Intangibles, net		26,887		35,656
Deferred income tax asset		19,048		18,579
Other assets		4,114		4,893
TOTAL ASSETS	\$	724,722	\$	726,650
LIABILITIES AND SHAREHOLDERS' EQUITY			-	
CURRENT LIABILITIES:				
Accounts payable	\$	87,112	\$	70,589
Accrued expenses and other current liabilities		63,911		57,507
Accrued compensation and benefits		24,728		31,289
Income taxes payable		1,312		3,965
Notes payable and current portion of long-term debt		8,423		7,203
Total Current Liabilities		185,486		170,553
LONG-TERM DEBT, NET OF CURRENT PORTION		5,261		42,435
DEFERRED INCOME TAXES		7,771		9,666
OTHER NON-CURRENT LIABILITIES		32,111		27,109
SHAREHOLDERS' EQUITY:				
Common stock		177		176
Additional paid-in capital		277,227		269,884
Retained earnings		250,635		202,930
Accumulated other comprehensive (loss) gain, net of taxes		(33,946)		3,897
Total Shareholders' Equity		494,093		476,887
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	724,722	\$	726,650

CIRCOR INTERNATIONAL, INC. SUMMARY OF ORDERS AND BACKLOG

(in millions) UNAUDITED

		Three Mo	onths I	Ended		Twelve Mo	onths Ended			
	D	ecember 31, 2014		December 31, 2013	Dec	ember 31, 2014		December 31, 2013		
ORDERS (1)										
Energy	\$	158.3	\$	187.4	\$	675.9	\$	691.7		
Aerospace & Defense		45.1		43.7		173.4		189.6		
Total orders	\$	203.4	\$	231.1	\$	849.3	\$	881.3		
BACKLOG (2)	D	ecember 31, 2014		December 31, 2013						
Energy (3)	\$	252.1	\$	288.7						
Aerospace & Defense (4)		108.8		173.9						
Total backlog	\$	361.0	\$	462.6						

Note 1: Orders do not include the foreign exchange impact due to the re-measurement of customer order backlog amounts denominated in foreign currencies.

Note 4: Aerospace & Defense reduced backlog in the second quarter of 2014 by \$28.6 million associated with the exit of certain landing gear product lines and in the fourth quarter of 2014 by \$13.5 million associated with a business divestiture and change in policy.

Note 2: Backlog includes unshipped customer orders.

Note 3: Energy backlog was reduced during the fourth quarter of 2014 by \$25.4 million related to a business divestiture and customer order cancellations initially recorded in prior years.

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

			2013					2014		
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
NET REVENUES										
Energy	\$157,104	\$ 173,557	\$ 167,660	\$ 162,649	\$660,970	\$162,587	\$ 160,580	\$157,658	\$172,432	\$653,257
Aerospace & Defense	48,294	50,087	47,071	51,386	196,838	48,599	47,304	46,160	46,126	188,189
Total	\$205,398	\$ 223,644	\$ 214,731	\$ 214,035	\$857,808	\$211,186	\$ 207,884	\$203,818	\$218,558	\$841,446
ADJUSTED OPERATING MARGIN										
Energy	10.8 %	13.3 %	15.2 %	17.1 %	14.1 %	13.8 %	14.6 %	16.9 %	14.3 %	14.9 %
Aerospace & Defense	5.9 %	11.4 %	12.1 %	8.4 %	9.5 %	9.1 %	7.1 %	5.0 %	5.3 %	6.6 %
Segment operating margin	9.6 %	12.9 %	14.5 %	15.0 %	13.0 %	12.7 %	12.9 %	14.2 %	12.4 %	13.0 %
Corporate expenses	(2.6)%	(2.9)%	(3.4)%	(3.5)%	(3.1)%	(3.4)%	(2.2)%	(2.8)%	(2.7)%	(2.8)%
Adjusted operating margin	7.1 %	10.0 %	11.1 %	11.6 %	9.9 %	9.4 %	10.7 %	11.4 %	9.6 %	10.2 %
Restructuring inventory charges	0.1 %	(0.1)%	—%	0.3 %	0.1 %	—%	2.5 %	1.4 %	—%	0.9 %
Impairment charges	— %	— %	—%	3.2 %	0.8 %	-%	—%	— %	0.3 %	0.1 %
Special (recoveries)	— %	— %	(1.5)%	—%	(0.4)%	(1.1)%	— %	—%	—%	(0.3)%
Special charges	0.7 %	1.0 %	1.4 %	2.4 %	1.4 %	0.5 %	0.6 %	0.2 %	5.6 %	1.8 %
Total GAAP operating margin	6.3 %	9.1 %	11.1 %	5.6 %	8.1 %	9.9 %	7.6 %	9.7 %	3.7 %	7.7 %

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

					2013									2014				
	1ST QTR	2	2ND QTR		3RD QTR		4TH QTR	TOT	AL	1ST QTR		2ND QTR	31	RD QTR	4	TH QTR		TOTAL
ADJUSTED OPERATING INCOME																		
Energy	\$ 16,940	\$	23,114	\$	25,441	\$	27,809	\$ 93,3	04	\$ 22,462	\$	23,502	\$ 2	26,577	\$	24,575	\$	97,117
Aerospace & Defense	2,864		5,724		5,705		4,342	18,6	35	4,426		3,362		2,295		2,425		12,508
Segment operating income	19,804		28,838		31,146		32,151	111,9	39	26,888		26,864	2	28,872		27,000	1	.09,625
Corporate expenses	(5,277)		(6,570)		(7,400)		(7,400)	(26,6	46)	(7,137)		(4,634)		(5,678)		(5,965)	((23,415)
Adjusted operating income	14,528		22,268		23,746		24,751	85,2	93	19,750		22,231	2	23,194		21,035		86,210
Restructuring inventory charges	250		(242)		_		638	6	46	_		5,139		2,850		_		7,989
Impairment charges	_				_		6,872	6,8	72	_		_		_		726		726
Special (recoveries)	_		_		(3,151)		_	(3,1	51)	(2,243)		_		_		_		(2,243)
Special charges	1,378		2,254		2,961		5,160	11,7	52	1,086		1,257		478		12,159		14,980
Total GAAP operating income	12,900		20,256		23,936		12,081	69,1	74	20,907		15,834	1	19,866		8,150		64,757
INTEREST EXPENSE, NET	(787)		(838)		(745)		(792)	(3,1	62)	(918)		(891)		(436)		(407)		(2,652)
OTHER (EXPENSE) INCOME, NET	(612)		(626)		(568)		(167)	(1,9	74)	468		384		(419)		722		1,156
PRETAX INCOME	11,501		18,792		22,623		11,122	64,0	38	20,457		15,328	1	19,012		8,465		63,261
(PROVISION) BENEFIT FOR INCOME TAXES	(3,592)		(6,124)		(4,903)		(2,297)	(16,9	16)	(5,825)		(3,402)		(4,337)		690	((12,875)
EFFECTIVE TAX RATE	31.2 %	ó	32.6 %	ó	21.7 %	6	20.7 %	6 20	5.4 %	28.5 %	6	22.2 %	ó	22.8 %	ó	(8.2)%	ó	20.4 %
NET INCOME	\$ 7,908	\$	12,668	\$	17,720	\$	8,825	\$ 47,1	21	\$ 14,632	\$	11,926	\$ 1	14,675	\$	9,155	\$	50,386
Weighted Average Common Shares Outstanding (Diluted)	17,529		17,607		17,667		17,710	17,6	29	17,741		17,767	1	17,779		17,782		17,768
EARNINGS PER COMMON SHARE (Diluted)	\$ 0.45	\$	0.72	\$	1.00	\$	0.50	\$ 2.	67	\$ 0.82	\$	0.67	\$	0.83	\$	0.51	\$	2.84
ADJUSTED EBITDA	\$ 18,682	\$	26,419	\$	27,850	\$	29,441	\$102,3	92	\$ 25,073	\$	27,536	\$ 2	27,530	\$	26,789	\$1	.06,927
ADJUSTED EBITDA AS A % OF SALES	9.1 %	ó	11.8 %	ó	13.0 %	6	13.8 %	6 1:	L.9 %	11.9 %	6	13.2 %	ó	13.5 %	, ,	12.3 %	ó	12.7 %
CAPITAL EXPENDITURES	\$ 4,707	\$	4,100	\$	4,772	\$	3,749	\$ 17,3	28	\$ 2,670	\$	2,933	\$	3,297	\$	3,910	\$	12,810

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

			2013					2014		
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
FREE CASH FLOW AS % OF NET INCOME	14%	6 75%	167%	167%	116%	98%	62%	96%	243%	115%
FREE CASH FLOW	\$ 1,100	\$ 9,525	\$ 29,557	\$ 14,696	\$ 54,878	\$ 14,387	\$ 7,365	\$ 14,015	\$ 22,249	\$ 58,016
ADD:										
Capital Expenditures	4,707	4,100	4,772	3,749	17,328	2,670	2,933	3,297	3,910	12,810
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 5,807	\$ 13,625	\$ 34,329	\$ 18,445	\$ 72,206	\$ 17,057	\$ 10,298	\$ 17,312	\$ 26,159	\$ 70,826
NET DEBT (CASH)	\$ 8,814	\$ (1,376)	\$ (36,466)	\$ (52,637)	\$ (52,637)	\$ (66,056)	\$ (72,982)	\$ (80,829)	\$(107,688)	\$(107,688)
ADD:										
Cash & Cash Equivalents	57,633	60,831	86,285	102,180	102,180	122,097	116,326	114,580	121,286	121,286
Investments	99	96	98	95	95	92	95	91	86	86
TOTAL DEBT	\$ 66,546	\$ 59,551	\$ 49,917	\$ 49,638	\$ 49,638	\$ 56,133	\$ 43,439	\$ 33,842	\$ 13,684	\$ 13,684
DEBT AS % OF EQUITY	16%	6 14%	11%	10%	10%	11%	9%	7%	3%	3%
TOTAL DEBT	66,546	59,551	49,917	49,638	49,638	56,133	43,439	33,842	13,684	13,684
TOTAL SHAREHOLDERS' EQUITY	418,819	432,151	459,058	476,887	476,887	492,601	507,363	508,035	494,093	494,093

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

		2013														2014			
	1	ST QTR	2	ND QTR	3	RD QTR	4	TH QTR		TOTAL	1	ST QTR	2	ND QTR	3	RD QTR	4	TH QTR	 TOTAL
ADJUSTED OPERATING INCOME	\$	14,528	\$	22,268	\$	23,746	\$	24,751	\$	85,293	\$	19,750	\$	22,230	\$	23,194	\$	21,035	\$ 86,210
LESS:																			
Inventory restructuring charges		250		(242)		_		638		646		_		5,139		2,850		_	7,989
Impairment charges		_		_		_		6,872		6,872		_		_		_		726	726
Special (recoveries)		_		_		(3,151)		_		(3,151)		(2,243)		_		_		_	(2,243)
Special charges		1,378		2,254		2,961		5,160		11,753		1,086		1,257		478		12,159	14,980
OPERATING INCOME	\$	12,900	\$	20,256	\$	23,936	\$	12,081	\$	69,173	\$	20,907	\$	15,834	\$	19,866	\$	8,150	\$ 64,757
ADJUSTED NET INCOME	\$	9,043	\$	14,044	\$	16,439	\$	16,773	\$	56,299	\$	13,916	\$	16,090	\$	16,827	\$	19,188	\$ 66,019
LESS:																			
Inventory restructuring charges, net of tax		174		(165)		_		396		405		_		3,316		1,857		_	5,173
Impairment charges, net of tax		_		_		_		4,261		4,261		_		_				726	726
Special (recoveries), net of tax		_		_		(3,151)		_		(3,151)		(1,391)				_		_	(1,391)
Special charges, net of tax		961		1,541		1,870		3,291		7,663		675		848		295		9,307	11,125
NET INCOME	\$	7,908	\$	12,668	\$	17,720	\$	8,825	\$	47,121	\$	14,632	\$	11,926	\$	14,675	\$	9,155	\$ 50,386
ADJUSTED EARNINGS PER SHARE																			
(Diluted)	\$	0.52	\$	0.81	\$	0.93	\$	0.95	\$	3.21	\$	0.78	\$	0.91	\$	0.95	\$	1.08	\$ 3.72
LESS:																			
Inventory restructuring charges, net of tax		0.01		(0.01)		_		0.02		0.02		_		0.19		0.10		_	0.29
Impairment charges, net of tax		_		_		_		0.24		0.24		_		_		_		0.04	0.04
Special (recoveries), net of tax		_		_		(0.18)		_		(0.18)		(80.0)		_		_		_	(80.0)
Special charges, net of tax		0.06		0.10		0.11		0.19		0.46		0.04		0.05		0.02		0.52	0.63
EARNINGS PER COMMON SHARE (Diluted)	\$	0.45	\$	0.72	\$	1.00	\$	0.50	\$	2.67	\$	0.82	\$	0.67	\$	0.83	\$	0.51	\$ 2.84

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

			2013					2014		
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
EBITDA	\$ 17,054	\$ 24,407	\$ 23,368	\$ 11,914	\$ 86,272	\$ 26,230	\$ 21,140	\$ 24,202	\$ 13,904	\$ 85,475
LESS:										
Interest expense, net	(787)	(838)	(745)	(792)	(3,162)	(918)	(891)	(436)	(407)	(2,652)
Depreciation	(4,009)	(4,026)	(3,908)	(4,091)	(16,034)	(4,069)	(4,116)	(3,978)	(4,283)	(16,446)
Amortization	(758)	(751)	(764)	(766)	(3,039)	(786)	(805)	(776)	(749)	(3,116)
(Provision) Benefit for income taxes	(3,592)	(6,124)	(4,903)	(2,297)	(16,916)	(5,825)	(3,402)	(4,337)	690	(12,875)
NET INCOME	\$ 7,908	\$ 12,668	\$ 17,720	\$ 8,825	\$ 47,121	\$ 14,632	\$ 11,926	\$ 14,675	\$ 9,155	\$ 50,386
ADJUSTED EBITDA	\$ 18,682	\$ 26,419	\$ 27,850	\$ 29,441	\$102,392	\$ 25,073	\$ 27,536	\$ 27,530	\$ 26,789	\$106,927
Inventory restructuring charges	(250)	242	_	(638)	(646)	_	(5,139)	(2,850)	_	(7,989)
Impairment charges	_	_	_	(6,872)	(6,872)	_	_	_	(726)	(726)
Special (recoveries)	_	_	3,151	_	3,151	2,243	_	_	_	2,243
Special charges	(1,378)	(2,254)	(2,961)	(5,160)	(11,753)	(1,086)	(1,257)	(478)	(12,159)	(14,980)
Interest expense, net	(787)	(838)	(745)	(792)	(3,162)	(918)	(891)	(436)	(407)	(2,652)
Depreciation	(4,009)	(4,026)	(3,908)	(4,091)	(16,034)	(4,069)	(4,116)	(3,978)	(4,283)	(16,446)
Amortization	(758)	(751)	(764)	(766)	(3,039)	(786)	(805)	(776)	(749)	(3,116)
(Provision) Benefit for income taxes	(3,592)	(6,124)	(4,903)	(2,297)	(16,916)	(5,825)	(3,402)	(4,337)	690	(12,875)
NET INCOME	\$ 7,908	\$ 12,668	\$ 17,720	\$ 8,825	\$ 47,121	\$ 14,632	\$ 11,926	\$ 14,675	\$ 9,155	\$ 50,386





Fourth Quarter 2014 Investor Review

Presented February 18, 2015

Safe Harbor

This presentation 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 presentation that are not statements of historical fact are forward-looking statements, including, but not limited to, those relating to CIRCOR's future performance, including first-quarter revenue and earnings guidance, as well as the savings anticipated to result from the restructuring activities discussed herein. 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.

Within this presentation the Company uses non-GAAP financial measures, including adjusted net income, adjusted earnings per diluted share, adjusted operating income, adjusted operating margin, net debt, free cash flow and Q1 2014 pro forma revenue and adjusted earnings per diluted share. These measures 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 the Company's fourth-quarter 2014 news release available on its website at www.circor.com.

Q4 2014 Investor Review



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Q4 and Full Year 2014 Financial Highlights

YOY Change

Fourth-Quarter 2014

Revenues of \$218.6 million +6% organically

Adjusted Operating Margin of 9.6% -200 bps

Adjusted EPS of \$1.08 +13 cents

Full-Year 2014

Revenues of \$841.4 million
 -1% organically

Adjusted Operating Margin of 10.2% +30 bps

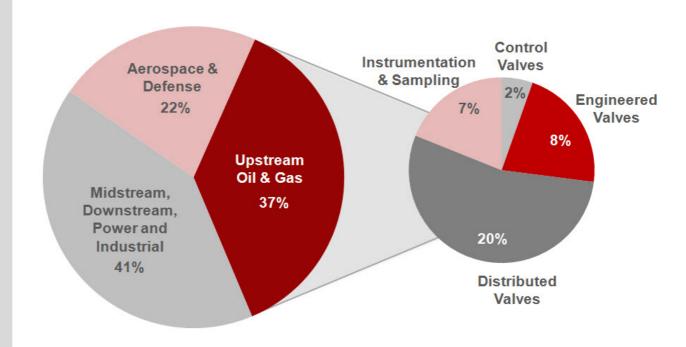
Adjusted EPS of \$3.72 +51 cents

Q4 2014 Investor Review



Note: AOI Margin and Adjusted EPS includes \$6.5 million of Q4 2014 charges associated with certain Brazilian customers and excludes, inventory restructuring, special, restructuring charges/(recoveries) and impairments of \$12.9 million and \$21.5 million during Q4 2014 and FY2014 respectively.

2014 Pro forma Revenue Distribution



Q4 2014 Investor Review

Note: Excludes divestiture of two business units.



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Energy Segment Highlights

(\$US, in millions)

	Q4 2014	Q4 2013	YOY Change
Revenues	172.4	162.6	6%
Adjusted operating margin	14.3%	17.1%	-280 bps

- Revenues increased 6% (+10% organically)
 - NA short-cycle
 - Large international projects
 - Instrumentation and Sampling
- Adjusted operating margin decreased 280 bps
 - Higher productivity and restructuring savings
 - Favorable pricing
 - Includes \$6.5 charge for Brazilian customers



CIRCOR engineered valves for projects in Myanmar and Oman

Q4 2014 Investor Review



Note: AOI Margin excludes impairment, special and restructuring charges.

Aerospace & Defense Segment Highlights

(\$US, in millions)

	Q4 2014	Q4 2013	YOY Change
Revenues	46.1	51.4	(10%)
Adjusted operating margin	5.3%	8.4%	-310 bps

- Revenues decreased 10% (-7% organically)
 - Lowerlanding gear and industrial sales
 - Higher UK navy shipments
- Adjusted operating margin decreased 310 bps
 - Impact from structural landing gear product line exit
 - Lower margin from French businesses



Directional control valves for BAE Systems

Q4 2014 Investor Review



Note: AOI Margin excludes impairment, special and restructuring charges.

Q4 P&L Highlights

(\$US, in millions except per share data)	Q4 2014	Q4 2013
Segments' adjusted operating income ¹	27.0	32.2
Special charges, net	12.2	5.2
Impairment charges, net	0.7	6.9
Restructuring inventory charges, net	-	0.6
Corporate expenses ¹	6.0	7.4
Operating Income	8.2	12.1
Net interest (expense)	(0.4)	(8.0)
Other income (expense)	0.7	(0.2)
Benefit (provision) for income taxes	0.7	(2.3)
Net Income	9.2	8.8
Tax Rate	(8.2%)	20.7%
Diluted shares ('000)	17,782	17,710
US GAAP EPS		0.50
Adjusted EPS ²	1.08	0.95

Q4 2014 Investor Review

²Excludes special and restructuring charges, net of tax



¹Excludes special and restructuring charges

Cash Flow and Debt Highlights

(\$US, in millions except per share data)

	FY 2014	FY 2013
Cash Flow from Operations	70.8	72.2
Capital Expenditures	(12.8)	(17.3)
Free Cash Flow	58.0	54.9
<u>D</u>	ec. 31, 2014	Dec. 31, 2013
Total Debt	12.7	10.0
101012001	13.7	49.6
Cash, Cash Equivalents & ST Investment		102.3

Q4 2014 Investor Review Announced \$75 million share repurchase program



Note: Net Debt is defined as Total Debt less cash, cash equivalents and short term investments.

Pro forma Q1 2014

(\$US, in millions except per share data)

	Revenue	Adjusted EPS
Q1 2014 Actuals	\$211.2	\$0.78
FX - Estimate	(12.0)	(0.10)
Divestitures	(13.0)	-
Q1 2014 Pro forma	\$186.2	\$0.68

Notes:

1) FX assumes Q1 2014 foreign subsidiary amounts are converted to \$US at the following rates; Euro = \$1.14, GBP \$1.5

2) Divestitures reflects amounts associated with two divested business units

3) For a reconciliation of Q1 2014 Adjusted EPS to US GAAP earnings per diluted share, refer to the Company's fourth quarter 2014 earnings release

Investor Review

CIRCOR

Q4 2014

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Q1 2015 Guidance as of February 18, 2015

(\$US, in millions except per share data)

	Q1 2	2015
	Low	High
Revenue	\$155	\$170
Expected Adjusted Earnings Per Common Share (Diluted)		0.70
Less:		
Restructuring related charges, net of tax Special charges, net of tax	0.14	0.12
Expected Earnings Per Common Share (Diluted)	0.46	0.58

Q4 2014 Investor Review



Note: Assumes 26% to 27% tax rate and exchange rates at present levels.

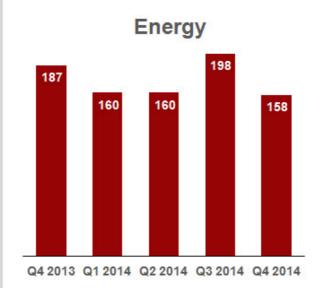
Appendix

Q4 2014 Investor Review

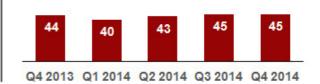


Order Trends

(\$US, in millions)



Aerospace & Defense



Q4 2014 Investor Review



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