
**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 20, 2008

CIRCOR INTERNATIONAL, INC.

(Exact name of registrant as specified in 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))
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Item 2.02 Results of Operations and Financial Condition

By press release dated February 20, 2008, the Company announced its financial results for the three and twelve months ended December 31, 2007. 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, and earnings per share excluding special charges. 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. 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) and earnings per share excluding special charges (defined as earnings per common share, excluding the impact of special charges, net of tax) is provided because management believes these measurements are commonly used by investors and financial institutions to analyze and compare companies on the basis of operating performance. Free cash flow, EBIT, EBITDA, and earnings per share excluding special charges 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, and earnings per share excluding special charges, 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, and earnings per share excluding special charges, 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers***Appointment of A. William Higgins as Chief Executive Officer and Director***

On February 20, 2008, CIRCOR International, Inc. (“CIRCOR” or the “Company”) issued a press release announcing that A. William (“Bill”) Higgins has been elected as Chief Executive Officer of the Company effective March 1, 2008 succeeding David A. Bloss, Sr. whose retirement the Company has previously announced. In addition, on February 20, 2008, the Company’s Board of Directors accepted the recommendation of the Nominating and Corporate Governance Committee and appointed Mr. Higgins to the Company’s Board of Directors, thereby increasing the size of its Board from 7 to 8 members. Mr. Higgins will serve as a Class III director. A copy of the press release announcing Mr. Higgins’ appointments is attached as Exhibit 99.2.

Mr. Higgins, age 49 joined the Company as Executive Vice President and Chief Operating Officer in January 2005 and was elevated to the position of President and Chief Operating Officer in November 2006. Prior to joining the Company, Mr. Higgins spent thirteen years in a variety of senior management positions with Honeywell International and AlliedSignal, most recently serving as Vice President and General Manager, Americas for the Honeywell Building Solutions Business, and prior to that, as Vice President and General Manager of the AlliedSignal Grimes Aerospace Business, General Manager of the AlliedSignal Aerospace Services Anniston Repair and Overhaul Business, and Director of East Asia Business Development for the Electronic Materials Business unit.

Mr. Higgins' employment with the company is at-will, and the Company has no employment agreement with him. In connection with his elevation to Chief Executive Officer, Mr. Higgins will have a 2008 annual base salary of \$525,000 and an annual Short-Term Bonus Target Opportunity of 75% of his base salary. Mr. Higgins also will continue to participate in the Company's Long-Term Incentive Plan with an annual target opportunity of 125% of his annual base salary, which currently is paid in restricted stock units. Upon commencement of his service as Chief Executive Officer, Mr. Higgins will receive a restricted stock unit award with the number of units equal to \$375,000 divided by the closing market price of the Company's stock on the award date. These restricted stock units will vest one-fifth per year over a five-year period. In addition, to compensate Mr. Higgins for his willingness to forfeit participation in the Company's Supplemental Executive Retirement Plan, he will receive a restricted stock unit award with the number of units equal to \$1,400,000 divided by the closing market price of the Company's stock on the award date. These restricted stock units will vest 15% at the time of the award with the remainder to vest in equal installments over a 13-year period from the date of the award.

The Company also will enter into an Amended and Restated Executive Change of Control Agreement as well as a Severance Agreement with Mr. Higgins, both effective as of March 1, 2008. The material terms of the Amended and Restated Executive Change in Control Agreement will be the same as those applicable to Mr. Higgins' prior Executive Change of Control Agreement entered into on February 15, 2005, as is described in the Company's most recent proxy statement, filed with the Securities and Exchange Commission on March 27, 2007 except that the "Change of Control Payment" (as defined in the Executive Change of Control Agreement) will be an amount equal to three times the sum of his then effective base salary plus his highest annual incentive compensation under the Company's Executive Bonus Incentive Plan in the three immediately preceding fiscal years. The Severance Agreement will provide that in the event Mr. Higgins' employment is terminated other than for "Cause", "Disability" or by Mr. Higgins' resignation for "Good Reason" (as those terms are defined in the Severance Agreement), Mr. Higgins will be entitled to receive a severance payment equal to two times the sum of his then effective base salary and target bonus opportunity.

Mr. Higgins is also eligible to receive compensation for country club initiation fees and dues and tax preparation and planning services. Mr. Higgins' other compensation components and benefits are similar to our other executive officers, which are described in the Company's proxy statement filed on March 27, 2007.

There are no family relationships between Mr. Higgins and any director or executive officer of the Company which would require disclosure under Item 401(d) of Regulation S-K and no transactions between Mr. Higgins or any of his immediate family members and the Company which would require disclosure under Item 404(a) of Regulation S-K.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On February 20, 2008, the Board of Directors of the Company approved amendments to Article IV, Sections 1 and 2 of the Company's By-Laws to allow for the issuance and transfer of uncertificated shares of the Company. The purpose of these amendments is to ensure that the Company is eligible to participate in a Direct Registration System as required by Section 501 of the New York Stock Exchange Listed Company Manual.

The full text of the amendments to Article IV, Sections 1 and 2 are included in the Company's Certificate of Amendment to the Amended and Restated By-Laws, which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
3.1	Certificate of Amendment to the Amended and Restated Bylaws of CIRCOR International, Inc.
99.1	Press Release regarding Earnings, Dated February 20, 2008.
99.2	Press Release regarding Bill Higgin's Election as CEO and Director dated February 20, 2008.

SIGNATURE

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

Date: February 26, 2008

CIRCOR INTERNATIONAL, INC.

By: /s/ Alan J. Glass
Alan J. Glass
Vice President, General Counsel and Secretary

CERTIFICATE OF AMENDMENT
TO THE AMENDED AND RESTATED BY-LAWS OF
CIRCOR INTERNATIONAL, INC.

Effective December 31, 2007

The undersigned, being the Secretary of Circor International, Inc., a Delaware corporation (the "Corporation"), hereby certifies that the Board of Directors of the Corporation approved an amendment to the Amended and Restated By-Laws of the Corporation (the "By-Laws"), effective as of the date indicated above.

1. Section 1 of Article IV of the By-Laws is amended by deleting such section in its entirety and substituting therefore the following:

"SECTION 1. Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by the Chairman of the Board of Directors, the President or a Vice President and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary. The Corporation seal and the signatures by the Corporation's officers, the transfer agent or the registrar may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. Notwithstanding anything to the contrary provided in these By-laws, the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares (except that the foregoing shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation), and by the approval and adoption of these By-laws the Board of Directors has determined that all classes or series of the Corporation's stock may be uncertificated, whether upon original issuance, re-issuance, or subsequent transfer."

2. Section 2 of Article IV of the By-Laws is amended by deleting such section in its entirety and substituting therefore the following:

"SECTION 2. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by applicable law and in these By-Laws. Transfers of stock shall be made on the books of the Corporation, and in the case of certificated shares of stock, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate therefore, properly endorsed for transfer and payment of all necessary transfer taxes; or, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney lawfully constituted in writing, and upon payment of all necessary transfer taxes and compliance with appropriate

procedures for transferring shares in uncertificated form; provide, however, that such surrender and endorsement, compliance or payment of all taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of stock, every certificate exchanged, returned or surrendered to the Corporation shall be marked “Cancelled,” with the date of cancellation, by the Secretary or Assistant Secretary of the Corporation or the transfer agent thereof. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.”

/s/ Alan J. Glass

Alan J. Glass, Secretary

PRESS RELEASE

Contact:

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

CIRCOR Announces Fourth Quarter Earnings of \$0.60 per share

- Fourth quarter earnings excluding net charges total \$0.66 per share, up 3% over prior year
- Company establishes reserve for existing asbestos claims and records gain on sale of land in China
- Outlook for 2008 continues to show growth as Energy, Aerospace and Industrial markets and backlog remain strong

Burlington, MA, February 20, 2008

CIRCOR International, Inc. (NYSE: CIR), a leading provider of valves and other fluid control devices for the instrumentation, aerospace, thermal fluid and energy markets, today announced results for the fourth quarter and 12 months ended December 31, 2007.

Revenues for the 2007 fourth quarter were \$174.5 million, an increase of 3% from \$169.6 million for the fourth quarter 2006 period. Net income for the fourth quarter of 2007 was \$10.1 million, or \$0.60 per diluted share, compared to \$10.4 million, or \$0.63 per diluted share, for the fourth quarter of 2006. Net income for the fourth quarter of 2007 includes net pre-tax charges of \$1.6 million, or \$0.06 per diluted share: (i) a \$0.10 per share charge to accrue estimated indemnity costs associated with open asbestos claims affecting the Company's Leslie Controls subsidiary; (ii) \$0.01 per diluted share for a charge related to accelerated vesting of equity awards for retiring executives; and (iii) \$0.05 per share from a gain on sale of the Company's former location in China.

For the 12 months ended December 31, 2007, revenues were \$665.7 million, an increase of 13% from \$591.7 million for 2006. Net income for the 12 months of 2007 was \$37.9 million, or \$2.27 per diluted share, an increase of 26% from \$29.3 million, or \$1.80 per diluted share, in the same period last year. Results for the 12 months of 2007 include net pre-tax charges of \$3.3 million, or \$0.15 per diluted share: (i) \$0.11 per diluted share for charge from accelerated vesting of equity awards for the Company's retiring executives; (ii) \$0.10 per diluted share for charge to accrue estimated indemnity costs associated with open asbestos claims affecting the Company's Leslie Controls subsidiary; (iii) \$0.05 per diluted share for charges related to facility

consolidation; (iv) \$0.06 per diluted share from gain on sale of an unrelated business; and (v) \$0.05 per diluted share from gain on sale of a former Chinese manufacturing site.

The Company received orders totaling \$170.4 million during the fourth quarter of 2007, increasing 1% over the fourth quarter of 2006, and an 8% decrease from the third quarter of 2007. For the 12 months of 2007, orders totaled \$771.7 million with year-end backlog remaining at a near record level of \$391.6 million, representing increases of 9% and 37%, respectively, over 2006.

During the fourth quarter of 2007, the Company generated \$28.0 million of free cash flow (defined as net cash from operating activities, less capital expenditures and dividends paid) and, for the 12 months of 2007, the Company had positive free cash flow of \$42.5 million despite higher working capital needed to support the Company's record orders and its 37% increase in backlog. This compares favorably to the 12 months of 2006 during which the Company generated \$17.5 million of free cash flow. The improvement in 2007 largely resulted from reduced working capital and an increase in profitability as compared to 2006.

Circor's Instrumentation and Thermal Fluid Controls Products segment revenues increased 12% to \$91.5 million from \$81.6 million in the fourth quarter of 2006. Incoming orders for this segment were \$93.1 million, up 26%, while this segment's backlog at December 31, 2007, reached a record \$136.7 million, a 21% increase from one year ago, and a 1% increase from the end of the third quarter of 2007. This segment's operating margin for the fourth quarter was 8.3% compared to the 8.2% operating margin achieved in the fourth quarter of 2006. Excluding special charges and the accrual for estimated indemnity costs associated with open asbestos claims affecting the Company's Leslie Controls subsidiary, the fourth quarter 2007 operating margin was 11.2% which represented a 300 basis point increase from the third quarter of 2007, reflecting improved manufacturing efficiencies and lower inventory costs from foreign-sourcing.

During the fourth quarter of 2007, the Company's Leslie Controls subsidiary, whose results are reported in Circor's Instrumentation and Thermal Fluid Controls Segment, recorded an additional liability of \$9.0 million for the estimated indemnity cost associated with resolution of its current open claims for asbestos-related litigation. The recording of this liability resulted in a pre-tax charge of \$2.6 million, or \$0.10 per share, net of insurance recoveries.

Circor's Energy Products segment revenues decreased 6% to \$83.1 million from its record level of \$88.0 million in the fourth quarter of 2006. Incoming orders for the quarter were \$77.3 million and ending backlog totaled another record at \$254.8 million compared to incoming orders of \$95.4 million and ending backlog of \$172.2 million in the same periods last year. This segment's operating margin was 16.7% during the fourth quarter of 2007 compared to 15.4% for the fourth quarter of 2006.

Bill Higgins, Circor's Chief Executive Officer-elect, said, "As expected, our Energy Products business experienced some softening in market activities this quarter from record levels, as distributor inventories in North America caught up with demand and, globally, project awards returned to more normal levels. Prospects in 2008 remain healthy as this segment's backlog remains at near record levels."

Mr. Higgins continued, "Results for our Instrumentation and Thermal Fluid Control Products segment were encouraging. Incoming order rates improved in all primary markets including steam, instrumentation and general aerospace. We continue to make progress with lean manufacturing and global outsourcing initiatives to drive profit improvement within this segment, and expect to more fully realize cost reduction benefits throughout 2008. Some selective pricing increases have been successfully instituted as well. These improvements have been partially offset by higher legal costs associated with Leslie Controls' asbestos claims."

Circor provided guidance for its first quarter 2008 results, indicating it expects earnings to be in the range of \$0.54 to \$0.58 per diluted share, including an expected \$0.02 special charge related to facility closures. The guidance compares to earnings in the first quarter of 2007 of \$0.45 per diluted share, which included \$0.03 per share for a facility consolidation.

CIRCOR International has scheduled a conference call to review its results for the fourth quarter of 2007 tomorrow, February 21, 2008, at 10:30 am ET. Interested parties may access the call by dialing (888) 256-9119 from the US and Canada and (913) 312-6693 from international locations. A replay of the call will be available from 1:30 pm ET on February 21, 2008, through 1:30 pm ET on February 28, 2008. To access the replay, interested parties should dial (888) 203-1112 or (719) 457-0820 and enter confirmation code # 2840279 when prompted. The presentation slides that will be discussed in the conference call are expected to be available on Wednesday, February 20, 2008, by 6:00 pm ET. The presentation slides may be downloaded from the quarterly earnings page of the investor section on the CIRCOR website: <http://www.circor.com/quarterlyearnings/>. An audio recording of the conference call also is expected to be posted on the company's website by February 25, 2008.

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. 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, 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.

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

	Three Months Ended		Year Ended	
	Dec 31, 2007	Dec 31, 2006	Dec 31, 2007	Dec 31, 2006
Net revenues	\$ 174,523	\$ 169,615	\$ 665,740	\$ 591,711
Cost of revenues	121,320	120,643	470,373	418,803
GROSS PROFIT	53,203	48,972	195,367	172,908
Selling, general and administrative expenses	37,951	32,641	136,086	124,720
Special charges (income), net	(922)	200	2,514	678
OPERATING INCOME	16,174	16,131	56,767	47,510
Other (income) expense:				
Interest income	(134)	(97)	(393)	(429)
Interest expense	289	1,342	3,394	5,546
Other (income) expense, net	133	487	(1,257)	134
Total other expense	288	1,732	1,744	5,251
INCOME BEFORE INCOME TAXES	15,886	14,399	55,023	42,259
Provision for income taxes	5,765	4,016	17,112	12,931
NET INCOME	\$ 10,121	\$ 10,383	\$ 37,911	\$ 29,328
Earnings per common share:				
Basic	\$ 0.61	\$ 0.65	\$ 2.31	\$ 1.84
Diluted	\$ 0.60	\$ 0.63	\$ 2.27	\$ 1.80
Weighted average common shares outstanding:				
Basic	16,646	16,076	16,442	15,976
Diluted	16,925	16,438	16,730	16,291

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

	Year Ended	
	Dec 31, 2007	Dec 31, 2006
OPERATING ACTIVITIES		
Net income	\$ 37,911	\$ 29,328
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	10,870	11,206
Amortization	2,579	2,394
Compensation expense of stock-based plans	5,704	3,252
Tax effect of share based compensation	(3,623)	—
Deferred income taxes	(3,574)	(4,708)
(Gain) Loss on sale of assets held for sale	(1,229)	—
(Gain) Loss on sale of property, plant and equipment	102	91
Gain on sale of affiliate	(1,605)	(11)
Equity earnings and paid dividends of affiliate, net	452	—
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Trade accounts receivable	(12,532)	(20,857)
Inventories	(15,672)	(29,804)
Prepaid expenses and other assets	(13,187)	4,966
Accounts payable, accrued expenses and other liabilities	50,720	34,001
Net cash provided by operating activities	<u>56,916</u>	<u>29,858</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(11,983)	(9,933)
Proceeds from disposal or sale of property, plant and equipment	939	371
Proceeds from sale of assets held for sale	4,072	100
Business acquisitions, net of cash acquired	(2,704)	(61,103)
Proceeds from sale of affiliate	1,605	2,309
Purchase of investments	(8,760)	(12,194)
Proceeds from sale of investments	—	12,211
Net cash used in investing activities	<u>(16,831)</u>	<u>(68,239)</u>
FINANCING ACTIVITIES		
Proceeds from debt borrowings	87,641	100,561
Payments of debt	(130,709)	(70,204)
Dividends paid	(2,464)	(2,395)
Proceeds from the exercise of stock options	6,380	3,627
Tax effect of share based compensation	3,623	2,559
Net cash (used in) provided by financing activities	<u>(35,529)</u>	<u>34,148</u>
Effect of exchange rate changes on cash and cash equivalents	1,454	1,773
INCREASE IN CASH AND CASH EQUIVALENTS	<u>6,010</u>	<u>(2,460)</u>
Cash and cash equivalents at beginning of year	<u>28,652</u>	<u>31,112</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>\$ 34,662</u></u>	<u><u>\$ 28,652</u></u>

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

	<u>Dec 31, 2007</u>	<u>Dec 31, 2006</u>
ASSETS		
Current Assets:		
Cash & cash equivalents	\$ 34,662	\$ 28,652
Investments	8,861	86
Trade accounts receivable, less allowance for doubtful accounts of \$ 2,264 and \$2,523, respectively	125,663	108,689
Inventories	171,661	150,160
Prepaid expenses and other current assets	3,990	2,926
Insurance receivable	6,885	—
Deferred income taxes	8,220	7,305
Assets held for sale	312	3,132
Total Current Assets	<u>360,254</u>	<u>300,950</u>
Property, Plant and Equipment, net	82,465	79,039
Other Assets:		
Goodwill	169,110	163,720
Intangibles, net	47,373	49,226
Non current insurance receivable	5,014	—
Other assets	12,253	12,740
Total Assets	<u>\$ 676,469</u>	<u>\$ 605,675</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 82,038	\$ 71,788
Accrued expenses and other current liabilities	72,481	53,333
Accrued compensation and benefits	21,498	15,325
Asbestos liability	9,697	1,026
Income taxes payable	7,900	6,027
Notes payable and current portion of long-term debt	201	415
Total Current Liabilities	<u>193,815</u>	<u>147,914</u>
Long-Term Debt, net of current portion	21,901	64,411
Deferred Income Taxes	19,106	21,674
Long term asbestos liability	7,062	—
Other Non-Current Liabilities	14,201	14,375
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 16,650,407 and 16,181,070 issued and outstanding, respectively	167	162
Additional paid-in capital	240,000	224,508
Retained earnings	144,644	109,251
Accumulated other comprehensive income	35,573	23,380
Total Shareholders' Equity	<u>420,384</u>	<u>357,301</u>
Total Liabilities and Shareholders' Equity	<u>\$ 676,469</u>	<u>\$ 605,675</u>

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

	Three Months Ended		Year Ended	
	<u>Dec 31, 2007</u>	<u>Dec 31, 2006</u>	<u>Dec 31, 2007</u>	<u>Dec 31, 2006</u>
ORDERS				
Instrumentation & Thermal Fluid Controls	\$ 93,071	\$ 74,111*	\$ 366,913	\$ 323,214*
Energy Products	77,348	95,368	404,752	381,762
Total orders	<u>\$ 170,419</u>	<u>\$ 169,479</u>	<u>\$ 771,665</u>	<u>\$ 704,976</u>
BACKLOG				
Instrumentation & Thermal Fluid Controls	\$ 136,749	\$ 113,434		
Energy Products	254,841	172,235		
Total backlog	<u>\$ 391,590</u>	<u>\$ 285,669</u>		

Note: Backlog includes all unshipped customer orders.

* - Orders for the Instrumentation & Thermal Fluid Controls Products segment have been reduced by \$1,851 and \$8,281 for the three and twelve months ended December 31, 2006, respectively, for the sale in December 2006 of the small, French business, Societe Alsacienne Regulaves Thermiques von Rohr (“Sart”),

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

	2006					2007				
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Full Year	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Full Year
NET REVENUES										
Instrumentation & Thermal Fluid Controls (TFC)	\$ 72,434	\$ 79,470	\$ 79,205	\$ 81,591	\$312,700	\$ 81,296	\$ 85,740	\$ 85,094	\$ 91,466	\$343,596
Energy Products	54,861	64,919	71,207	88,024	279,011	79,967	80,197	78,923	83,057	322,144
Total	127,295	144,389	150,412	169,615	591,711	161,263	165,937	164,017	174,523	665,740
OPERATING MARGIN										
Instrumentation & TFC	9.1%	8.6%	9.5%	8.2%	8.8%	7.9%	8.7%	7.1%	8.3%	8.0%
Energy Products	10.4%	11.4%	13.2%	15.7%	13.0%	12.7%	16.3%	17.4%	15.3%	15.4%
Segment operating margin	9.7%	9.9%	11.3%	12.1%	10.8%	10.3%	12.4%	12.1%	11.6%	11.6%
Corporate expenses	-3.0%	-2.5%	-2.8%	-2.4%	-2.7%	-2.4%	-2.4%	-3.0%	-2.9%	-2.7%
Special charges	0.0%	0.0%	-0.3%	-0.1%	-0.1%	-0.4%	-0.4%	-1.3%	0.5%	-0.4%
Total operating margin	6.7%	7.4%	8.1%	9.5%	8.0%	7.4%	9.5%	7.8%	9.3%	8.5%
OPERATING INCOME										
Instrumentation & TFC (excl. special & unusual charges)	6,595	6,861	7,522	6,680	27,658	6,433	7,438	6,076	7,589	27,536
Energy Products (excl. special & unusual charges)	5,702	7,429	9,420	13,797	36,348	10,125	13,063	13,745	12,675	49,608
Segment operating income (excl. special & unusual charges)	12,297	14,290	16,942	20,477	64,006	16,558	20,501	19,821	20,264	77,144
Corporate expenses (excl. special & unusual charges)	(3,809)	(3,578)	(4,284)	(4,146)	(15,817)	(3,853)	(4,056)	(4,942)	(5,012)	(17,863)
Special (charges) income, net	—		(479)	(200)	(679)	(691)	(615)	(2,130)	922	(2,514)
Total operating income	8,488	10,712	12,179	16,131	47,510	12,014	15,830	12,749	16,174	56,767
INTEREST EXPENSE, NET	(1,024)	(1,464)	(1,383)	(1,246)	(5,117)	(1,218)	(884)	(744)	(155)	(3,001)
OTHER (EXPENSE) INCOME, NET	131	248	(27)	(486)	(134)	97	(215)	1,508	(133)	1,257
PRETAX INCOME	7,595	9,496	10,769	14,399	42,259	10,893	14,731	13,513	15,886	55,023
PROVISION FOR INCOME TAXES	(2,431)	(3,038)	(3,446)	(4,016)	(12,931)	(3,486)	(4,713)	(3,148)	(5,765)	(17,112)
EFFECTIVE TAX RATE	32.0%	32.0%	32.0%	27.9%	30.6%	32.0%	32.0%	23.3%	36.3%	31.1%
NET INCOME	\$ 5,164	\$ 6,458	\$ 7,323	\$ 10,383	\$ 29,328	\$ 7,407	\$ 10,018	\$ 10,365	\$ 10,121	\$ 37,911
Weighted Average Common Shares Outstanding (Diluted)	16,197	16,332	16,368	16,438	16,291	16,533	16,679	16,768	16,925	16,730
EARNINGS PER COMMON SHARE (Diluted)										
	\$ 0.32	\$ 0.40	\$ 0.45	\$ 0.63	\$ 1.80	\$ 0.45	\$ 0.60	\$ 0.62	\$ 0.60	\$ 2.27
EBIT	\$ 8,619	\$ 10,960	\$ 12,152	\$ 15,645	\$ 47,376	\$ 12,111	\$ 15,615	\$ 14,257	\$ 16,041	\$ 58,024
Depreciation	2,619	3,169	2,901	2,517	11,206	2,808	2,812	2,662	2,588	10,870
Amortization of intangibles	515	567	709	603	2,394	626	632	659	662	2,579
EBITDA	\$ 11,753	\$ 14,696	\$ 15,762	\$ 18,765	\$ 60,976	\$ 15,545	\$ 19,059	\$ 17,578	\$ 19,291	\$ 71,473
EBITDA AS A PERCENT OF SALES										
	9.2%	10.2%	10.5%	11.1%	10.3%	9.6%	11.5%	10.7%	11.1%	10.7%
CAPITAL EXPENDITURES	\$ 1,578	\$ 1,742	\$ 3,823	\$ 2,790	\$ 9,933	\$ 1,776	\$ 2,266	\$ 2,844	\$ 5,097	\$ 11,983

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

	2006					2007				
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Full Year	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Full Year
FREE CASH FLOW [NET CASH FLOW FROM OPERATING ACTIVITIES LESS CAPITAL EXPENDITURES LESS DIVIDENDS PAID]	\$ (5,213)	\$ 402	\$ 8,865	\$ 13,476	\$ 17,530	\$ (5,429)	\$ 5,439	\$ 11,470	\$ 30,989	\$ 42,469
ADD: Capital expenditures	1,578	1,742	3,823	2,790	9,933	1,776	2,266	2,844	5,097	11,983
Dividends paid	595	600	600	600	2,395	609	614	617	624	2,464
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (3,040)</u>	<u>\$ 2,744</u>	<u>\$ 13,288</u>	<u>\$ 16,866</u>	<u>\$ 29,858</u>	<u>\$ (3,044)</u>	<u>\$ 8,319</u>	<u>\$ 14,931</u>	<u>\$ 36,710</u>	<u>\$ 56,916</u>
NET (CASH) DEBT [TOTAL DEBT LESS CASH & CASH EQUIVALENTS LESS INVESTMENTS]	\$ 68,271	\$ 64,336	\$ 55,157	\$ 36,088	\$ 36,088	\$ 39,366	\$ 29,848	\$ 11,815	\$ (21,421)	\$ (21,421)
ADD: Cash & cash equivalents	27,069	25,966	33,265	28,652	28,652	27,050	25,281	30,174	34,662	34,662
Investments	—	2,639	90	86	86	87	94	100	8,861	8,861
TOTAL DEBT	<u>\$ 95,340</u>	<u>\$ 92,941</u>	<u>\$ 88,512</u>	<u>\$ 64,826</u>	<u>\$ 64,826</u>	<u>\$ 66,503</u>	<u>\$ 55,223</u>	<u>\$ 42,089</u>	<u>\$ 22,102</u>	<u>\$ 22,102</u>
NET DEBT AS % OF NET CAPITALIZATION	18%	16%	14%	9%	9%	10%	7%	3%	-5%	-5%
NET CAPITALIZATION [TOTAL DEBT PLUS SHAREHOLDERS' EQUITY LESS CASH & CASH EQUIVALENTS, LESS INVESTMENTS]	\$ 385,659	\$ 397,814	\$ 397,012	\$ 393,389	\$ 393,389	\$ 408,944	\$ 415,386	\$ 420,951	\$ 398,963	\$ 398,963
LESS: Total debt	(95,340)	(92,941)	(88,512)	(64,826)	(64,826)	(66,503)	(55,223)	(42,089)	(22,102)	(22,102)
ADD: Cash & cash equivalents	27,069	25,966	33,265	28,652	28,652	27,050	25,281	30,174	34,662	34,662
Investments	—	2,639	90	86	86	87	94	100	8,861	8,861
TOTAL SHAREHOLDERS' EQUITY	317,388	333,478	341,855	357,301	357,301	369,578	385,538	409,136	420,384	420,384
ADD: Total debt	95,340	92,941	88,512	64,826	64,826	66,503	55,223	42,089	22,102	22,102
TOTAL CAPITAL	<u>\$ 412,728</u>	<u>\$ 426,419</u>	<u>\$ 430,367</u>	<u>\$ 422,127</u>	<u>\$ 422,127</u>	<u>\$ 436,081</u>	<u>\$ 440,761</u>	<u>\$ 451,225</u>	<u>\$ 442,486</u>	<u>\$ 442,486</u>
TOTAL DEBT / TOTAL CAPITAL	23%	22%	21%	15%	15%	15%	13%	9%	5%	5%
EBIT [NET INCOME LESS INTEREST EXPENSE, NET LESS TAXES]	\$ 8,619	\$ 10,960	\$ 12,152	\$ 15,645	\$ 47,376	\$ 12,111	\$ 15,615	\$ 14,257	\$ 16,041	\$ 58,024
LESS: Interest expense, net	(1,024)	(1,464)	(1,383)	(1,246)	(5,117)	(1,218)	(884)	(744)	(155)	(3,001)
Provision for income taxes	(2,431)	(3,038)	(3,446)	(4,016)	(12,931)	(3,486)	(4,713)	(3,148)	(5,765)	(17,112)
NET INCOME	<u>\$ 5,164</u>	<u>\$ 6,458</u>	<u>\$ 7,323</u>	<u>\$ 10,383</u>	<u>\$ 29,328</u>	<u>\$ 7,407</u>	<u>\$ 10,018</u>	<u>\$ 10,365</u>	<u>\$ 10,121</u>	<u>\$ 37,911</u>
EBITDA [NET INCOME LESS INTEREST EXPENSE, NET LESS DEPRECIATION LESS AMORTIZATION LESS TAXES]	\$ 11,753	\$ 14,696	\$ 15,762	\$ 18,765	\$ 60,976	\$ 15,545	\$ 19,059	\$ 17,578	\$ 19,291	\$ 71,473
LESS:										
Interest expense, net	(1,024)	(1,464)	(1,383)	(1,246)	(5,117)	(1,218)	(884)	(744)	(155)	(3,001)
Depreciation	(2,619)	(3,169)	(2,901)	(2,517)	(11,206)	(2,808)	(2,812)	(2,662)	(2,588)	(10,870)
Amortization of intangibles	(515)	(567)	(709)	(603)	(2,394)	(626)	(632)	(659)	(662)	(2,579)
Provision for income taxes	(2,431)	(3,038)	(3,446)	(4,016)	(12,931)	(3,486)	(4,713)	(3,148)	(5,765)	(17,112)
NET INCOME	<u>\$ 5,164</u>	<u>\$ 6,458</u>	<u>\$ 7,323</u>	<u>\$ 10,383</u>	<u>\$ 29,328</u>	<u>\$ 7,407</u>	<u>\$ 10,018</u>	<u>\$ 10,365</u>	<u>\$ 10,121</u>	<u>\$ 37,911</u>

PRESS RELEASE

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

Bill Higgins Elected as CEO and Director of CIRCOR International, Inc.

Burlington, MA, February 20, 2008

CIRCOR International, Inc. (NYSE:CIR) today announced that, as previously anticipated, A. William (“Bill”) Higgins has been elected to succeed David A. Bloss, Sr. as Chief Executive Officer of the Company upon Mr. Bloss’ March 1, 2008 retirement. Mr. Bloss will continue as Chairman of the Board. The Company also announced that its Board of Directors has expanded the size of the Board from seven to eight members and that Mr. Higgins has been elected to the Company’s Board of Directors as a Class III director. CIRCOR International, Inc. is a leading provider of valves and fluid control products that allow customers around the world to use fluid safely and efficiently in the instrumentation, fluid regulation and petrochemical markets. CIRCOR’s executive headquarters is located at 25 Corporate Drive, Burlington, MA 01803. The Company can be found on the World Wide Web at www.circor.com.