Public Announcement under Regulations 3(1), 4 and 5(1) read with Regulations 13(2)(e) and 15(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Open Offer for Acquisition of 4,002,185 Shares representing 26% of the total Shares of ESAB India Limited ("Target Company") as of the tenth working day from closure of the tendering period of the Open Offer from shareholders of Target Company by Colfax Corporation ("Colfax" or "the Acquirer") and Colfax UK Holdings Ltd ("Colfax UK"), Exelvia Group India B.V. ("Exelvia") and ESAB Holdings Limited ("ESAB Holdings" and together with Colfax UK and Exelvia, the "PACs") in their capacity as persons acting in concert with the Acquirer

Definitions:

For the purposes of this public announcement, the following terms would have the meanings assigned to them below:

a. "**Open Offer**" shall mean the offer made by the Acquirer and the PACs for the acquisition of at least 26% of the total Shares of the Target Company as of the tenth working day from closure of the tendering period of the Open Offer, under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto **("SEBI (SAST) Regulations, 2011")**.

b. "**Shares**" mean shares in the equity share capital of the Target Company carrying voting rights, and includes any security which entitles the holder thereof to exercise voting rights. For the purpose of this definition, Shares will include all depository receipts carrying an entitlement to exercise voting rights in the Target Company.

1. Open Offer details

- **Size**: 4,002,185 Shares representing 26% of the total Shares of the Target Company, as of the tenth working day from the closure of the Open Offer tendering period.

- **Price/consideration**: Rs. 529 per Share of the Target Company enhanced by an amount equal to a sum determined at the rate of 10% p.a. on Rs. 529 for the period between the earlier of the date on which the Announced Transaction (as defined below) was contracted or the date on which the decision to make the Announced Transaction (as defined below) was announced in the public domain (i.e. September 12, 2011, in both cases), and the date of the detailed public statement to be published in relation to this Open Offer pursuant to the SEBI (SAST) Regulations, 2011 ("**Detailed Public Statement**"), in accordance with Regulation 8(12) of the SEBI (SAST) Regulations, 2011 (such combined price, the "**Open Offer Price**").

- **Mode of payment (cash/security)**: The Open Offer Price will be paid in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.

- **Type of offer (Triggered offer, voluntary offer/competing offer etc)**: The Open Offer is as a result of triggering Regulation 3(1) and Regulation 4 read with Regulation 5(1) of the SEBI (SAST) Regulations, 2011, as detailed herein below. On September 12, 2011, the Acquirer, through its indirect wholly owned subsidiary Colfax UK, announced its firm intention to make an offer to acquire 100% of the issued and paid up share capital of Charter International plc, a company incorporated in Jersey with registration no. 100249 ("**Charter**"), which offer was recommended by the board of directors of Charter (the "**Announced Transaction**). Further, on September 12, 2011, the Acquirer, Colfax UK and Charter entered into an implementation agreement to record their respective obligations in relation to the steps to be taken to implement the Announced Transaction ("**Implementation Agreement**"). As on September 12, 2011, Charter indirectly held, and continues to hold, 55.65% of the Shares and voting rights and also indirectly controls the Target Company through its indirect subsidiaries, Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company).

Therefore, the announcement of the Announced Transaction in the public domain and the entering into the Implementation Agreement by the Acquirer and Colfax UK triggered Regulation 3(1) and Regulation 4 read with Regulation 5(1) of the SEBI (SAST) Regulations, 2011. The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011 and is not a competitive bid in terms of Regulation 20 of SEBI (SAST) Regulations, 2011. Exelvia shall acquire the Shares validly tendered pursuant to the Open Offer, in accordance with the terms and conditions set forth in the Detailed Public Statement and the letter of offer in relation to the Open Offer.

In terms of Regulation 13(2)(e) of SEBI (SAST) Regulations, 2011 this public announcement was required to have been made within four working days from the earlier of, the date on which the Announced Transaction was contracted, and the date on which the intention or decision to make the Announced Transaction was announced in the public domain i.e. September 12, 2011. However, since on September 12, 2011 the SEBI (SAST) Regulations, 2011 had not come into force, the Acquirer vide its letter dated October 21, 2011 sought no action relief from the Securities and Exchange Board of India ("**SEBI**") relating to the date on which the public announcement is required to be made. In accordance with the no action letter of SEBI dated January 16, 2012, this public announcement is being made on January 18, 2012.

The Announced Transaction was approved by the requisite majority of shareholders of Charter on November 14, 2011. In addition, the approval of the requisite majority of shareholders of the Acquirer, required to issue the new ordinary shares of the Acquirer, to be used as part of the consideration under the Announced Transaction, was obtained on January 5, 2012. Further, on January 13, 2012, following the receipt of the sanction of the Royal Court of Jersey on January 12, 2012 in relation to the Announced Transaction ("**Court Sanction**"), Charter became an indirect subsidiary of the Acquirer through Colfax UK, and Exelvia and ESAB Holdings became indirect subsidiaries of the Acquirer (through Colfax UK). Consequently, the Acquirer indirectly acquired 55.65% of the Shares and voting rights of the Target Company and has indirectly acquired control of the Target Company. The consideration payable to the shareholders of Charter under the Announced Transaction will be paid by January 27, 2012, and accordingly the Announced Transaction is expected to be completed in all respects by January 27, 2012.

2. Transaction which has triggered the Open Offer obligations (Underlying Transaction)

Details of underlying transaction						
Type of Transaction (direct/indirect)	**Mode of Transaction (Agreement/Allotment/market purchase)**	**Shares/Voting rights acquired/proposed to be acquired**		**Total Consideration for shares/VRs acquired (Rs. in crores)**	**Mode of payment (Cash/securities)**	**Regulation which has triggered**
		Number	**% vis a vis total equity/ voting capital**			
Indirect acquisition of Shares, voting rights and control of the Target Company, by the Acquirer. Charter indirectly holds 55.65% of the Shares and voting rights and also indirectly controls the Target Company, through its indirect subsidiaries, Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company). On January 13, 2012, following the Court Sanction, Exelvia and ESAB Holdings became indirect subsidiaries of the Acquirer. Consequently, the Acquirer indirectly acquired 55.65% of the Shares and voting rights of the Target Company and has indirectly acquired control of the Target Company. The consideration payable to the shareholders of Charter under the Announced Transaction will be paid by January 27, 2012, and accordingly the Announced Transaction is expected to be completed in all respects by January 27, 2012.	As detailed above, on September 12, 2011, the Acquirer, through its indirect wholly owned subsidiary Colfax UK, announced its firm intention to make an offer to acquire 100% of the issued and paid up share capital of Charter, which offer was recommended by the board of directors of Charter. Further, on September 12, 2011, the Acquirer, Colfax UK and Charter entered into the Implementation Agreement to record their respective obligations in relation to the steps to be taken to implement the Announced Transaction. The Announced Transaction was implemented pursuant to a scheme of arrangement under Jersey law. The Announced Transaction was approved by the requisite majority of shareholders of Charter on November 14, 2011. In addition, the approval of the requisite majority of shareholders of the Acquirer, required to issue the new ordinary shares of the Acquirer, to be used as part of the consideration under the Announced Transaction, was obtained on January 5, 2012. Further, the Announced Transaction was sanctioned by the Royal Court of Jersey on January 12, 2012. The consideration payable to the shareholders of Charter under the Announced Transaction will be paid by January 27, 2012, and accordingly the Announced	100% of the issued share capital of Charter. On January 13, 2012 (following the receipt of Court Sanction), Colfax UK holds 167,087,473 (One hundred and sixty seven million eighty seven thousand four hundred and seventy three) ordinary shares in Charter.	Offer to shareholders of Charter was to acquire 100% of the issued share capital of Charter.	GBP 1,521 million (Rs. 11,252.34 crore) (*)	Upon completion of the Announced Transaction, shareholders of Charter are entitled to receive (i) GBP 730 pence per share of Charter in cash and (ii) 0.1241 new ordinary shares in the share capital of the Acquirer to be issued credited as fully paid up for each share of Charter. In addition, subject to certain conditions, a mix and match facility has also been made available to the shareholders of Charter (other than certain overseas shareholders), which allows them to elect to vary the proportions in which they receive the Acquirer's shares and cash consideration (subject to other shareholders of Charter making equivalent off-setting elections, such that the aggregate cash consideration and total number of the Acquirer's shares issued are not altered).	Regulation 3(1) and Regulation 4, read with Regulation 5(1) of SEBI (SAST) Regulations, 2011.

Details of underlying transaction							
Type of Transaction (direct/indirect)	**Mode of Transaction (Agreement/Allotment/market purchase)**	**Shares/Voting rights acquired/proposed to be acquired**		**Total Consideration for shares/VRs acquired (Rs. in crores)**	**Mode of payment (Cash/securities)**	**Regulation which has triggered**
		Number	**% vis a vis total equity/ voting capital**			
The indirect acquisition of the Target Company does not meet any of the parameters referred to in Regulation 5(2) of SEBI (SAST) Regulations, 2011.	Transaction is expected to be completed in all respects by January 27, 2012.					

Note:

(*) The total consideration payable under the Announced Transaction has been calculated based on (i) a closing price of USD 23.04 per Colfax ordinary share as traded on the New York Stock Exchange; and (ii) an exchange rate of GBP 1: USD 1.5881 (Source: Bloomberg rate as at 4.00pm New York time), each as of September 9, 2011, being the last business day prior to September 12, 2011 (the date on which the Announced Transaction was announced in the public domain and the date on which the Implementation Agreement was executed). An update of the total consideration paid under the Announced Transaction shall be provided in the Detailed Public Statement, once the consideration has been paid and issued to the shareholders of Charter. The total consideration under the Announced Transaction has been converted into Indian rupees at an exchange rate of GBP 1: Indian Rupees 74.00, as on September 9, 2011 (Source: Reserve Bank of India Reference Rate).

3. Acquirer(s) / PAC

Details	Acquirer	PAC1	PAC 2	PAC3	Total
Name of Acquirer(s)/ PAC(s)	Colfax Corporation, a public limited company, incorporated in 1998, under the laws of Delaware, United States of America.	Colfax UK Holdings Ltd., a private limited company, incorporated on September 7, 2011, under the laws of England and Wales. Colfax UK was established to effect the Announced Transaction, and has not engaged in any business activity prior to the date of the Announced Transaction, except for entering into transactions relating to the Announced Transaction.	Exelvia Group India B.V., a private limited company not listed on any stock exchange, incorporated on August 31, 2006, under the laws of The Netherlands. All Shares validly tendered under the Open Offer will be acquired by Exelvia, in accordance with the terms and conditions set forth in the Detailed Public Statement and the letter of offer in relation to the Open Offer.	ESAB Holdings Limited, a private limited company, incorporated on December 17, 1982, under the laws of England and Wales. Due to the operation of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulation, 2011, there could be other persons who could be deemed to be acting in concert with the Acquirer and any persons acting in concert with it. However such persons are not acting in concert with the Acquirer, or any persons acting in concert with it, for purposes of the Open Offer.	Four
Address	2711 Centerville Road, Suite 400, in the City of Wilmington, Delaware 19808, in the County of New Castle, USA.	40 Bank Street, Canary Wharf, London E14 5DS, UK.	Lansinkesweg 4, 7553 AE Hengelo, The Netherlands.	6th Floor, 322 High Holborn, London, WC1V 7PB, UK.	
Name(s) of persons in control/promoters of acquirers/PACs where Acquirers/PAC companies	The Acquirer has been listed on the New York Stock Exchange since May 8, 2008, and has a diverse public share holding. The key shareholders of the Acquirer are Mr. Mitchell P. Rales and Mr. Steven M. Rales, who are brothers and hold, in aggregate, 42% of the shares of the Acquirer. Mr. Mitchell P. Rales is chairman of the board of directors of the Acquirer. Notwithstanding the shareholding and/or positions held by Mr. Steven M. Rales and Mr. Mitchell P. Rales, given the diverse public shareholding of the Acquirer, they are not the promoters of the Acquirer and are not persons in control of the Acquirer. Please note that in connection with the Announced Transaction, the Acquirer will issue new ordinary shares of the Acquirer to shareholders of Charter (as part consideration for the Announced Transaction) and to certain other investors in connection with the financing of the Announced	Colfax UK Finance Limited, which is an indirect wholly owned subsidiary of the Acquirer.	On January 13, 2012, following receipt of the Court Sanction, Exelvia became an indirect wholly owned subsidiary of the Acquirer.	On January 13, 2012, following receipt of the Court Sanction, ESAB Holdings became an indirect wholly owned subsidiary of the Acquirer.	

Details	Acquirer	PAC1	PAC 2	PAC3	Total
	Transaction. Accordingly, the shareholdings of Mr. Steven Rales and Mr Mitchell P. Rales in the Acquirer will be diluted following such issuances. The new issuances are expected to be made on or prior to January 27, 2012.				
Name of the Group, if any, to which the Acquirer/PAC belongs to	The Acquirer is a holding company of a global group of companies engaged in the business of manufacturing and supply of fluid handling products (“**Colfax Group**”).	Colfax Group.	On January 13, 2012, following receipt of the Court Sanction, the Colfax Group.	On January 13, 2012, following receipt of the Court Sanction, the Colfax Group.	
Pre Transaction shareholding • Number • % of total share capital	Zero Shares.	Zero Shares	Exelvia directly holds 2,822,831 (twenty eight lakh twenty two thousand eight hundred and thirty one) Shares constituting 18.34% of the Shares of the Target Company.	ESAB Holdings directly holds 5,743,200 (fifty seven lakh forty three thousand two hundred) Shares constituting 37.31% of the Shares of the Target Company. In addition, ESAB Holdings, indirectly, through its subsidiary, Exelvia, holds 2,822,831 (twenty eight lakhs twenty two thousand eight hundred and thirty one) Shares constituting 18.34% of the Shares of the Target Company.	
Proposed shareholding after the acquisition of shares which triggered the Open Offer	From January 13, 2012, following receipt of the Court Sanction, the Acquirer, through Colfax UK, indirectly holds 55.65% of the Shares and voting rights of the Target Company, held by its indirect subsidiaries Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company).	From January 13, 2012, following receipt of the Court Sanction, Colfax UK indirectly holds 55.65% of the Shares and voting rights of the Target Company, through its indirect subsidiaries, Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company).	No change in the number and percentage of Shares held by Exelvia.	No change in the number and percentage of Shares held by ESAB Holdings.	

Details	Acquirer	PAC1	PAC 2	PAC3	Total
Any other interest in the TC	From January 13, 2012, following receipt of the Court Sanction, the Acquirer, through Colfax UK, indirectly holds 55.65% of the Shares and voting rights of the Target Company, held by its indirect subsidiaries Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company).	From January 13, 2012, following receipt of the Court Sanction, the Acquirer, through Colfax UK indirectly holds 55.65% of the Shares and voting rights of the Target Company, through, its indirect subsidiaries, Exelvia (holding 18.34% of the Shares of the Target Company) and ESAB Holdings (holding 37.31% of the Shares of the Target Company).	Exelvia directly holds 18.34% of the Shares of the Target Company.	ESAB Holdings directly and indirectly holds, in aggregate, 55.65% of the Shares of the Target Company. Mr. Brendan Colgan and Mr. David Egan, directors on the board of directors of ESAB Holdings are also directors on the board of directors of the Target Company. In addition, ESAB Holdings has certain commercial transactions with the Target Company which have been disclosed in the relevant annual report of the Target Company as related party disclosure under relevant accounting principles.	

4. Details of selling shareholders, if applicable: Not applicable as the Open Offer is being made, as a result of an indirect acquisition of Shares, voting rights and control of the Target Company, and not as a result of any direct acquisition of Shares, voting rights or control of the Target Company from any equity shareholders of the Target Company.

5. Target Company

- **Name**: ESAB India Limited, a public company, incorporated in 1987, under the Companies Act, 1956 with its registered office at Plot No.13, 3rd Main Road, Industrial Estate, Ambattur, Chennai 600 058. The Target Company is engaged in the business of manufacturing welding consumables and cutting equipment.
- **Exchanges where listed**: BSE Limited and the National Stock Exchange of India Limited.

6. Other details

- In terms of Regulation 13(2)(e) of SEBI (SAST) Regulations, 2011 this public announcement was required to have been made within four working days from the earlier of, the date on which the Announced Transaction was contracted, and the date on which the intention or decision to make the Announced Transaction was announced in the public domain i.e. September 12, 2011. However, since on September 12, 2011 the SEBI (SAST) Regulations, 2011 had not come into force, the Acquirer vide its letter dated October 21, 2011 sought no action relief from SEBI relating to the date on which the public announcement is required to be made. In accordance with the no action letter of SEBI dated January 16, 2012, this public announcement is being made on January 18, 2012.

- The Announced Transaction was sanctioned by the Royal Court of Jersey on January 12, 2012, following which, on January 13, 2012, Charter became an indirect subsidiary of the Acquirer through Colfax UK, and Exelvia and ESAB Holdings became indirect subsidiaries of the Acquirer. The consideration payable to the shareholders of Charter under the Announced Transaction will be paid by January 27, 2012, and accordingly the Announced Transaction is expected to be completed in all respects by January 27, 2012. Consequently, in accordance with Regulation 13(4) of the SEBI (SAST) Regulations, 2011 the details of the Open Offer will be published via a Detailed Public Statement no later than five working days of the completion of the Announced Transaction in all respects (i.e. no later than February 3, 2012) in all editions of any one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation, and one regional language daily newspaper with wide circulation in Chennai, India being the place where the registered office of the Target Company is situated, and one regional language daily newspaper in Mumbai, India being the place of the stock exchange where the maximum volume of trading in the Shares of the Target Company was recorded during the sixty trading days preceding the date of this public announcement.

- The Acquirer and the PACs undertake that they are aware of, and will comply with, their obligations under the SEBI (SAST) Regulations, 2011 and have adequate financial resources to meet the Open Offer obligations.

Issued by

Manager to the Open Offer on behalf of Colfax Corporation

HSBC

HSBC Securities and Capital Markets (India) Private Limited
SEBI Registration Number: INM000010353

Place: Mumbai, India
Date: January 18, 2012