CHART INDUSTRIES INC
Form 10-K
February 24, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2014
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission File No. 1-11442

CHART INDUSTRIES, INC.
(Exact Name of Registrant as Specified in its Charter)

| | |
|---|---|
| Delaware | 34-1712937 |
| (State or Other Jurisdiction of Incorporation or Organization) | (IRS Employer Identification No.) |
| One Infinity Corporate Centre Drive, Suite 300, Garfield Heights, Ohio | 44125-5370 |
| (Address of Principal Executive Offices) | (Zip Code) |

Registrant's telephone number, including area code:
(440) 753-1490
Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Name of Each Exchange on Which Registered |
|---|---|
| Common Stock, par value $0.01 | The NASDAQ Stock Market LLC |

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes x No o
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No x
Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|---|---|---|---|
| Large accelerated filer | x | Accelerated filer | o |
| Non-accelerated filer | o (Do not check if a smaller reporting company) | Smaller reporting company | o |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No x

The aggregate market value of the voting common equity held by non-affiliates computed by reference to the price of $82.73 per share at which the common equity was last sold, as of the last business day of the registrant's most recently completed second fiscal quarter, was $2,494,990,864.

As of February 17, 2015, there were 30,531,313 outstanding shares of the Company's common stock, par value $0.01 per share.

Documents Incorporated by Reference

Portions of the following document are incorporated by reference into Part III of this Annual Report on Form 10-K: the definitive Proxy Statement to be used in connection with the Registrant's Annual Meeting of Stockholders to be held on May 28, 2015 (the "2015 Proxy Statement").

Except as otherwise stated, the information contained in this Annual Report on Form 10-K is as of December 31, 2014.

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PART I

Item 1. Business

THE COMPANY

Overview

Chart Industries, Inc., a Delaware corporation incorporated in 1992 (the "Company," "Chart" or "we" as used herein refers to Chart Industries, Inc. and our consolidated subsidiaries, unless the context indicates otherwise), is a leading diversified global manufacturer of highly engineered equipment for the industrial gas, energy, and biomedical industries. The largest portion of end-use applications for our products is energy-related, accounting for approximately 47% of sales and 44% of orders in 2014, and 76% of backlog at December 31, 2014. Our equipment and engineered systems are primarily used for low-temperature and cryogenic applications utilizing our expertise in cryogenic systems and equipment, which operate at low temperatures sometimes approaching absolute zero (0 kelvin; -273° Centigrade; -459° Fahrenheit). Our products include vacuum insulated containment vessels, heat exchangers, cold boxes and other cryogenic components.

Our primary customers are large, multinational producers and distributors of hydrocarbon and industrial gases and their end-users. We sell our products and services to more than 2,000 customers worldwide. We have developed long-standing relationships with leading companies in the gas production, gas distribution, gas processing, liquefied natural gas or LNG, chemical and industrial gas industries, including Air Products, Praxair, Airgas, Air Liquide, The Linde Group or Linde, Bechtel Corporation, ExxonMobil, British Petroleum or BP, ConocoPhillips, PetroChina, The Shaw Group, Toyo, JGC, Samsung, UOP, and Shell, some of whom have been purchasing our products for over 20 years.

We have attained this position by capitalizing on our technical expertise and know-how, broad product offering, reputation for quality, low-cost global manufacturing footprint, and by focusing on attractive, growing markets. We have an established sales and customer support presence across the globe and low cost manufacturing operations in the United States, Central Europe and China. For the years ended December 31, 2014, 2013 and 2012, we generated sales of $1,193.0 million, $1,177.4 million, and $1,014.2 million, respectively.

Segments, Applications and Products

We operate in three segments: (i) Energy & Chemicals or E&C, (ii) Distribution & Storage or D&S, and (iii) BioMedical. While each segment manufactures and markets different cryogenic and gas processing equipment and systems to distinct end-users, they all share a reliance on our heat transfer, vacuum insulation, low temperature storage and gas processing know-how and expertise. The E&C and D&S segments manufacture products used primarily in energy-related and industrial applications, such as the separation, liquefaction, distribution and storage of hydrocarbon and industrial gases. Through our BioMedical segment, we supply cryogenic and other equipment used in the medical, biological research and animal breeding industries. Further information about these segments is located in Note 18 of the notes to the Company's consolidated financial statements included in Item 8 of this Annual Report on Form 10-K.

The following charts show the proportion of our revenues generated by each segment, as well as our estimate of the proportion of revenue generated by end-user application for the year ended December 31, 2014:

Energy & Chemicals Segment

E&C (32% of sales for the year ended December 31, 2014) facilitates major natural gas, petrochemical processing and industrial gas companies in the production of their products. E&C supplies mission critical engineered equipment and systems used in the separation, liquefaction, and purification of hydrocarbon and industrial gases that span gas-to-liquid applications including natural gas processing, LNG, and industrial gas applications. Our principal products include brazed aluminum heat exchangers, Core-in-Kettle® heat exchangers, air cooled heat exchangers and cold boxes. Brazed aluminum heat exchangers accounted for 14.9%, 14.4% and 14.4% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. Process systems accounted for 12.3%, 13.5% and 10.6% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively.

Natural Gas Processing (including Petrochemical) applications

We provide natural gas processing solutions that facilitate the progressive cooling and liquefaction of hydrocarbon mixtures for the subsequent recovery or purification of component gases, which accounted for 17.5%, 14.9% and 23.4% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. Our brazed aluminum heat exchangers allow producers to obtain purified hydrocarbon by-products, such as methane, ethane, propane and ethylene, which are commercially marketable for various industrial or residential uses. Our cold boxes are highly engineered systems that incorporate brazed aluminum heat exchangers, pressure vessels and interconnecting piping used to significantly reduce the temperature of gas mixtures to liquefy component gases so that they can be separated and purified for further use in multiple energy, industrial, scientific and commercial applications. Our air cooled heat exchangers are used to cool or condense fluids to allow for further processing and for cooling gas compression equipment. Customers for our natural gas processing applications include large companies in the hydrocarbon processing industry, as well as engineering, procurement and construction (“EPC”) contractors. Demand for these applications is primarily driven by the growth in the natural gas liquids (or NGLs) separation and other natural gas segments of the hydrocarbon processing industries, including LNG. In the future, management believes that continuing efforts by petroleum producing countries to better utilize stranded natural gas and previously flared gases present a promising source of demand. We have a number of competitors for our heat exchangers and cold boxes, including a number of leading companies in the industrial gas and hydrocarbon processing industries and many smaller fabrication-only facilities

around the world. Competition with respect to our more specialized brazed aluminum heat exchangers includes a small number of global (European and Asian) manufacturers.

LNG applications

We provide mission critical equipment for the liquefaction of LNG including small to mid-scale facilities, floating LNG applications, and large base-load export facilities, which accounted for 12.1%, 9.7% and 5.5% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. We are a leading supplier to EPC firms where we provide equipment or design the process and provide equipment, providing an integrated approach to the project. These "Concept-to-Reality" process systems incorporate many of Chart's core products, including brazed aluminum heat exchangers, Core-in-Kettle® heat exchangers, cold boxes, pressure vessels, pipe work and air cooled heat exchangers. These systems are used for global LNG projects, including projects in China and North America for local LNG production and LNG export terminals. We have developed our proprietary IPSMR® (Integrated Pre-cooled Single Mixed Refrigerant) liquefaction process, which offers lower capital expenditure rates than competing processes per ton of LNG produced and offers very competitive operating costs.

Demand for LNG applications is primarily driven by increased use and global trade in natural gas (transported as LNG) since natural gas offers significant cost and environmental advantages over other fossil fuels. Demand for LNG applications is also driven by diesel displacement and continuing efforts by petroleum producing countries to better utilize stranded natural gas and previously flared gases. We have a number of competitors for these applications, including leading industrial gas companies, other brazed aluminum heat exchanger manufacturers, and other equipment fabricators to whom we also act as a supplier of equipment including heat exchangers and cold boxes.

Industrial Gas applications

For industrial gas applications, our brazed aluminum heat exchangers and cold boxes are used to produce high purity atmospheric gases, such as oxygen, nitrogen and argon, which have diverse industrial applications. Cold boxes are used to separate air into its major atmospheric components, including oxygen, nitrogen, and argon, where the gases are used in a diverse range of applications such as metal production and heat treating, enhanced oil and gas production, coal gasification, chemical and oil refining, electronics, medical, the quick-freezing of food, wastewater treatment, and industrial welding. Our brazed aluminum heat exchangers and cold boxes are also used in the purification of helium and hydrogen.

Demand for industrial gas applications is driven by growth in manufacturing and industrial gas use. Other key global drivers involve developing Gas to Liquids, or GTL, clean coal processes including Coal to Liquids, or CTL, and Integrated Gasification Combined Cycle, or IGCC, power projects. In addition, demand for our products in developed countries is expected to continue as firms upgrade their facilities for greater efficiency and regulatory compliance. We have a number of competitors for these applications including leading industrial gas companies and EPC firms to whom we also act as a supplier of equipment including heat exchangers and cold boxes.

Distribution & Storage Segment

D&S (49% of sales for the year ended December 31, 2014) designs, manufactures, and services cryogenic solutions for the storage and delivery of cryogenic liquids used in industrial gas and LNG applications. Using sophisticated vacuum insulation technology, our cryogenic storage systems are able to store and transport liquefied industrial gases and hydrocarbon gases at temperatures from 0° Fahrenheit to temperatures nearing absolute zero. End-use customers for our cryogenic storage equipment include industrial gas producers and distributors, chemical producers, manufacturers of electrical components, health care organizations, food processors, and businesses in the oil and natural gas industries. Cryogenic bulk storage systems accounted for 12.7%, 14.9% and 15.1% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. Cryogenic packaged gas systems accounted for 13.4%, 13.0% and 14.2% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively.

We service industrial gas and LNG applications as follows:

Industrial Gas applications

We design, manufacture, install, service, and maintain bulk and packaged gas cryogenic solutions for the storage, distribution, vaporization, and application of industrial gases, which accounted for 30.9%, 33.9% and 36.3% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. Industrial gas applications include any end-use of the major elements of air (nitrogen, oxygen, and argon), including manufacturing, welding,

electronics, medical, nitrogen dosing, food processing, and beverage carbonation. Carbon dioxide, nitrous oxide, hydrogen and helium applications also utilize our equipment. Our products span the entire spectrum of industrial gas demand from small customers requiring cryogenic packaged gases to large users requiring custom engineered cryogenic storage systems in both mobile and stationary applications. We also offer cryogenic components, including vacuum insulated pipe ("VIP"), engineered bulk gas installations, specialty liquid nitrogen, or LN2, end-use equipment and cryogenic flow meters. We operate service locations in the United

States, China and Europe that provide installation, service, repair and maintenance of cryogenic products. Principal customers for industrial applications are global industrial gas producers and distributors.

Demand for industrial gas applications is driven primarily by the significant installed base of users of cryogenic liquids as well as new applications and distribution technologies for cryogenic liquids. Our competitors tend to be regionally focused while Chart is able to supply a broad range of systems on a worldwide basis. We also compete with several suppliers owned by the global industrial gas producers. From a technology perspective, we tend to compete with compressed gas alternatives or on-site generated gas supply.

LNG Applications

We supply cryogenic solutions for the storage, distribution, regasification, and use of LNG, which accounted for 17.6%, 16.4% and 10.6% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. LNG may be utilized as an alternative to other fossil fuels such as diesel, propane or fuel oil in transportation or off pipeline applications. Examples include heavy duty truck and transit bus transportation, locomotive propulsion, marine and power generation in remote areas like oil and gas drilling. We refer to our LNG distribution products as a "Virtual Pipeline" as the natural gas pipeline is replaced with cryogenic distribution to deliver the gas to the end-user. We supply cryogenic trailers, ISO containers, railcars, bulk storage tanks, fuel stations, loading facilities, and regasification equipment specially configured for delivering LNG into Virtual Pipeline applications. LNG may also be used as a fuel for a variety of off-road vehicles and applications. Our LNG vehicle fueling applications primarily consist of LNG and liquefied/compressed natural gas refueling systems for heavy-duty truck and bus fleets. We sell LNG applications around the world from all D&S facilities to numerous end-users, energy companies, and gas distributors. Additionally, we supply large vacuum insulated storage tanks as optional equipment for purchasers of standard liquefaction plants sold by our E&C business.

Demand for LNG applications is driven by the spread in price between oil and gas, diesel displacement initiatives, and the associated cost of equipment. Our competitors tend to be regionally focused or product-specific, while we are able to supply a broad range of solutions required by LNG applications. We compete with compressed natural gas (or CNG) or field gas in several of these applications and LNG is most highly valued where its energy density and purity are beneficial to the end-user.

BioMedical Segment

BioMedical (19% of sales for the year ended December 31, 2014) consists of various product lines built around our core competencies in cryogenics, vacuum insulation, low temperature storage, and pressure swing adsorption, but with a focus on the respiratory and biological users of the liquids and gases instead of the large producers and distributors of cryogenic liquids. Applications in the BioMedical segment include the following:

Respiratory Therapy

Respiratory therapy products accounted for 11.8%, 14.9% and 14.2% of consolidated sales for the years ended December 31, 2014, 2013 and 2012, respectively. Our respiratory oxygen product line is comprised of a range of medical respiratory products, including liquid oxygen systems and stationary, transportable, and portable oxygen concentrators, all of which are used primarily for the in-home supplemental oxygen treatment of patients with chronic obstructive pulmonary diseases, such as bronchitis, emphysema and asthma.

We believe that competition for our respiratory products is based primarily upon product quality, performance, reliability, ease-of-use and price, and we focus our marketing strategies on these considerations. Furthermore, competition also includes the impact of other modalities in the broader respiratory industry.

Life Sciences

Our life science products include vacuum insulated containment vessels for the storage of biological materials. The primary applications for this product line include medical laboratories, biotech/pharmaceutical, research facilities, blood and tissue banks, veterinary laboratories, large-scale repositories and artificial insemination, particularly in the beef and dairy industry.

The significant competitors for life science products include a number of companies worldwide. These products are sold through multiple channels of distribution specifically applicable to each industry sector. The distribution channels range from highly specialized cryogenic storage systems providers to general supply and catalogue distribution operations and breeding service providers. Competition in this field is focused on design, reliability and price.

Alternatives to vacuum insulated containment vessels include electrically powered mechanical refrigeration.

Commercial Oxygen Generation

Our commercial oxygen generation products include self-contained generators, standard generators, and packaged systems for industrial and medical oxygen generating systems. These generators produce oxygen from compressed air and

provide an efficient and cost-effective alternative to the procurement of oxygen from third party cylinder or liquid suppliers. Applications include mining operations, industrial plants, ozone generation, hospital medical oxygen, and wastewater treatment, among other commercial applications. Management expects demand for this product line to increase over the long-term with competition focused on design, reliability and price.

Domestic and Foreign Operations

Financial and other information regarding domestic and foreign operations is located in Note 18 of the notes to the Company's consolidated financial statements included in Item 8 of this Annual Report on Form 10-K. Additional information regarding risks attendant to foreign operations is set forth in Item 7A of this Annual Report on Form 10-K under the caption "Quantitative and Qualitative Disclosures About Market Risk" and Item 7 under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Engineering and Product Development

Our engineering and product development activities are focused primarily on developing new and improved solutions and equipment for the users of cryogenic liquids and hydrocarbon and industrial gases. Our engineering, technical and marketing employees actively assist customers in specifying their needs and in determining appropriate products to meet those needs. Portions of our engineering expenditures typically are charged to customers, either as separate items or as components of product cost.

Competition

We believe we can compete effectively around the world and that we are a leading competitor in the industries we serve. Competition is based primarily on performance and the ability to provide the design, engineering and manufacturing capabilities required in a timely and cost-efficient manner. Contracts are usually awarded on a competitive bid basis. Quality, technical expertise and timeliness of delivery are the principal competitive factors within the industry. Price and terms of sale are also important competitive factors. Because independent third-party prepared market share data is not available, it is difficult to know for certain our exact position in our markets, although we believe we rank among the leaders in each of the markets we serve. We base our statements about industry and market positions on our reviews of annual reports and published investor presentations of our competitors and augment this data with information received by marketing consultants conducting competition interviews and our sales force and field contacts. For information concerning competition within a specific segment of the Company's business, see descriptions provided under segment captions in this Annual Report on Form 10-K.

Marketing

We market our products and services throughout the world primarily through direct sales personnel and independent sales representatives and distributors. The technical and custom design nature of our products requires a professional, highly trained sales force. We use independent sales representatives and distributors to market our products and services in certain foreign countries and in certain North American regions. These independent sales representatives supplement our direct sales force in dealing with language and cultural matters. Our domestic and foreign independent sales representatives earn commissions on sales, which vary by product type.

Backlog

The dollar amount of our backlog as of December 31, 2014, 2013 and 2012 was $640.1 million, $728.8 million and $617.4 million, respectively. Approximately 20.4% of the December 31, 2014 backlog is expected to be filled beyond 2015. Backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as revenue under the percentage of completion method or based upon shipment. Backlog can be significantly affected by the timing of orders for large products, particularly in the E&C segment, and the amount of backlog at December 31, 2014 described above is not necessarily indicative of future backlog levels or the rate at which backlog will be recognized as sales. Orders included in our backlog may include customary cancellation provisions under which the customer could cancel all or part of the order, potentially subject to the payment of certain costs and/or penalties. For further information about our backlog, including backlog by segment, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Customers

We sell our products primarily to gas producers, distributors and end-users across the industrial gas, hydrocarbon and chemical processing and biomedical industries in countries throughout the world. Sales to our top ten customers

accounted for 34%, 37% and 38% of consolidated sales in 2014, 2013 and 2012, respectively. No single customer exceeded 10% of

consolidated sales in 2014. Our sales to particular customers fluctuate from period to period, but the global producers and distributors of hydrocarbon and industrial gases and their suppliers tend to be a consistently large source of revenue for us. Our supply contracts are generally contracts for "requirements" only. While our customers may be obligated to purchase a certain percentage of their supplies from us, there are generally no minimum requirements. Also, many of our contracts may be canceled on as little as one month's notice. To minimize credit risk from trade receivables, we review the financial condition of potential customers in relation to established credit requirements before sales credit is extended and monitor the financial condition of customers to help ensure timely collections and to minimize losses. In addition, for certain domestic and foreign customers, particularly in the D&S and E&C segments, we require advance payments, letters of credit, bankers' acceptances and other such guarantees of payment. Certain customers also require us to issue letters of credit or performance bonds, particularly in instances where advance payments are involved, as a condition of placing the order. We believe our relationships with our customers are generally good.

Intellectual Property

Although we have a number of patents, trademarks and licenses related to our business, no one of them or related group of them is considered by us to be of such importance that its expiration or termination would have a material adverse effect on our business. In general, we depend upon technological capabilities, manufacturing quality control and application of know-how, rather than patents or other proprietary rights, in the conduct of our business.

Raw Materials and Suppliers

We manufacture most of the products we sell. The raw materials used in manufacturing include aluminum products (including sheets, bars, plate and piping), stainless steel products (including sheets, plates, heads and piping), palladium oxide, carbon steel products (including sheets, plates and heads), valves and gauges and fabricated metal components. Most raw materials are available from multiple sources of supply. We believe our relationships with our raw material suppliers and other vendors are generally good. Raw material prices were fairly stable during 2014, and we expect them to remain stable during 2015. Subject to certain risks related to our suppliers as discussed under Item 1A. "Risk Factors," we foresee no acute shortages of any raw materials that would have a material adverse effect on our operations.

Employees

As of January 31, 2015, we had 5,407 employees, including 2,893 domestic employees and 2,514 international employees. These employees consisted of 2,605 salaried, 502 bargaining unit hourly and 2,300 non-bargaining unit hourly.

We are a party to one collective bargaining agreement with the International Association of Machinists and Aerospace Workers ("IAM") covering 502 employees at our La Crosse, Wisconsin heat exchanger facility. Effective February 3, 2013, we entered into a five-year agreement with the IAM which expires on February 3, 2018.

Environmental Matters

Our operations have historically included and currently include the handling and use of hazardous and other regulated substances, such as various cleaning fluids used to remove grease from metal, that are subject to federal, state and local environmental laws and regulations. These regulations impose limitations on the discharge of pollutants into the soil, air and water, and establish standards for their handling, management, use, storage and disposal. We monitor and review our procedures and policies for compliance with environmental laws and regulations. Our management is familiar with these regulations and supports an ongoing program to maintain our adherence to required standards. We are involved with environmental compliance, investigation, monitoring and remediation activities at certain of our owned or formerly owned manufacturing facilities and at one owned facility that is leased to a third party. We believe that we are currently in substantial compliance with all known environmental regulations. We accrue for certain environmental remediation-related activities for which commitments or remediation plans have been developed or for which costs can be reasonably estimated. These estimates are determined based upon currently available facts regarding each facility. Actual costs incurred may vary from these estimates due to the inherent uncertainties involved. Future expenditures relating to these environmental remediation efforts are expected to be made over the next 14 years as ongoing costs of remediation programs. We do not believe that these regulatory requirements have had a material effect upon our capital expenditures, earnings or competitive position. We are not anticipating any

material capital expenditures in 2015 that are directly related to regulatory compliance matters. Although we believe we have adequately provided for the cost of all known environmental conditions, additional contamination, the outcome of disputed matters or changes in regulatory posture could result in more costly remediation measures than budgeted, or those we believe are adequate or required by existing law. We believe that any additional liability in excess of amounts accrued which may result from the resolution of such matters will not have a material adverse effect on our financial position, liquidity, cash flows or results of operations.

Available Information

Additional information about the Company is available at www.chartindustries.com. On the Investor Relations page of the website, the public may obtain free copies of the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable following the time that they are filed with, or furnished to, the Securities and Exchange Commission ("SEC"). Additionally, the Company has posted its Code of Ethical Business Conduct and Officer Code of Ethics on its website, which are also available free of charge to any shareholder interested in obtaining a copy. This Form 10-K and reports filed with the SEC are also accessible through the SEC's website at www.sec.gov. References to our website or the SEC's website do not constitute incorporation by reference of the information contained on such websites, and such information is not part of this Form 10-K.

Item 1A. Risk Factors

Investing in our common stock involves risk. You should carefully consider the risks described below as well as the other information contained in this Annual Report on Form 10-K in evaluating your investment in us. If any of the following risks actually occur, our business, financial condition, operating results or cash flows could be harmed materially. Additional risks, uncertainties and other factors that are not currently known to us or that we believe are not currently material may also adversely affect our business, financial condition, operating results or cash flows. In any of these cases, you may lose all or part of your investment in us.

Risks Related to Our Business

The markets we serve are subject to cyclical demand and vulnerable to economic downturn, which could harm our business and make it difficult to project long-term performance.

Demand for our products depends in large part upon the level of capital and maintenance expenditures by many of our customers and end-users, in particular those customers in the global hydrocarbon and industrial gas markets. These customers' expenditures historically have been cyclical in nature and vulnerable to economic downturns. Decreased capital and maintenance spending by these customers could have a material adverse effect on the demand for our products and our business, financial condition and results of operations. In addition, this historically cyclical demand limits our ability to make accurate long-term predictions about the performance of our company. Even if demand improves, it is difficult to predict whether any improvement represents a long-term improving trend or the extent or timing of improvement. There can be no assurance that historically improving cycles are representative of actual future demand.

While we experienced growth in demand from 2003 until mid-2008 in the global hydrocarbon and industrial gas markets, we experienced a significant decline in orders from mid-2008 until mid-2009. Although there was improvement in orders for our businesses, particularly in 2011 through 2013, we have experienced decline since 2014 in hydrocarbon demand with the decline in energy prices. We cannot predict whether business performance may be better or worse in the future.

The loss of, or significant reduction or delay in, purchases by our largest customers could reduce our sales and profitability.

A small number of customers has accounted for a substantial portion of our historical net sales. For example, sales to our top ten customers accounted for 34%, 37% and 38% of consolidated sales in 2014, 2013 and 2012, respectively. We expect that a limited number of customers will continue to represent a substantial portion of our sales for the foreseeable future. While our sales to particular customers fluctuate from period to period, the global producers and distributors of hydrocarbon and industrial gases and their suppliers tend to be a consistently large source of our sales. The loss of any of our major customers or a decrease or delay in orders or anticipated spending by such customers could materially reduce our sales and profitability. For example, a delay in the anticipated timing of LNG infrastructure build out or respiratory therapy demand recovery could materially reduce the demand for our products. Our largest customers could also engage in business combinations, which could increase their size, reduce their demand for our products as they recognize synergies or rationalize assets and increase or decrease the portion of our total sales concentration to any single customer.

Decreases in energy prices, or a decrease in the cost of oil relative to natural gas, may decrease demand for some of our products and cause downward pressure on the prices we charge, which could harm our business, financial condition and results of operations.

A significant amount of our sales are to customers in the energy production and supply industry. We estimate that 47% of our sales for the year ended December 31, 2014 were generated by end-users in the energy industry, with many of our products sold for natural gas-related applications. Accordingly, demand for a significant portion of our products depends upon the level

of capital expenditures by companies in the oil and gas industry, which depends, in part, on energy prices as well as the price of oil relative to natural gas for some applications. Some applications for our products could see greater demand when prices for natural gas are relatively low compared to oil prices, but a sustained decline in energy prices generally and a resultant downturn in energy production activities could negatively affect the capital expenditures of our customers. For example, the recent sharp decline in oil prices has had a negative impact on demand for some of our products. Any significant decline in the capital expenditures of our customers, whether due to a decrease in the market price of energy or otherwise, may decrease demand for our products and cause downward pressure on the prices we charge. Accordingly, if there is a downturn in the energy production and supply industry, including a decline in the cost of oil relative to natural gas, our business, financial condition and results of operations could be adversely affected.

Federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing and the potential for related regulatory action or litigation could result in increased costs and additional operating restrictions or delays for our customers, which could negatively impact our business, financial condition and results of operations.

We supply equipment to companies that process, transport and utilize natural gas, many of which benefit from increased natural gas production resulting from hydraulic fracturing in the oil and natural gas industry. As a result, increased regulation of hydraulic fracturing may adversely impact our business, financial condition and results of operations. If additional levels of regulation are implemented with respect to hydraulic fracturing, it may make it more difficult to complete natural gas wells in shale formations and discourage exploration of new wells. This could increase our customers' costs of compliance and doing business or otherwise adversely affect the hydraulic fracturing services they perform, which may negatively impact natural gas production and demand for our equipment used in the natural gas industry.

In addition, heightened political, regulatory and public scrutiny of hydraulic fracturing practices could potentially expose our customers to increased legal and regulatory proceedings, which could negatively impact natural gas production and demand for our equipment used in the natural gas industry. Any such developments could have a material adverse effect on our business, financial condition and results of operations, whether directly or indirectly.

We may be unable to compete successfully in the highly competitive markets in which we operate.

Although many of our products serve niche industry areas, a number of our direct and indirect competitors in these areas are major corporations, some of which have substantially greater technical, financial and marketing resources than Chart, and other competitors enter these areas from time to time. Any increase in competition may cause us to lose market share or compel us to reduce prices to remain competitive, which could result in reduced sales and earnings. We compete with several suppliers owned by global industrial gas producers or large industrial companies and many smaller fabrication-only facilities around the world. Increased competition with these companies could prevent the institution of price increases or could require price reductions or increased spending on research and development, and marketing and sales, any of which could materially reduce our sales, profitability or both. Moreover, during an industry downturn, competition in some of the product lines we serve increases as a result of over-capacity, which may result in downward pricing pressure. Further, customers who typically outsource their need for cryogenic systems to us may use their excess capacity to produce such systems themselves. We also compete in the sale of a limited number of products with certain of our major customers. If we are unable to compete successfully, our results of operations, cash flows and financial condition could be negatively affected.

Governmental energy policies could change, or expected changes could fail to materialize, which could adversely affect our business or prospects.

Energy policy can develop rapidly in the markets we serve, including the United States. Within the last few years, significant developments have taken place, primarily in international markets that we serve with respect to energy policy and related regulations. We anticipate that energy policy will continue to be an important regulatory priority globally as well as on a national, state and local level. As energy policy continues to evolve, the existing rules and incentives that impact the energy-related segments of our business may change. It is difficult, if not impossible, to predict whether changes in energy policy might occur in the future and the timing of potential changes and their

impact on our business. The elimination or reduction of favorable policies for our energy-related business, or the failure to adopt expected policies that would benefit our business, could negatively impact our sales and profitability.

If we are unable to successfully manage our operational expansions, it may place a significant strain on our management and administrative resources and lead to increased costs and reduced profitability.

We expect to continue our existing plan to expand our operations, particularly in China, in markets where we perceive the opportunity for profitable expansion. Our ability to operate our business successfully and implement our strategies depends, in part, on our ability to allocate our resources optimally in each of our facilities in order to maintain efficient operations as we

expand. Ineffective management of our growth could cause manufacturing inefficiencies, increase our operating costs, place significant strain on our management and administrative resources and prevent us from implementing our business plan.

For example, we have invested or plan to invest approximately $60 to $70 million in new capital expenditures in 2015 related to the expected growth of selective parts of each of the E&C, D&S and BioMedical segments. If we fail to implement these projects in a timely and effective manner, we may lose the opportunity to obtain some new customer orders. Even if we effectively implement these projects, the orders needed to support the capital expenditure may not be obtained, may be delayed, or may be less than expected, which may result in sales or profitability at lower levels than anticipated. For example, while we invested in the expansion of our E&C segment in past years, we experienced delay in some of the orders initially anticipated to support that expansion, which resulted in the underutilization of some of our capacity. In addition, potential cost overruns, delays or unanticipated problems in any capital expansion could make the expansions more costly than originally predicted or cause us to miss windows of opportunity.

Our backlog is subject to modification or termination of orders, which could negatively impact our sales.

Our backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as sales. The dollar amount of backlog as of December 31, 2014 was $640.1 million. Our backlog can be significantly affected by the timing of orders for large projects, particularly in our E&C segment, and the amount of our backlog at December 31, 2014 is not necessarily indicative of future backlog levels or the rate at which backlog will be recognized as sales. Although historically the amount of modifications and terminations of our orders has not been material compared to our total contract volume and is partially offset by cancellation penalties, customers can, and sometimes do, terminate or modify these orders. We cannot predict whether cancellations will accelerate or diminish in the future. Cancellations of purchase orders or reductions of product quantities in existing contracts could substantially and materially reduce our backlog and, consequently, our future sales. For example, both backlog and orders for the fourth quarter 2014 were reduced by approximately $33 million as orders previously received were removed where circumstances indicated that the customer would not perform its obligations. Our failure to replace canceled or reduced backlog could negatively impact our sales and results of operations.

We may fail to successfully acquire or integrate companies that provide complementary products or technologies.

A component of our business strategy is the acquisition of businesses that complement our existing products and services. Such a strategy involves the potential risks inherent in assessing the value, strengths, weaknesses, contingent or other liabilities and potential profitability of acquisition candidates and in integrating the operations of acquired companies. In addition, any acquisitions of businesses with foreign operations or sales may increase our exposure to risks inherent in doing business outside the United States.

From time to time, we may have acquisition discussions with potential target companies both domestically and internationally. If a large acquisition opportunity arises and we proceed, a substantial portion of our cash and surplus borrowing capacity could be used for the acquisition or we may seek additional debt or equity financing. For example, in August 2012 we used a substantial portion of our available cash to acquire AirSep Corporation.

Potential acquisition opportunities become available to us from time to time, and we engage periodically in discussions or negotiations relating to potential acquisitions, including acquisitions that may be material in size or scope to our business. Any acquisition may or may not occur and, if an acquisition does occur, it may not be successful in enhancing our business for one or more of the following reasons:

- Any business acquired may not be integrated successfully and may not prove profitable;
- The price we pay for any business acquired may overstate the value of that business or otherwise be too high;
- Liabilities we take on through the acquisition may prove to be higher than we expected;
- We may fail to achieve acquisition synergies; or
- The focus on the integration of operations of acquired entities may divert management’s attention from the day-to-day operation of our businesses.

Inherent in any future acquisition is the risk of transitioning company cultures and facilities. The failure to efficiently and effectively achieve such transitions could increase our costs and decrease our profitability.

Downturns in economic and financial conditions have had and may have in the future a negative effect on our business, financial condition and results of operations.

Demand for our products depends in large part upon the level of capital and maintenance expenditures by many of our customers and end-users. A downturn in economic conditions in industries in which we operate may reduce the willingness or

ability of our customers and prospective customers to commit funds to purchase our products and services, and may reduce their ability to pay for our products and services after purchase. Economic conditions that could impact our business include, but are not limited to, decreased energy prices, recessionary conditions, slow or negative economic growth rates, the impact of state and sovereign debt defaults or the impact of governmental budgetary pressures. Similarly, our suppliers may not be able to supply us with needed raw materials or components on a timely basis, may increase prices or go out of business, which could result in our inability to meet customer demand, fulfill our contractual obligations or could affect our gross margins. See "We depend on the availability of certain key suppliers; if we experience difficulty with a supplier, we may have difficulty finding alternative sources of supply" below. We cannot predict the timing or duration of negative market conditions. If the economy or industries in which we operate deteriorate or financial markets weaken, our business, financial condition and results of operations could be adversely impacted.

We carry goodwill and indefinite-lived intangible assets on our balance sheet, which are subject to impairment testing and could subject us to significant charges to earnings in the future if impairment occurs.

As of December 31, 2014, we had goodwill and indefinite-lived intangible assets of $453.2 million, which represented approximately 31.0% of our total assets. Goodwill and indefinite-lived intangible assets are not amortized, but are tested for impairment annually on October 1 or more often if events or changes in circumstances indicate a potential impairment may exist. Factors that could indicate that our goodwill or indefinite-lived intangible assets are impaired include a decline in stock price and market capitalization, lower than projected operating results and cash flows, and slower growth rates in our industry. Our stock price historically has shown volatility and often fluctuates significantly in response to market and other factors. For example, it declined significantly from mid-2008 to early 2009 and then increased sharply beginning in late 2010 through late 2013, when it again declined significantly in connection with energy price declines in 2014. Declines in our stock price, lower operating results and any decline in industry conditions in the future could increase the risk of goodwill impairment. Impairment testing incorporates our estimates of future operating results and cash flows, estimates of allocations of certain assets and cash flows among reporting segments, estimates of future growth rates and our judgment regarding the applicable discount rates used on estimated operating results and cash flows. If we determine that an impairment exists, it may result in a significant non-cash charge to earnings and lower stockholders' equity.

Our exposure to fixed-price contracts, including exposure to fixed pricing on long-term customer contracts, could negatively impact our financial results.

A substantial portion of our sales has historically been derived from fixed-price contracts for large system projects, which may involve long-term fixed price commitments to customers and which are sometimes difficult to execute. To the extent that any of our fixed-price contracts are delayed, our subcontractors fail to perform, contract counterparties successfully assert claims against us, the original cost estimates in these or other contracts prove to be inaccurate or the contracts do not permit us to pass increased costs on to our customers, profitability from a particular contract may decrease or project losses may be incurred, which, in turn, could decrease our sales and overall profitability. The uncertainties associated with our fixed-price contracts make it more difficult to predict our future results and exacerbate the risk that our results will not match expectations, which has happened in the past.

We depend on the availability of certain key suppliers; if we experience difficulty with a supplier, we may have difficulty finding alternative sources of supply.

The cost, quality and availability of raw materials, certain specialty metals and specialized components used to manufacture our products are critical to our success. The materials and components we use to manufacture our products are sometimes custom made and may be available only from a few suppliers, and the lead times required to obtain these materials and components can often be significant. We rely on sole suppliers or a limited number of suppliers for some of these materials, including special grades of aluminum used in our brazed aluminum heat exchangers and compressors included in some of our product offerings. While we have not historically encountered problems with availability, this does not mean that we will continue to have timely access to adequate supplies of essential materials and components in the future or that supplies of these materials and components will be available on satisfactory terms when needed. If our vendors for these materials and components are unable to meet our requirements, fail to make shipments in a timely manner or ship defective materials or components, we could

experience a shortage or delay in supply or fail to meet our contractual requirements, which would adversely affect our results of operations and negatively impact our cash flow and profitability.

Health care reform or other changes in government and other third-party payor reimbursement levels and practices could negatively impact our sales and profitability.

Many of our BioMedical segment's customers are reimbursed for products and services by third-party payors, such as government programs, including Medicare and Medicaid, private insurance plans and managed care programs in the U.S, and

by similar programs and entities in the other countries in which we operate or sell our equipment. In the United States, the Centers for Medicare & Medicaid Services ("CMS"), the agency responsible for administering the Medicare program, has implemented a number of payment rules that reduced Medicare payments for oxygen and oxygen equipment, including a competitive bidding program. Under the competitive bidding program, CMS selected contract suppliers that agreed to receive as payment the "single payment amount" calculated by CMS in certain geographic regions. In addition, CMS has increased the level of audit activity involving the sales practices of intermediaries in the health care field, some of which are customers of ours for respiratory products we sell. If third-party payors deny coverage, make the reimbursement process or documentation requirements more burdensome or uncertain, or reduce levels of reimbursement, it could negatively affect our sales and profitability.

In March 2010, the Affordable Care Act was adopted in the United States. The law includes provisions that, among other things, reduce and/or limit Medicare reimbursement, require all individuals to have health insurance (with limited exceptions) and impose new and/or increased taxes. In addition, the Affordable Care Act requires CMS to nationalize the competitive bidding process or adjust the prices in non-competitive bidding areas to match competitive bidding prices. There remains a significant amount of uncertainty regarding the implementation of the Affordable Care Act, and the potential impact of such policies on the demand for our products or the prices at which we sell our products. Any such negative impact in demand or product prices associated with the Affordable Care Act could have a material adverse effect on our business, results of operations and/or financial condition.

Due to the nature of our business and products, we may be liable for damages based on product liability and warranty claims.

Due to the high pressures and low temperatures at which many of our products are used, the inherent risks associated with concentrated industrial and hydrocarbon gases, and the fact that some of our products are relied upon by our customers or end users in their facilities or operations, or are manufactured for relatively broad industrial, transportation or consumer use, we face an inherent risk of exposure to claims in the event that the failure, use or misuse of our products results, or is alleged to result, in death, bodily injury, property damage or economic loss. We believe that we meet or exceed existing professional specification standards recognized or required in the industries in which we operate. We are subject to claims from time to time, some of which are substantial, and we may be subject to claims in the future. For example, we and some of our subsidiaries have been subject to assertions that failure of our subsidiaries' equipment has caused substantial property damage and economic loss at facilities owned by customers or third parties, including a natural gas processing plant fire where the performance of our subsidiary's equipment is being investigated, a lawsuit against us and our subsidiaries is pending, and end user losses are alleged to be approximately $105 million, including investigation and repair costs and business interruption losses, responsibility for which we and our subsidiaries vigorously dispute. See Item 3. "Legal Proceedings," for further details. Although we currently maintain product liability coverage, which we believe is adequate for existing product liability claims and for the continued operation of our business, such insurance may become difficult to obtain or be unobtainable in the future on terms acceptable to us, it includes customary exclusions and conditions, it may not cover certain specialized applications, such as aerospace-related applications, and it generally does not cover warranty claims. A successful product liability claim or series of claims against us, including one or more consumer claims purporting to constitute class actions or claims resulting from extraordinary loss events, in excess of or outside our insurance coverage, or a significant warranty claim or series of claims against us, could materially decrease our liquidity, impair our financial condition and adversely affect our results of operations.

As a global business, we are exposed to economic, political and other risks in different countries which could materially reduce our sales, profitability or cash flows, or materially increase our liabilities.

Since we manufacture and sell our products worldwide, our business is subject to risks associated with doing business internationally. In 2014, 2013 and 2012, 53%, 59% and 56%, respectively, of our sales were made in international markets. Our future results could be harmed by a variety of factors, including:

- changes in foreign currency exchange rates;
- exchange controls and currency restrictions;
- changes in a specific country's or region's political, social or economic conditions, particularly in emerging markets;
- civil unrest, turmoil or outbreak of disease in any of the countries in which we operate or sell our products;

- tariffs, other trade protection measures and import or export licensing requirements;
- potentially negative consequences from changes in U.S. and international tax laws;
- difficulty in staffing and managing geographically widespread operations;
- differing labor regulations;

- requirements relating to withholding taxes on remittances and other payments by subsidiaries;
- different regulatory regimes controlling the protection of our intellectual property;
- restrictions on our ability to own or operate subsidiaries, make investments or acquire new businesses in these jurisdictions;
- restrictions on our ability to repatriate dividends from our foreign subsidiaries;
- difficulty in collecting international accounts receivable;
- difficulty in enforcement of contractual obligations under non-U.S. law;
- transportation delays or interruptions;
- changes in regulatory requirements; and
- the burden of complying with multiple and potentially conflicting laws.

Our international operations and sales also expose us to different local political and business risks and challenges. For example, we are faced with potential difficulties in staffing and managing local operations and we have to design local solutions to manage credit and legal risks of local customers and distributors, which may not be effective. In addition, because some of our international sales are to suppliers that perform work for foreign governments, we are subject to the political risks associated with foreign government projects. For example, certain foreign governments may require suppliers for a project to obtain products solely from local manufacturers or may prohibit the use of products manufactured in certain countries.

International growth and expansion into markets such as China, Central and Eastern Europe, India, the Middle East and Latin America, may cause us difficulty due to greater regulatory barriers than in the United States, the necessity of adapting to new regulatory systems, problems related to entering new markets with different economic, social and political systems and conditions, and significant competition from the primary participants in these markets, some of which may have substantially greater resources than us. For example, in recent years we have increased significantly the proportion of our sales and operations in China, and we plan to continue to do so. In addition, unstable political conditions or civil unrest, including political instability in Eastern Europe, the Middle East or elsewhere, could negatively impact our order levels and sales in a region or our ability to collect receivables from customers or operate or execute projects in a region.

Our international operations and transactions also depend upon favorable trade relations between the United States and those foreign countries in which our customers and suppliers have operations. A protectionist trade environment in either the United States or those foreign countries in which we do business or sell products, such as a change in the current tariff structures, export compliance, government subsidies or other trade policies, may adversely affect our ability to sell our products or do business in foreign markets. Our overall success as a global business depends, in part, upon our ability to succeed in differing economic, social and political conditions. We may not succeed in developing and implementing policies and strategies to counter the foregoing factors effectively in each location where we do business and the foregoing factors may cause a reduction in our sales, profitability or cash flows, or cause an increase in our liabilities.

Our warranty reserves may not adequately cover our warranty obligations and increased or unexpected product warranty claims could adversely impact our financial condition and results of operations.

We provide product warranties with varying terms and durations for the majority of our products and we establish reserves for the estimated liability associated with our product warranties. Our warranty reserves are based on historical trends as well as our understanding of specifically identified warranty issues. The amounts estimated could differ materially from actual warranty costs that may ultimately be realized. An increase in the rate of warranty claims or the occurrence of unexpected warranty claims could have a material adverse effect on our financial condition or results of operations.

If we lose our senior management or other key employees, our business may be adversely affected.

Our ability to successfully operate and grow our business and implement our strategies is largely dependent on the efforts, abilities and services of our senior management and other key employees. Our future success will also depend

on, among other factors, our ability to attract and retain qualified personnel, such as engineers and other skilled labor, either through direct hiring or the acquisition of other businesses employing such professionals. Our products, many of which are highly engineered, represent specialized applications of cryogenic low temperature or gas processing technologies and know-how, and many of the markets we serve represent niche markets for these specialized applications. Accordingly, we rely heavily on engineers, salespersons, business unit leaders, senior management and other key employees who have experience in these specialized applications and are knowledgeable about these niche markets, our products, and our company. Additionally, we may modify our management structure from time to time or substantially reduce our overall workforce as we did in certain sectors of our business during the recent economic downturn, which may create marketing, operational and other business

risks. The loss of the services of these senior managers or other key employees or the failure to attract or retain other qualified personnel could reduce the competitiveness of our business or otherwise impair our business prospects.
Fluctuations in exchange and interest rates may affect our operating results and impact our financial condition.
Fluctuations in the value of the U.S. dollar may increase or decrease our sales or earnings. Because our consolidated financial results are reported in U.S. dollars, if we generate sales or earnings in other currencies, the translation of those results into U.S. dollars can result in a significant increase or decrease in the amount of those sales or earnings. We also bid for certain foreign projects in U.S. dollars or euros. If the U.S. dollar or euro strengthens relative to the value of the local currency, we may be less competitive on those projects. In addition, our debt service requirements are primarily in U.S. dollars and a portion of our cash flow is generated in euros or other foreign currencies. Significant changes in the value of the foreign currencies relative to the U.S. dollar could impair our cash flow and financial condition.
In addition, fluctuations in currencies relative to the U.S. dollar may make it more difficult to perform period-to-period comparisons of our reported results of operations. For purposes of accounting, the assets and liabilities of our foreign operations, where the local currency is the functional currency, are translated using period-end exchange rates, and the revenues and expenses of our foreign operations are translated using average exchange rates during each period. For example, we have material euro-denominated net monetary assets and liabilities. If economic circumstances result in a significant devaluation of the euro, the value of our euro-denominated net monetary assets and liabilities would be correspondingly reduced when translated into U.S. dollars for inclusion in our financial statements. Similarly, the re-introduction of certain individual country currencies or the complete dissolution of the euro, could adversely affect the value of our euro-denominated net monetary assets and liabilities. In either case, our business, results of operations, financial condition and liquidity could be materially adversely affected.
In addition to currency translation risks, we incur currency transaction risk whenever we or one of our subsidiaries enters into either a purchase or a sales transaction using a currency other than the functional currency of the transacting entity. Given the volatility of exchange rates, we may not be able to effectively manage our currency and/or translation risks. Volatility in currency exchange rates may decrease our sales and profitability and impair our financial condition. We have purchased and may continue to purchase foreign currency forward buy and sell contracts to manage the risk of adverse currency fluctuations and if the contracts are inconsistent with currency trends we could experience exposure related to foreign currency fluctuations.

We are also exposed to general interest rate risk. If interest rates increase, our interest expense could increase significantly, affecting earnings and reducing cash flow available for working capital, capital expenditures, acquisitions, and other purposes. In addition, changes by any rating agency to our outlook or credit ratings could increase our cost of borrowing.
We are subject to potential insolvency or financial distress of third parties.
We are exposed to the risk that third parties to various arrangements who owe us money or goods and services, or who purchase goods and services from us, will not be able to perform their obligations or continue to place orders due to insolvency or financial distress. If third parties fail to perform their obligations under arrangements with us, we may be forced to replace the underlying commitment at current or above market prices or on other terms that are less favorable to us or we may have to write off receivables in the case of customer failures to pay. If this happens, whether as a result of the insolvency or financial distress of a third party or otherwise, we may incur losses, or our results of operations, financial position or liquidity could otherwise be adversely affected.
If we are unable to effectively control our costs while maintaining our customer relationships and core resources, our business, results of operations and financial condition could be adversely affected.
It is critical for us to appropriately align our cost structure with prevailing market conditions, to minimize the effect of economic fluctuation on our operations, and in particular, to continue to maintain our customer relationships, core resources and manufacturing capacity while protecting profitability and cash flow. If we are unable to align our cost structure in response to prevailing economic conditions on a timely basis, or if implementation or failure to implement any cost structure adjustments has an adverse impact on our business or prospects, then our financial condition, results of operations and cash flows may be negatively affected.

Failure to protect our intellectual property and know-how could reduce or eliminate any competitive advantage and reduce our sales and profitability, and the cost of protecting our intellectual property may be significant.

We rely on a combination of internal procedures, nondisclosure agreements, intellectual property rights assignment agreements, as well as licenses, patents, trademarks and copyright law to protect our intellectual property and know-how. Our intellectual property rights may not be successfully asserted in the future or may be invalidated, circumvented or challenged.

For example, we frequently explore and evaluate potential relationships and projects with other parties, which often require that we provide the potential partner with confidential technical information. While confidentiality agreements are typically put in place, there is a risk the potential partner could violate the confidentiality agreement and use our technical information for its own benefit or the benefit of others or compromise the confidentiality. In addition, the laws of certain foreign countries in which our products may be sold or manufactured do not protect our intellectual property rights to the same extent as the laws of the United States. For example, we are increasing our manufacturing capabilities and sales in China, where laws may not protect our intellectual property rights to the same extent as in the United States. In addition, certain provisions of the Leahy-Smith America Invents Act went into effect on March 16, 2013. The Leahy-Smith America Invents Act transitioned the United States from a “first-to-invent” to a “first-to-file” patent system. This change means that between two identical, pending patent applications, the first inventor no longer receives priority on the patent to the invention. As a result, the Leahy-Smith America Invents Act may require us to incur significant additional expense and effort to protect our intellectual property. Failure or inability to protect our proprietary information could result in a decrease in our sales or profitability.

We have obtained and applied for some U.S. and foreign trademark and patent registrations and will continue to evaluate the registration of additional trademarks and patents, as appropriate. We cannot guarantee that any of our pending applications will be approved. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge them. A failure to obtain registrations in the United States or elsewhere could limit our ability to protect our trademarks and technologies and could impede our business. Further, the protection of our intellectual property may require expensive investment in protracted litigation and the investment of substantial management time and there is no assurance we ultimately would prevail or that a successful outcome would lead to an economic benefit that is greater than the investment in the litigation. The patents in our patent portfolio are scheduled to expire between 2015 and 2034.

In addition, we may be unable to prevent third parties from using our intellectual property rights and know-how without our authorization or from independently developing intellectual property that is the same as or similar to ours, particularly in those countries where the laws do not protect our intellectual property rights as fully as in the United States. We compete in a number of industries (for example, heat exchangers and cryogenic storage) that are small or specialized, which makes it easier for a competitor to monitor our activities and increases the risk that ideas will be stolen. The unauthorized use of our know-how by third parties could reduce or eliminate any competitive advantage we have developed, cause us to lose sales or otherwise harm our business or increase our expenses as we attempt to enforce our rights.

Some of our products are subject to regulation by the U.S. Food and Drug Administration and other governmental authorities.

Some of our products are subject to regulation by the U.S. Food and Drug Administration and other national, supranational, federal and state governmental authorities. It can be costly and time consuming to obtain regulatory approvals to market a medical device, such as those sold by our BioMedical segment. Approvals might not be granted for new devices on a timely basis, if at all. Regulations are subject to change as a result of legislative, administrative or judicial action, which may further increase our costs or reduce sales. Our failure to maintain approvals or obtain approval for new products could adversely affect our business, results of operations, financial condition and cash flows.

In addition, we are subject to regulations covering manufacturing practices, product labeling, advertising and adverse-event reporting that apply after we have obtained approval to sell a product. Many of our facilities’ procedures and those of our suppliers are subject to ongoing oversight, including periodic inspection by governmental authorities. Compliance with production, safety, quality control and quality assurance regulations is costly and time-consuming, and while we seek to be in full compliance, noncompliance could arise from time to time. If we fail to comply, our operations, financial condition and cash flows could be adversely affected, including through the imposition of fines, costly remediation or plant shutdowns, suspension or delay in product approval, product seizure or recall, or withdrawal of product approval as a result of noncompliance.

Fluctuations in the prices and availability of raw materials could negatively impact our financial results.

The pricing and availability of raw materials for use in our businesses can be volatile due to numerous factors beyond our control, including general, domestic and international economic conditions, labor costs, production levels, competition, consumer demand, import duties and tariffs and currency exchange rates. This volatility can significantly affect the availability and cost of raw materials for us, and may, therefore, increase the short-term or long-term costs of raw materials.

The commodity metals we use, including aluminum and stainless steel, have experienced significant fluctuations in price in recent years. On average, over half of our cost of sales for many of our product lines has historically been represented by the cost of commodities metals. We have generally been able to recover the cost increases through price increases to our customers; however, during periods of rising prices of raw materials, we may not always be able to pass increases on to our customers. Conversely, when raw material prices decline, customer demands for lower prices could result in lower sale prices and, to the

extent we have existing inventory, lower margins. As a result, fluctuations in raw material prices could result in lower sales and profitability.

Increased IT security threats and more sophisticated and targeted computer crime could pose a risk to our systems, networks, products, solutions and services.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. While we attempt to mitigate these risks by employing a number of measures, including employee training, comprehensive monitoring of our networks and systems, and maintenance of backup and protective systems, our systems, networks, products, solutions and services remain potentially vulnerable to advanced persistent threats. Depending on their nature and scope, such threats could potentially lead to the compromising of confidential information, improper use of our systems and networks, manipulation and destruction of data, defective products, production downtimes and operational disruptions, which in turn could adversely affect our reputation, competitiveness and results of operations.

We may be required to make material expenditures in order to comply with environmental, health and safety laws and climate change regulations, or incur additional liabilities under these laws and regulations.

We are subject to numerous environmental, health and safety laws and regulations that impose various environmental controls on us or otherwise relate to environmental protection and various health and safety matters, including the discharge of pollutants in the air and water, the handling, use, treatment, storage and clean-up of solid and hazardous materials and wastes, the investigation and remediation of soil and groundwater affected by hazardous substances and the requirement to obtain and maintain permits and licenses. These laws and regulations often impose strict, retroactive and joint and several liability for the costs of, and damages resulting from, cleaning up our, or our predecessors', past or present facilities and third party disposal sites. Compliance with these laws generally increases the costs of transportation and storage of raw materials and finished products, as well as the costs of storing and disposing waste, and could decrease our liquidity and profitability and increase our liabilities. Health and safety and other laws in the jurisdictions in which we operate impose various requirements on us including state licensing requirements that may benefit our customers. If we are found to have violated any of these laws, we may become subject to corrective action orders and fines or penalties, and incur substantial costs, including substantial remediation costs and commercial liability to our customers. Further, we also could be subject to future liability resulting from conditions that are currently unknown to us that could be discovered in the future.

We are currently remediating or developing work plans for remediation of environmental conditions involving certain current or former facilities. For example, the discovery of contamination arising from historical industrial operations at our Clarksville, Arkansas property, which is currently being leased to a third party business, has exposed us, and in the future may continue to expose us, to remediation obligations. We have also been subject to environmental liabilities for other sites where we formerly operated or at locations where we or our predecessors did or are alleged to have operated. To date, our environmental remediation expenditures and costs for otherwise complying with environmental laws and regulations have not been material, but the uncertainties associated with the investigation and remediation of contamination and the fact that such laws or regulations change frequently makes predicting the cost or impact of such laws and regulations on our future operations uncertain. Stricter environmental, safety and health laws, regulations or enforcement policies could result in substantial costs and liabilities to us and could subject us to more rigorous scrutiny. Consequently, compliance with these laws could result in significant expenditures as well as other costs and liabilities that could decrease our liquidity and profitability and increase our liabilities.

There is a growing political and scientific belief that emissions of greenhouse gases alter the composition of the global atmosphere in ways that are affecting the global climate. Various stakeholders, including legislators and regulators, stockholders and non-governmental organizations, as well as companies in many business sectors, are considering ways to reduce greenhouse gas emissions. New regulations could result in product standard requirements for the Company's global businesses but because any impact is dependent on the design of the mandate or standard, the Company is unable to predict its significance at this time. Furthermore, the potential physical impacts of theorized climate change on the Company's customers, and therefore on the Company's operations, are speculative and highly uncertain, and would be particular to the circumstances developing in various geographical regions. These may include changes in weather patterns (including drought and rainfall levels), water availability, storm patterns and

intensities, and temperature levels. These potential physical effects may adversely impact the cost, production, sales and financial performance of the Company’s operations.

We may be subject to claims that our products or processes infringe the intellectual property rights of others, which may cause us to pay unexpected litigation costs or damages, modify our products or processes or prevent us from selling our products.

Although it is our intention to avoid infringing or otherwise violating the intellectual property rights of others, third parties may nevertheless claim (and in the past have claimed) that our processes and products infringe their intellectual property and other rights. For example, our BioMedical business manufactures products for relatively broad consumer use, is actively marketing these products in multiple jurisdictions internationally and risks infringing upon technologies that may be protected in one or more of these international jurisdictions as the scope of our international marketing efforts expands. Our strategies of capitalizing on growing international demand as well as developing new innovative products across multiple business lines present similar infringement claim risks both internationally and in the United States as we expand the scope of our product offerings and markets. We compete with other companies for contracts in some small or specialized industries, which increases the risk that the other companies will develop overlapping technologies leading to an increased possibility that infringement claims will arise. Whether or not these claims have merit, we may be subject to costly and time-consuming legal proceedings, and this could divert our management's attention from operating our businesses. In order to resolve such proceedings, we may need to obtain licenses from these third parties or substantially re-engineer or rename our products in order to avoid infringement. In addition, we might not be able to obtain the necessary licenses on acceptable terms, or at all, or be able to re-engineer or rename our products successfully.

Additional liabilities related to taxes could adversely impact our financial results, financial condition and cash flow.

We are subject to tax and related obligations in the jurisdictions in which we operate or do business, including state, local, federal and foreign taxes. The taxing rules of the various jurisdictions in which we operate or do business often are complex and subject to varying interpretations. Tax authorities may challenge tax positions that we take or historically have taken, and may assess taxes where we have not made tax filings or may audit the tax filings we have made and assess additional taxes, as they have done from time to time in the past. Some of these assessments may be substantial, and also may involve the imposition of substantial penalties and interest. In addition, governments could impose new taxes on us in the future. The U.S. Internal Revenue Service is currently auditing our 2011 and 2012 federal tax returns. The payment of substantial additional taxes, penalties or interest resulting from tax assessments, or the imposition of any new taxes, could materially and adversely impact our results of operations, financial condition and cash flow.

If we are unable to continue our technological innovation and successful introduction of new commercial products, our profitability could be adversely affected.

The industries we serve, including the energy, industrial gas and biomedical industries, experience ongoing technological change and product improvement. Manufacturers periodically introduce new generations of products or require new technological capacity to develop customized products or respond to industry developments or needs. Our future growth will depend on our ability to gauge the direction of the commercial and technological progress in our markets, as well as our ability to acquire new product technologies or fund and successfully develop, manufacture and market products in this constantly changing environment. We must continue to identify, develop, manufacture and market innovative products on a timely basis to replace existing products in order to maintain our profit margins and competitive position. We may not be successful in acquiring and developing new products or technologies and any of our new products may not be accepted by our customers. If we fail to keep pace with evolving technological innovations in the markets we serve, our profitability may decrease.

Increases in labor costs, potential labor disputes and work stoppage could materially decrease our sales and profitability.

Our financial performance is affected by the availability of qualified personnel and the cost of labor. As of January 31, 2015, we had 5,407 employees, including 2,605 salaried, 502 bargaining unit hourly and 2,300 non-bargaining unit hourly employees. Employees represented by a union are subject to one collective bargaining agreement in the United States that expires in February 2018. We have experienced one work stoppage in 2007. Although we entered into a new labor agreement with our unionized employees at this facility effective February 3, 2013, if we are unable to enter into new, satisfactory labor agreements with our unionized employees when necessary in the future or other labor

controversies or union organizing efforts arise, we could experience a significant disruption to our operations, lose business or experience an increase in our operating expenses, which could reduce our profit margins. Furthermore, increased U.S. federal regulation or significant modifications to existing labor regulations, could potentially increase our labor costs.

Increased government regulation could adversely affect our financial results, financial condition and cash flow.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") institutes a wide range of reforms, some of which may impact us. Among other things, the Dodd-Frank Act contains significant corporate governance and executive compensation-related provisions that authorize or require the SEC to adopt additional rules and regulations in these

areas. The impact of these provisions on our business is uncertain. The Dodd-Frank Act also provides for statutory and regulatory requirements for derivative transactions, including foreign exchange and interest rate hedging transactions. Certain transactions will be required to be cleared on exchanges, and cash collateral will be required for those transactions. While the Dodd-Frank Act provides for a potential exception from these clearing and cash collateral requirements for commercial end-users, the exception may be subject to additional rule making and interpretation by regulatory authorities. We enter into foreign exchange contracts, interest rate swaps and forward contracts from time to time to manage our foreign currency exchange risk, interest rate risk, and exposure to commodity price risk. If, in the future, we are required to provide cash collateral for our hedging transactions, it could reduce our ability to execute strategic hedges. In addition, the contractual counterparties in hedging arrangements will be required to comply with the Dodd-Frank Act's new requirements, which could ultimately result in increased costs of these arrangements.

Our pension plan is currently underfunded and we contribute to a multi-employer plan for collective bargaining U.S. employees, which is also underfunded.

Certain U.S. hourly and salaried employees are covered by our defined benefit pension plan. The plan has been frozen since February 2006. As of December 31, 2014, the projected benefit obligation under our pension plan was approximately $62.1 million and the value of the assets of the plan was approximately $45.2 million, resulting in our pension plan being underfunded by approximately $16.9 million. We are also a participant in a multiemployer plan which is underfunded. Among other risks associated with multi-employer plans, contributions and unfunded obligations of the multi-employer plan are shared by the plan participants and we may inherit unfunded obligations if other plan participants withdraw from the plan or cease to participate. Additionally, if we elect to stop participating in the multi-employer plan, we may be required to pay amounts related to withdrawal liabilities associated with the underfunded status of the plan. If the performance of the assets in our pension plan or the multiemployer plan does not meet expectations or if other actuarial assumptions are modified, our required pension contributions for future years could be higher than we expect, which may negatively impact our results of operations, cash flows and financial condition.

We operate in many different jurisdictions and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-corruption laws.

The U.S. Foreign Corrupt Practices Act ("FCPA") and similar worldwide anti-corruption laws generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our internal policies mandate compliance with these anti-corruption laws. We operate in many parts of the world that have experienced governmental corruption to some degree, and in certain circumstances, strict compliance with anti-corruption laws may conflict with local customs and practices. Despite our training and compliance programs, we cannot assure you that our internal control policies and procedures always will protect us from reckless or criminal acts committed by our employees or agents. Our continued expansion outside the U.S., including in developing countries, could increase the risk of such violations in the future. Violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our results of operations or financial condition.

Our operations could be impacted by the effects of severe weather, which could be more severe than the damage and impact that our Louisiana operations encountered from hurricanes in prior years.

Some of our operations, including our operations in New Iberia, Louisiana and Houston, Texas, are located in geographic regions and physical locations that are susceptible to physical damage and longer-term economic disruption from hurricanes or other severe weather. We also could make significant future capital expenditures in hurricane-susceptible or other severe weather locations from time to time. These weather events can disrupt our operations, result in damage to our properties and negatively affect the local economy in which these facilities operate. In September 2008, for example, our New Iberia, Louisiana facility was forced to close as a result of heavy rainfall, evacuations, strong winds and power outages resulting from Hurricane Gustav. Two weeks after Hurricane Gustav, winds and flooding from Hurricane Ike damaged our New Iberia, Louisiana, Houston, Texas and The Woodlands, Texas operations and offices, and those facilities were also closed for a period of time. Future hurricanes or other severe weather may cause production or delivery delays as a result of the physical damage to the facilities, the

unavailability of employees and temporary workers, the shortage of or delay in receiving certain raw materials or manufacturing supplies and the diminished availability or delay of transportation for customer shipments, any of which may have an adverse effect on our sales and profitability. Additionally, the potential physical impact of theorized climate change could include more frequent and intense storms, which would heighten the risk to our operations in areas that are susceptible to hurricanes and other severe weather. Although we maintain insurance subject to certain deductibles, which may cover some of our losses, that insurance may become unavailable or prove to be inadequate.

We are subject to regulations governing the export of our products.

Due to our significant foreign sales, our export activities are subject to regulation, including the U.S. Treasury Department's Office of Foreign Assets Control's regulations. We believe we are in compliance with these regulations and maintain robust programs intended to maintain compliance. However, unintentional lapses in our compliance or uncertainties associated with changing regulatory requirements could result in future violations (or alleged violations) of these regulations. Any violations may subject us to government scrutiny, investigation and civil and criminal penalties and may limit our ability to export our products.

As a provider of products to the U.S. government, we are subject to federal rules, regulations, audits and investigations, the violation or failure of which could adversely affect our business.

We sell certain of our products to the U.S. government and, therefore, we must comply with and are affected by laws and regulations governing purchases by the U.S. government. Government contract laws and regulations affect how we do business with our government customers and, in some instances, impose added costs on our business. For example, a violation of specific laws and regulations could result in the imposition of fines and penalties or the termination of our contracts or debarment from bidding on contracts. In some instances, these laws and regulations impose terms or rights that are more favorable to the government than those typically available to commercial parties in negotiated transactions.

Risks Related to Our Leverage

Our leverage and future debt service obligations could adversely affect our financial condition, limit our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, impact the way we operate our business, expose us to interest rate risk to the extent of our variable rate debt and prevent us from fulfilling our debt service obligations.

We are leveraged and have future debt service obligations. Our financial performance could be affected by our leverage. As of December 31, 2014, our total indebtedness was $254.9 million. In addition, at that date, under our senior secured revolving credit facility we had $34.0 million of letters of credit and bank guarantees outstanding and borrowing capacity of approximately $416.0 million. Through separate facilities, our foreign subsidiaries had $4.6 million in bank guarantees outstanding at December 31, 2014. While we had $103.7 million in cash at December 31, 2014, which we believe mitigates the risk related to our leverage, there is no assurance that we will continue to be profitable in the future or that we will not use our available cash in ways other than those that reduce our leverage or mitigate the risk related to our leverage. We may also incur additional indebtedness in the future. Our level of indebtedness could have important negative consequences, including:

- we may have difficulty generating sufficient cash flow to pay interest and satisfy our debt obligations;
- we may have difficulty obtaining financing in the future for working capital, capital expenditures, acquisitions or other purposes;
- we will need to use a substantial portion of our available cash flow to pay interest and principal on our debt, which will reduce the amount of money available to finance our operations and other business activities;
- future borrowings under our senior secured revolving credit facility have variable rates of interest, which could expose us to the risk of increased interest rates;
- our debt level increases our vulnerability to general economic downturns and adverse industry conditions;
- our debt level could limit our flexibility in planning for, or reacting to, changes in our business and in our industry in general;
- our debt and the amount we must pay to service our debt obligations could place us at a competitive disadvantage compared to our competitors that have less debt;
- our customers may react adversely to our debt level and seek or develop alternative suppliers; and
- our failure to comply with the financial and other restrictive covenants in our debt instruments which, among other things, require us to maintain specified financial ratios and limit our ability to incur debt and sell assets, could result in an event of default that, if not cured or waived, could have a material adverse effect on our business or prospects.

Our business may not generate sufficient cash flow from operations and future borrowings may not be available to us under our senior secured revolving credit facility or otherwise in an amount sufficient to permit us to pay the principal

and interest on our indebtedness or fund our other liquidity needs. In addition, borrowings under our senior secured revolving credit facility bear interest at variable rates. If market interest rates increase, debt service on our variable-rate debt will rise, which would adversely affect our cash flow. We may be unable to refinance any of our debt, including our senior secured revolving credit facility or our 2.00% Convertible Senior Subordinated Notes due 2018, on commercially reasonable terms. See Item 7.

"Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources."

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to sell assets, seek additional capital or seek to restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. We may be unable to consummate those asset sales to raise capital or sell assets at prices that we believe are fair and proceeds that we do receive may be inadequate to meet any debt service obligations then due.

We may still be able to incur substantially more debt. This could further exacerbate the risks that we face.

We may be able to incur substantial additional indebtedness in the future. The terms of our debt instruments do not fully prohibit us from doing so. Our senior secured revolving credit facility provides commitments of up to $450.0 million, approximately $416.0 million of which would have been available for future borrowings (after giving effect to letters of credit and bank guarantees outstanding) as of December 31, 2014. See Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Debt Instruments and Related Covenants." We may also further increase the size of our senior secured revolving credit facility which includes an expansion option permitting us to add up to an aggregate of $200.0 million in additional borrowings, subject to certain conditions, or we could refinance with higher borrowing limits. If new debt is added to our current debt levels, the related risks that we now face could intensify.

The senior secured revolving credit facility contains a number of restrictive covenants which limit our ability to finance future operations or capital needs or engage in other business activities that may be in our interest.

The senior secured revolving credit facility imposes, and the terms of any future indebtedness may impose, operating and other restrictions on us and our subsidiaries. Such restrictions affect or will affect, and in various circumstances limit or prohibit, among other things, our ability and the ability of our subsidiaries to:

- incur additional indebtedness;
- create liens;
- pay dividends based on our leverage ratio and make other distributions in respect of our capital stock;
- redeem or buy back our capital stock based on our leverage ratio;
- make certain investments or certain other restricted payments;
- sell or transfer certain kinds of assets;
- enter into certain types of transactions with affiliates; and
- effect mergers or consolidations.

The senior secured revolving credit facility also requires us to achieve certain financial and operating results and maintain compliance with specified financial ratios. Our ability to comply with these ratios may be affected by events beyond our control.

The restrictions contained in the senior secured revolving credit facility could:

- limit our ability to plan for or react to market or economic conditions or meet capital needs or otherwise restrict our activities or business plans; and
- adversely affect our ability to finance our operations, acquisitions, investments or strategic alliances or other capital needs or to engage in other business activities that would be in our interest.

A breach of any of these covenants or our inability to comply with the required financial ratios could result in a default under our senior secured revolving credit facility. If an event of default occurs under our senior secured revolving credit facility, which includes an event of default under the indenture governing our 2.00% Convertible Senior Subordinated Notes due 2018, the lenders could elect to:

- declare all borrowings outstanding, together with accrued and unpaid interest, to be immediately due and payable; or
- require us to apply all of our available cash to repay the borrowings,

either of which could result in an event of default under our convertible notes or prevent us from making payments on the convertible notes when due in 2018. The lenders will also have the right in these circumstances to terminate any commitments they have to provide further financing.

If we were unable to repay or otherwise refinance these borrowings when due, our lenders could sell the collateral securing the senior secured revolving credit facility, which constitutes substantially all of our and our domestic wholly-owned subsidiaries' assets.

Our 2.00% Convertible Senior Subordinated Notes due 2018 have certain fundamental change and conditional conversion features which, if triggered, may adversely affect our financial condition.

If a fundamental change occurs under our 2.00% Convertible Senior Subordinated Notes due 2018, the holders of the convertible notes may require us to purchase for cash any or all of the convertible notes. However, there can be no assurance that we will have sufficient funds at the time of the fundamental change to purchase all of the convertible notes delivered for purchase, and we may not be able to arrange necessary financing on acceptable terms, if at all. Likewise, if one of the conversion contingencies of our convertible notes is triggered, holders of convertible notes will be entitled to convert the convertible notes at any time during specified periods. For example, as a result of attaining specified market price triggers, the notes were convertible during several quarters in 2013, although no notes have been converted to date. If one or more holders elect to convert their convertible notes, we would be required to settle any converted principal through the payment of cash, which could adversely affect our liquidity.

We are subject to counterparty risk with respect to the convertible note hedge and capped call transactions associated with our 2.00% Convertible Senior Subordinated Notes due 2018.

The option counterparties for our convertible note hedging arrangements are financial institutions, and we will be subject to the risk that any or all of them might default under the convertible note hedge and capped call transactions. Our exposure to the credit risk of the option counterparties is not secured by any collateral. Global economic conditions during the most recent economic downturn resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the convertible note hedge and capped call transactions with that option counterparty. Our exposure will depend on many factors but, generally, the increase in our exposure will be correlated to the increase in the market price and in the volatility of our common stock. In addition, upon a default by an option counterparty, we may suffer adverse tax consequences and more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of the option counterparties.

We are a holding company and we may depend upon cash from our subsidiaries to service our debt. If we do not receive cash from our subsidiaries, we may be unable to meet our obligations.

We are a holding company and all of our operations are conducted through our subsidiaries. Accordingly, we may be dependent upon the earnings and cash flows from our subsidiaries to provide the funds necessary to meet our debt service obligations. If we could not have access to the cash flows of our subsidiaries, we may be unable to pay the principal or interest on our debt. In addition, certain of our subsidiaries are holding companies that rely on subsidiaries of their own as a source of funds to meet any obligations that might arise.

Generally, the ability of a subsidiary to make cash available to its parent is affected by its own operating results and is subject to applicable laws and contractual restrictions contained in its debt instruments and other agreements. Moreover, there may be restrictions on payments by our subsidiaries to us under applicable laws, including laws that require companies to maintain minimum amounts of capital, to make payments to shareholders only from profits and restrictions on our ability to repatriate dividends from our foreign subsidiaries. As a result, although our subsidiaries may have cash, we may be unable to obtain that cash to satisfy our obligations and make payments to our stockholders, if any.

Risks Related to the Trading Market for Our Common Stock

Our common stock has experienced, and may continue to experience, price volatility.

Our common stock has at times experienced substantial price volatility as a result of many factors, including the general volatility of stock market prices and volumes, changes in securities analysts' estimates of our financial performance, variations between our actual and anticipated financial results, fluctuations in order or backlog levels, fluctuations in energy prices, or uncertainty about current global economic conditions. For these reasons, among others, the price of our stock may continue to fluctuate.

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Provisions in our amended and restated certificate of incorporation and amended and restated bylaws and other agreements and in Delaware law may discourage a takeover attempt.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law could make it more difficult for a third party to acquire us. Provisions of our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law impose various procedural and other requirements, which could make it more difficult for stockholders to effect certain corporate actions. For example, our amended and restated certificate of incorporation authorizes our board of directors to determine the rights, preferences, privileges and restrictions of unissued series of preferred stock, without any vote or action by our stockholders. Therefore, our board of directors can authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of our common stock. These rights may have the effect of delaying or deterring a change of control of our company. These provisions could limit the price that certain investors might be willing to pay in the future for shares of our common stock.

In addition, the terms of our 2.00% Convertible Senior Subordinated Notes may require us to purchase these convertible notes for cash in the event of a takeover of our Company. The indenture governing the convertible notes also prohibits us from engaging in certain mergers or acquisitions unless, among other things, the surviving entity assumes our obligations under the convertible notes. These and other provisions applicable to the convertible notes may have the effect of increasing the cost of acquiring us or otherwise discourage a third party from acquiring us.

The issuance of common stock upon conversion of our 2.00% Convertible Senior Subordinated Notes due 2018 could cause dilution to the interests of our existing stockholders.

As of December 31, 2014, we had $250.0 million aggregate principal amount of convertible notes outstanding. Prior to the close of business on the business day immediately preceding May 1, 2018, the convertible notes will be convertible only upon satisfaction of certain conditions. As a result of attaining specified market price triggers, the notes were convertible during several quarters in 2013, although no notes have been converted to date. Holders may convert their convertible notes at their option at any time after May 1, 2018. We will settle conversions of convertible notes by paying cash up to the aggregate principal amount of the convertible notes to be converted and paying or delivering, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock, at our election, in respect of the remainder, if any, of our conversion obligation in excess of the aggregate principal amount of the notes being converted. The number of shares issued could be significant and such an issuance could cause significant dilution to the interests of the existing stockholders.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

We occupy 44 facilities among the locations listed below totaling approximately 3.9 million square feet, with the majority devoted to manufacturing, assembly and storage. Of these facilities, approximately 2.6 million square feet are owned and 1.3 million square feet are occupied under operating leases. We lease approximately 32,800 square feet for our corporate office in Garfield Heights, Ohio. Our major owned facilities in the United States are subject to mortgages securing our senior secured revolving credit facility.

The following table summarizes certain information about facilities occupied by us as of January 31, 2015:

| Location | Segment | Approximate Square Footage | Ownership | Use |
|---|---|---|---|---|
| Garfield Heights, Ohio | Corporate | 32,800 | Leased | Office |
| Luxembourg, Luxembourg | Corporate | 1,200 | Leased | Office |
| Aichi, Japan | BioMedical | 8,900 | Leased | Service |
| Amherst, New York | BioMedical | 150,100 | Leased/Owned | Manufacturing/Warehouse/Office |
| Chengdu, China | BioMedical | 176,000 | Owned | Manufacturing/Office |
| Denver, Colorado | BioMedical | 23,800 | Leased | Office/Warehouse |
| Lidcombe, Australia | BioMedical | 2,400 | Leased | Office/Warehouse |
| Padova, Italy | BioMedical | 11,800 | Leased | Service |
| San Diego, California | BioMedical | 24,500 | Leased | Manufacturing/Office |
| Tokyo, Japan | BioMedical | 1,600 | Leased | Office |
| Troy, New York | BioMedical | 12,000 | Leased | Manufacturing/Office |
| Wokingham, United Kingdom | BioMedical | 7,200 | Leased | Office/Warehouse/Service |
| Wuppertal, Germany | BioMedical | 104,900 | Leased | Office/Warehouse/Service |
| Burnsville, Minnesota | Distribution & Storage | 5,600 | Leased | Office |
| Decin, Czech Republic | Distribution & Storage | 628,000 | Owned | Manufacturing/Office |
| Goch, Germany | Distribution & Storage | 258,000 | Owned | Manufacturing/Office |
| Houston, Texas | Distribution & Storage/Energy & Chemicals | 29,000 | Owned | Office/Service |
| Kuala Lumpur, Malaysia | Distribution & Storage | 300 | Leased | Marketing & Sales/Office |
| McCarran, Nevada | Distribution & Storage | 42,300 | Owned | Service |
| Mumbai, India | Distribution & Storage | 100 | Leased | Office |
| Nanjing, China | Distribution & Storage | 39,700 | Leased/Owned | Manufacturing/Office |
| Owatonna, Minnesota | Distribution & Storage | 141,000 | Leased | Manufacturing/Office |
| Plaistow, New Hampshire | Distribution & Storage | 2,600 | Leased | Office |
| San Jose, California | Distribution & Storage | 20,800 | Leased | Manufacturing/Office |
| Solingen, Germany | Distribution & Storage | 13,400 | Leased | Manufacturing/Office/Service/Warehouse |
| Canton, Georgia | Distribution & Storage/BioMedical | 241,300 | Leased/Owned | Manufacturing/Office/Service |

| | | | | |
|---|---|---|---|---|
| New Prague, Minnesota | Distribution & Storage/BioMedical | 396,000 | Leased/Owned | Manufacturing/Office/Service |
| Changzhou, China | Distribution & Storage | 632,100 | Leased/Owned | Manufacturing/Office |
| La Crosse, Wisconsin | Energy & Chemicals | 296,000 | Leased/Owned | Manufacturing/Office |
| New Iberia, Louisiana | Energy & Chemicals | 108,700 | Leased | Manufacturing |
| The Woodlands, Texas | Energy & Chemicals | 33,400 | Leased | Office |
| Tulsa, Oklahoma | Energy & Chemicals | 222,800 | Leased/Owned | Manufacturing/Office |
| Wolverhampton, United Kingdom | Energy & Chemicals | 1,600 | Leased | Office |
| Wuxi, China | Energy & Chemicals | 200,000 | Leased | Manufacturing/Office |

In addition, we own a 110,000 square foot facility in Clarksville, Arkansas that is leased from the Company with a purchase option.

Regulatory Environment

We are subject to federal, state and local regulations relating to the discharge of materials into the environment, production and handling of hazardous and regulated materials, and the conduct and condition of our production facilities. We do not believe that these regulatory requirements have had a material effect upon our capital expenditures, earnings or competitive position. We are not anticipating any material capital expenditures in 2015 that are directly related to regulatory compliance matters. We are also not aware of any pending or potential regulatory changes that would have a material adverse impact on our business.

Item 3. Legal Proceedings

In November 2012, Chart Energy & Chemicals, Inc. ("CEC"), a subsidiary of the Company, filed a declaratory judgment action in the United States District Court for the Western District of Oklahoma (the "Federal Court") seeking a judgment that certain claims for damages alleged by Enogex Holdings LLC, Enogex Gathering & Processing, LLC and affiliated companies with respect to a December 2010 fire at the Enogex natural gas processing plant in Cox City, Oklahoma were barred based on multiple defenses, including Oklahoma's statute of repose. This action was precipitated by the receipt of a letter from Enogex alleging that CEC was responsible for damages in excess of $75 million with respect to the fire as a result of the alleged failure of CEC's equipment that was a component of the unit involved in the fire. Subsequent to the filing of CEC's declaratory judgment action, in December 2012, Enogex filed suit in the District Court of Tulsa County, State of Oklahoma (the "State Court") against the Company, CEC and its predecessors, a former employee of a predecessor of CEC, as well as other entities and an individual not affiliated with the Company, formalizing the allegations and claims contained in the November demand letter. Each party filed one or more motions to dismiss the other's lawsuit. Enogex's motion to dismiss initially was denied by the Federal Court in February 2013, but Enogex moved for rehearing on its motion to dismiss, which the Federal Court granted on May 17, 2013 based on a lack of jurisdictional diversity. The Company's and CEC's motions to dismiss were denied by the State Court on April 10, 2013. Accordingly, litigation continues in the State Court, and Enogex has asserted damages of approximately $105 million, including investigation and repair costs and business interruption losses, some of which may be offset by Enogex's saved costs and mitigation efforts. A trial is expected in late 2015 or early 2016. The Company continues to believe that the allegations against the Company, CEC and their affiliates lack merit. The Company believes that it, CEC and their affiliates have strong factual and legal defenses to Enogex's claims and intends to vigorously assert such defenses. Accordingly, an accrual related to any damages that may result from the lawsuit has not been recorded because a potential loss is not currently probable. Furthermore, the Company believes that its existing product liability insurance is adequate for potential losses associated with these claims. While the Company cannot predict with certainty the ultimate result of these proceedings, the Company does not believe that the final outcome of these proceedings will have a material adverse effect on the Company's financial position, results of operations, or cash flows.

We are occasionally subject to various legal actions related to performance under contracts, product liability, environmental liability, taxes, employment, intellectual property and other matters, several of which actions claim substantial damages, in the ordinary course of our business. Based on the Company's historical experience in litigating these claims, as well as the Company's current assessment of the underlying merits of the claims and applicable insurance, if any, we currently believe the resolution of these legal claims will not have a material adverse effect on our financial position, liquidity, cash flows or results of operations. Future developments may, however, result in resolution of these legal claims in a way that could have a material adverse effect. See Item 1A. "Risk Factors."

Item 4. Mine Safety Disclosures

Not applicable.

Item 4A. Executive Officers of the Registrant*

The name, age and positions of each Executive Officer of the Company as of February 1, 2015 are as follows:

| Name | Age | Position |
|---|---|---|
| Samuel F. Thomas | 63 | Chairman, Chief Executive Officer and President |
| Michael F. Biehl | 59 | Executive Vice President and Chief Financial Officer |
| Matthew J. Klaben | 45 | Vice President, General Counsel and Secretary |
| Kenneth J. Webster | 52 | Vice President, Chief Accounting Officer and Controller |

* Included pursuant to Instruction 3 to Item 401(b) of Regulation S-K.

Samuel F. Thomas has served as Chairman of our Board of Directors since March 2007 and has served as our Chief Executive Officer and President and as a member of our Board of Directors since October 2003. Prior to joining our Company, Mr. Thomas was Executive Vice President of Global Consumables at ESAB Holdings Ltd., a provider of

welding consumables and equipment. In addition to his most recent position at ESAB, Mr. Thomas was responsible for ESAB North America during his employment at ESAB Holdings Ltd. Prior to joining ESAB in February 1999, Mr. Thomas was Vice President of Friction Products for Federal Mogul, Inc. Prior to its acquisition by Federal Mogul in 1998, Mr. Thomas was employed by T&N plc from 1976 to 1998, where he served from 1991 as chief executive of several global operating divisions, including industrial sealing, camshafts and friction products.

Michael F. Biehl has been our Executive Vice President since April 2006, served as our Chief Accounting Officer from October 2002 until March 2006, and has been our Chief Financial Officer since July 2001. Until December 16, 2008, Mr. Biehl was also Chart's Treasurer and remained Treasurer from August 2010 through May 2014. Prior to joining us, Mr. Biehl served as Vice President, Finance and Treasurer at the former Oglebay Norton Company, an industrial minerals mining, processing and transportation company. Prior to joining Oglebay Norton in 1992, Mr. Biehl worked in the audit practice of Ernst & Young LLP in Cleveland, Ohio from 1978 to 1992.

Matthew J. Klaben is our Vice President, General Counsel and Secretary. Prior to joining us in March 2006, Mr. Klaben was a partner at the law firm of Calfee, Halter & Griswold LLP in Cleveland, Ohio from January 2005 until March 2006, and an associate from April 1998 until December 2004. Before that, Mr. Klaben was an associate at the law firm of Jones Day in Cleveland, Ohio from September 1995 until April 1998.

Kenneth J. Webster is our Vice President, Chief Accounting Officer and Controller and has served in that capacity since May 2010. Prior to that, Mr. Webster was Chief Accounting Officer and Controller since March 2008. Mr. Webster joined the Company in July 2006 as the Company's Director of Internal Audit. Prior to joining Chart, Mr. Webster served as Assistant Corporate Controller for International Steel Group, an integrated steel manufacturer, from March 2004 to April 2005, at which time International Steel Group was acquired by Mittal Steel USA, Inc. Following the acquisition, Mr. Webster continued to serve in his capacity as Assistant Corporate Controller for Mittal Steel USA, Inc. until July 2006. Before that, Mr. Webster served in various accounting and finance positions with Bethlehem Steel.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company's common stock is traded on the NASDAQ Global Select Market under the symbol "GTLS." The high and low sales prices for the shares of common stock for the periods indicated are set forth in the table below:

| | High and Low Sales Price | | | |
|---|---|---|---|---|
| | 2014 | | 2013 | |
| | High | Low | High | Low |
| First quarter | $95.99 | $74.07 | $83.69 | $61.87 |
| Second quarter | 84.94 | 64.05 | 99.18 | 73.20 |
| Third quarter | 84.25 | 61.00 | 125.64 | 93.97 |
| Fourth quarter | 59.29 | 30.61 | 130.85 | 85.07 |
| Year | 95.99 | 30.61 | 130.85 | 61.87 |

As of February 1, 2015, there were 165 holders of record of our common stock. Since many holders hold shares in "street name," we believe that there are a significantly larger number of beneficial owners of our common stock than the number of record holders.

We do not currently intend to pay any cash dividends on our common stock, and instead intend to retain earnings, if any, for future operations, potential acquisitions and debt reduction. The amounts available to us to pay cash dividends are restricted by our senior secured revolving credit facility. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our board of directors may deem relevant.

Cumulative Total Return Comparison

Set forth below is a line graph comparing the cumulative total return of a hypothetical investment in the shares of common stock of Chart Industries, Inc. with the cumulative return of a hypothetical investment in each of the S&P SmallCap 600 Index and our Peer Group Index based on the respective market prices of each such investment on the dates shown below, assuming an initial investment of $100 on December 31, 2009, including reinvestment of dividends, if any.

| | December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Chart Industries, Inc. | $100.00 | $204.48 | $327.30 | $403.69 | $578.93 | $207.02 |
| S&P SmallCap 600 Index | 100.00 | 126.31 | 127.59 | 148.42 | 209.74 | 221.81 |
| Peer Group Index | 100.00 | 138.60 | 136.02 | 174.22 | 223.40 | 207.59 |

The Company selects the peer companies that comprise the Peer Group Index solely on the basis of objective criteria. These criteria result in an index composed of oil field equipment/service and other comparable industrial companies. The Peer Group Index includes the following companies: Acuity Brands, Inc., Barnes Group Inc., Circor International, Inc., Colfax Corp., Dresser-Rand Group Inc., Enpro Industries Inc., Ensco plc, Esco Technologies Inc., Graco Inc., Idex Corp., Nordson Corporation and Powell Industries Inc. In accordance with SEC rules, the Peer Group Index is represented in the graph above.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

During the fourth quarter of 2014, 337 shares of common stock were surrendered to us by participants under our share-based compensation plans to satisfy tax withholding obligations relating to the vesting or payment of equity awards for an aggregate purchase price of approximately $17,200. The total number of shares repurchased represents the net shares issued to satisfy tax withholding. All such repurchased shares were subsequently retired during the three months ended December 31, 2014.

| | Issuer Purchases of Equity Securities | | | |
|---|---|---|---|---|
| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs |
| October 1 — 31, 2014 | 337 | $51.13 | — | $— |
| November 1 — 30, 2014 | — | — | — | — |
| December 1 — 31, 2014 | — | — | — | — |
| Total | 337 | $51.13 | — | $— |

Item 6. Selected Financial Data

The following table sets forth selected historical consolidated financial information as of the dates and for each of the periods indicated. The Company selected historical financial consolidated data as of and for the years ended December 31, 2014, 2013 and 2012 are derived from our audited financial statements for such periods incorporated by reference into Item 8 of this Annual Report on Form 10-K, which have been audited by Ernst & Young LLP. The Company selected historical financial consolidated data as of and for the years ended December 31, 2011 and 2010 are derived from our audited financial statements for such periods, which have been audited by Ernst & Young LLP, and which are not included in this Annual Report on Form 10-K.

You should read the following table together with Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes, included elsewhere in this Annual Report on Form 10-K (all dollar amounts, except per share data, in thousands):

| | Year Ended December 31, | | | | |
|---|---|---|---|---|---|
| | 2014 | 2013 | 2012 | 2011 | 2010 |
| Statement of Income Data: | | | | | |
| Sales | $1,192,952 | $1,177,438 | $1,014,152 | $794,585 | $555,455 |
| Cost of sales [1] | 835,098 | 825,715 | 708,989 | 549,139 | 390,156 |
| Gross profit | 357,854 | 351,723 | 305,163 | 245,446 | 165,299 |
| Operating expenses [2] [3] | 219,697 | 215,726 | 183,350 | 155,452 | 117,795 |
| Operating income | 138,157 | 135,997 | 121,813 | 89,994 | 47,504 |
| Interest expense, net (including deferred financing costs amortization) [4] | 18,023 | 17,581 | 17,209 | 27,754 | 19,259 |
| Other (income) expense [5] | 970 | (242) | 1,498 | (734) | (253) |
| Other expense, net | 18,993 | 17,339 | 18,707 | 27,020 | 19,006 |
| Income before income taxes | 119,164 | 118,658 | 103,106 | 62,974 | 28,498 |
| Income tax expense, net | 36,092 | 31,296 | 30,782 | 18,730 | 7,993 |
| Net income | 83,072 | 87,362 | 72,324 | 44,244 | 20,505 |
| Noncontrolling interests, net of taxes | 1,208 | 4,186 | 1,029 | 168 | 345 |
| Net income attributable to Chart Industries, Inc. | $81,864 | $83,176 | $71,295 | $44,076 | $20,160 |
| Earnings Per Share Data: | | | | | |
| Basic earnings per share | $2.69 | $2.75 | $2.39 | $1.51 | $0.71 |
| Diluted earnings per share | $2.67 | $2.60 | $2.36 | $1.47 | $0.69 |
| Weighted-average shares — basic | 30,384 | 30,209 | 29,786 | 29,165 | 28,534 |
| Weighted-average shares — diluted | 30,666 | 31,931 | 30,194 | 29,913 | 29,255 |
| Cash Flow Data: | | | | | |
| Cash provided by operating activities | $118,717 | $59,663 | $87,641 | $81,658 | $38,574 |
| Cash used in investing activities | (72,485) | (74,981) | (224,347) | (59,672) | (64,215) |
| Cash (used in) provided by financing activities | (70,793) | 8,107 | 17,441 | 67,711 | (19,302) |
| Other Financial Data: | | | | | |
| Depreciation and amortization [6] | $44,568 | $41,695 | $33,726 | $32,298 | $26,640 |

| | As of December 31, | | | | |
|---|---|---|---|---|---|
| | 2014 | 2013 | 2012 | 2011 | 2010 |
| Balance Sheet Data: | | | | | |
| Cash and cash equivalents | $103,656 | $137,345 | $141,498 | $256,861 | $165,112 |
| Working capital [7] | 218,092 | 213,261 | 144,901 | 86,533 | 76,301 |
| Goodwill | 405,522 | 398,905 | 398,941 | 288,770 | 275,252 |
| Identifiable intangible assets, net | 153,666 | 172,142 | 189,463 | 140,553 | 145,500 |
| Total assets | 1,462,063 | 1,461,630 | 1,327,841 | 1,174,475 | 954,839 |
| Long-term debt | 204,099 | 64,688 | 252,021 | 223,224 | 218,425 |
| Total debt | 209,002 | 265,155 | 255,771 | 234,482 | 224,925 |
| Chart Industries, Inc. shareholders' equity | 879,879 | 754,785 | 696,478 | 611,039 | 499,164 |

(1) Includes recovery of $5.0 million reducing cost of sales for the year ended December 31, 2014 from an escrow settlement for alleged breaches of representations and warranties relating to warranty costs (which are in excess of the settlement amount) for certain product lines acquired from AirSep Corporation ("AirSep") in 2012.

(2) Operating expenses include selling, general and administrative expenses, amortization expense, impairment of intangibles and loss on disposal of assets. Amortization expense related to intangible assets for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 was $17.9 million, $19.2 million, $14.8 million, $13.4 million and $11.0 million, respectively.

(3) Includes $3.1 million impairment of in-process research and development intangibles for the year ended December 31, 2012. Also includes a $4.6 million reduction of expense associated with writing down acquisition related contingent consideration to fair value for the year ended December 31, 2012.

(4) Includes $3.0 million for the write-off of the remaining deferred financing fees and $5.0 million for the early redemption premium related to the 9-1/8% Senior Subordinated Notes that were redeemed in October 2011 for the year ended December 31, 2011.

(5) Includes gain on acquisition of business of $1.1 million associated with the acquisition of Covidien Japan Inc.'s liquid oxygen therapy business in April 2010 (Covidien Japan Acquisition) for year ended December 31, 2010.

(6) Includes financing costs amortization for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 of $1.4 million, $1.3 million, $1.5 million, $4.4 million, and $3.1 million, respectively. For the year ended December 31, 2011, financing costs amortization included $3.0 million to write-off remaining deferred financing fees related to the redemption of the 9-1/8% Senior Subordinated Notes.

(7) Working capital is defined as current assets excluding cash and cash equivalents minus current liabilities excluding short-term debt and current portion of long-term debt (including current convertible notes).

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our results of operations and financial condition in conjunction with the "Selected Financial Data" section and our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements. Actual results may differ materially from those discussed below. See "Forward-Looking Statements" at the end of this discussion and Item 1A. "Risk Factors" for a discussion of the uncertainties, risks and assumptions associated with this discussion.

Overview

We are a leading diversified global manufacturer of highly engineered equipment for the industrial gas, energy and biomedical industries. The largest portion of end-use applications for our products is energy-related. Our equipment and engineered systems are primarily used for low-temperature and cryogenic applications utilizing our expertise in cryogenic systems and equipment, which operate at low temperatures sometimes approaching absolute zero (0 kelvin; -273° Centigrade; -459° Fahrenheit).

Sales for the year ended December 31, 2014 were $1,193.0 million compared to sales of $1,177.4 million for the year ended December 31, 2013, reflecting an increase of $15.6 million, or 1.3%. This increase was mainly attributable to volume increases in small to mid-scale LNG and petrochemical projects within our Energy & Chemicals segment ("E&C"), offset by a decrease in sales of respiratory therapy products and commercial oxygen generation products within our BioMedical segment. Furthermore, within our Distribution & Storage segment ("D&S"), a shortfall in bulk industrial gas applications was mostly offset by improved volume related to LNG applications and packaged industrial gas applications. Gross profit for the year ended December 31, 2014 was $357.9 million, or 30.0% of sales, as compared to $351.7 million, or 29.9% of sales, for the year ended December 31, 2013. Gross profit increased and the related margin percentage increased slightly during the year mainly as a result of increased volume and favorable project change orders related to process systems within our E&C segment, partially offset by lower sales volume and higher warranty costs in our BioMedical segment. Operating income for the year ended December 31, 2014 was $138.2 million compared to $136.0 million for the year ended December 31, 2013.

The delay in LNG conversions, particularly in China during 2014, and the dramatic decline in oil prices have negatively impacted our stock price. Furthermore, the reduction in fourth quarter 2014 activity levels for LNG applications indicates a possible short-term softening of demand as a result of the decline in the price of oil. We remain encouraged by the long-term opportunities in low-cost small to mid-scale LNG liquefaction and larger multi-train LNG liquefaction. We continue to evaluate the impact of the decline in oil prices, but the full impact of the decline in the price of oil is difficult to assess given the recent market changes and assimilation of those impacts by our customers, making order timing challenging to predict. Accordingly, 2015 will present significant operational performance challenges for us, driven by lower oil prices and a stronger U.S. dollar.

Operating Results

The following table sets forth the percentage relationship that each line item in our consolidated statements of income represents to sales for the years ended December 31, 2014, 2013 and 2012:

| | 2014 | | 2013 | | 2012 | |
|---|---|---|---|---|---|---|
| Sales | 100.0 | % | 100.0 | % | 100.0 | % |
| Cost of sales [1] | 70.0 | | 70.1 | | 69.9 | |
| Gross profit | 30.0 | | 29.9 | | 30.1 | |
| Selling, general and administrative expense [2] | 16.9 | | 16.7 | | 16.3 | |
| Amortization expense | 1.5 | | 1.6 | | 1.5 | |
| Impairment of intangible assets | — | | — | | 0.3 | |
| Operating income | 11.6 | | 11.6 | | 12.0 | |
| Interest expense, net [3] | 1.4 | | 1.4 | | 1.5 | |
| Amortization of deferred financing costs | 0.1 | | 0.1 | | 0.2 | |
| Foreign currency loss (gain) | 0.1 | | — | | 0.1 | |
| Income tax expense, net | 3.0 | | 2.7 | | 3.0 | |
| Net income | 7.0 | | 7.4 | | 7.1 | |
| Noncontrolling interests, net of taxes | 0.1 | | 0.4 | | 0.1 | |
| Net income attributable to Chart Industries, Inc. | 6.9 | | 7.1 | | 7.0 | |

(1) Includes recovery of $5.0 million reducing cost of sales for the year ended December 31, 2014 from an escrow settlement for alleged breaches of representations and warranties relating to warranty costs (which are in excess of the settlement amount) for certain product lines acquired from AirSep Corporation ("AirSep") in 2012.

(2) Includes share-based compensation expense of $9.7 million, $10.0 million and $7.5 million, representing 0.8%, 0.8% and 0.7% of sales, for the years ended December 31, 2014, 2013 and 2012, respectively.

(3) Includes $10.7 million, $9.9 million and $9.1 million of non-cash interest accretion expense related to the carrying amount of the Convertible Notes, representing 0.9%, 0.8% and 0.9% of sales, for the years ended December 31, 2014, 2013 and 2012, respectively.

Segment Information

Certain consolidated results for our operating segments are presented below (all dollar amounts in thousands). Further detailed information regarding our operating segments is presented in Note 18 of the consolidated financial statements included elsewhere in this report.

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Sales | | | |
| Energy & Chemicals | $388,018 | $318,510 | $323,676 |
| Distribution & Storage | 578,806 | 592,616 | 475,576 |
| BioMedical | 226,128 | 266,312 | 214,900 |
| Consolidated | $1,192,952 | $1,177,438 | $1,014,152 |
| Gross Profit | | | |
| Energy & Chemicals | $113,932 | $89,125 | $98,679 |
| Distribution & Storage | 162,191 | 168,505 | 137,044 |
| BioMedical | 81,731 | 94,093 | 69,440 |
| Consolidated | $357,854 | $351,723 | $305,163 |
| Gross Profit Margin | | | |
| Energy & Chemicals | 29.4 % | 28.0 % | 30.5 % |
| Distribution & Storage | 28.0 % | 28.4 % | 28.8 % |
| BioMedical | 36.1 % | 35.3 % | 32.3 % |
| Consolidated | 30.0 % | 29.9 % | 30.1 % |
| SG&A Expenses | | | |
| Energy & Chemicals | $31,776 | $26,358 | $30,434 |
| Distribution & Storage | 71,809 | 69,807 | 53,111 |
| BioMedical | 45,752 | 50,058 | 35,571 |
| Corporate | 52,415 | 50,273 | 46,372 |
| Consolidated | $201,752 | $196,496 | $165,488 |
| SG&A Expenses (% of Sales) | | | |
| Energy & Chemicals | 8.2 % | 8.3 % | 9.4 % |
| Distribution & Storage | 12.4 % | 11.8 % | 11.2 % |
| BioMedical | 20.2 % | 18.8 % | 16.6 % |
| Consolidated | 16.9 % | 16.7 % | 16.3 % |
| Operating Income | | | |
| Energy & Chemicals | $79,665 | $59,671 | $64,931 |
| Distribution & Storage | 85,213 | 93,560 | 79,175 |
| BioMedical | 25,694 | 33,039 | 24,079 |
| Corporate | (52,415) | (50,273) | (46,372) |
| Consolidated | $138,157 | $135,997 | $121,813 |
| Operating Margin | | | |
| Energy & Chemicals | 20.5 % | 18.7 % | 20.1 % |
| Distribution & Storage | 14.7 % | 15.8 % | 16.6 % |
| BioMedical | 11.4 % | 12.4 % | 11.2 % |
| Consolidated | 11.6 % | 11.6 % | 12.0 % |

Results of Operations for the Year Ended December 31, 2014 Compared to the Year Ended December 31, 2013

Sales

Sales for 2014 were $1,193.0 million compared to $1,177.4 million for 2013, reflecting an increase of $15.6 million, or 1.3%. E&C segment sales increased by $69.5 million, or 21.8%, compared to the prior year. This increase in E&C segment sales was primarily due to improved volume in process systems related to small to mid-scale LNG liquefaction and petrochemical applications. D&S segment sales decreased by $13.8 million, or 2.3%, compared to the prior year. This decrease in D&S segment sales was mainly attributable to a shortfall in bulk industrial gas applications, which was partially offset by improved volume related to LNG applications and packaged industrial gas applications. From a geographic standpoint, shortfalls in China across all product lines were offset by improved volume in the U.S. and Europe despite a decline in the value of the euro. BioMedical segment sales decreased by $40.1 million, or 15.1%, compared to the prior year. This decrease in BioMedical segment sales was mainly due to lower sales of respiratory therapy equipment in the U.S. driven by customer consolidation and inventory rationalization in addition to currency, competitive pricing and AirSep concentrator warranty issues, which continue to be remedied. Sales of commercial oxygen generation products were lower also as two large projects that accounted for approximately $10.5 million in 2013 sales did not recur in 2014. This decrease was partially offset by an increase in BioMedical segment life science products.

Gross Profit and Margin

Gross profit for 2014 was $357.9 million, or 30.0% of sales compared to $351.7 million, or 29.9% of sales, for 2013, which reflected an increase of $6.2 million, and the related margin percentage increased by 0.1 percentage points. E&C segment gross profit increased by $24.8 million and the related margin increased by 1.4 percentage points. The increase in gross profit and the related margin percentage for the E&C segment was primarily due to improved volume and favorable project change orders related to LNG applications. Gross profit for the D&S segment decreased by $6.3 million and margin decreased by 0.4 percentage points mainly due to lower volume in bulk industrial gas products and geographic mix. BioMedical segment gross profit decreased by $12.3 million while margin increased by 0.8 percentage points compared to the prior year. The decrease in BioMedical gross profit was primarily due to lower volume in respiratory therapy equipment and commercial oxygen generation products and higher warranty costs while the increase in the related margin percentage was mainly attributable to recovery from an escrow settlement, as discussed further below. During 2014, we experienced a higher rate of warranty claims in our BioMedical segment within the AirSep product lines. The increased claims and revisions to the estimated cost of warranty claims resulted in an adjustment to our estimated warranty reserve in the first quarter. This led to an increase in the BioMedical segment's warranty expense as a percent of BioMedical segment sales to 3.8% for 2014 compared to 2.9% in the prior year. See the critical accounting policy disclosure for further information regarding the warranty accruals. We received $5.0 million in the fourth quarter of 2014 under an escrow settlement for alleged breaches of representations and warranties relating to warranty costs (which are in excess of the settlement amount) for certain product lines acquired from AirSep in 2012. We will continue to pursue additional potential recoveries from insurance under our representation and warranty coverage that exists from the acquisition.

Selling General &Administrative ("SG&A") Expenses

SG&A expenses for 2014 were $201.8 million, or 16.9% of sales, compared to $196.5 million, or 16.7% of sales, for 2013; an increase of $5.3 million. SG&A expenses for the E&C segment increased by $5.4 million compared to the prior year mainly due to higher variable short-term incentive compensation and higher commissions. D&S segment SG&A expenses increased by $2.0 million compared to the prior year mainly due to higher employee-related costs, partially offset by lower commissions and a reduction in variable short-term incentive compensation driven by lower than expected performance. SG&A expenses for the BioMedical segment decreased by $4.3 million compared to the prior year primarily due to lower commissions, lower employee-related costs due to restructuring, and a reduction in variable short-term incentive compensation driven by lower than expected performance. Corporate SG&A expenses increased by $2.2 million compared to the prior year primarily due to higher employee-related costs, partially offset by a reduction in variable short-term incentive compensation driven by lower than expected performance.

Amortization Expense

Amortization expense for 2014 was $17.9 million, or 1.5% of sales compared to $19.2 million, or 1.6% of sales, for 2013.

Operating Income

As a result of the foregoing, operating income for 2014 was $138.2 million, or 11.6% of sales, an increase of $2.2 million compared to operating income of $136.0 million, or 11.6% of sales, for the same period in 2013.

Interest Expense, Net and Financing Costs Amortization

Net interest expense for 2014 and 2013 was $16.6 million and $16.3 million, respectively. Interest expense for 2014 included $5.0 million of 2.0% cash interest and $10.7 million of non-cash interest accretion expense related to the carrying value of the 2.0% Convertible Senior Subordinated Notes due 2018 (the “Convertible Notes”). For 2014 and 2013, financing costs amortization was $1.4 million and $1.3 million, respectively.

Foreign Currency Loss

For 2014, foreign currency losses were $1.0 million while foreign currency gains for 2013 were $0.2 million. Losses increased by $1.2 million during 2014 due to exchange rate volatility, especially with respect to the euro.

Income Tax Expense

Income tax expense of $36.1 million and $31.3 million for 2014 and 2013, respectively, represents taxes on both U.S. and foreign earnings at a combined effective income tax rate of 30.3% and 26.4%, respectively. The increase in the effective tax rate for the year ended December 31, 2014 compared to the prior year was primarily due to a decrease in the mix of income earned by certain of the Company's foreign entities which are taxed at lower rates than the U.S. federal statutory rate, the reduction in total U.S. Research and Experimentation credits recognized in 2014, and non-deductible foreign exchange losses recognized by foreign subsidiaries using the U.S. dollar as their functional currency.

Net Income

As a result of the foregoing, net income attributable to the Company for 2014 and 2013 was $81.9 million and $83.2 million, respectively.

Results of Operations for the Year Ended December 31, 2013 Compared to the Year Ended December 31, 2012

Sales

Sales for 2013 of $1,177.4 million increased by $163.2 million, or 16.1% over sales of $1,014.2 million in 2012. Improved volume in the D&S business segment as well as the impact from the AirSep acquisition in the BioMedical segment drove the overall sales increase. E&C segment sales for 2013 decreased by $5.2 million, or 1.6%. This decrease in E&C segment sales was primarily due to customer schedule changes that negatively impacted the timing of progress toward completion of large base-load LNG projects, as well as a decrease in sales from natural gas processing applications and LNG applications including air cooled heat exchangers due to weakness in the gas compression market partially offset by improved volume in our brazed aluminum heat exchanger product line. D&S segment sales for 2013 increased by $117.0 million, or 24.6%. The increase was mainly attributable to higher volume of sales related to LNG applications including fixed and mobile fuel stations and on-vehicle fuel tanks, especially in China. BioMedical segment sales for 2013 increased by $51.4 million, or 23.9%. Incremental sales related to the AirSep acquisition added $71.0 million to BioMedical segment sales during the period. Excluding incremental AirSep sales, BioMedical segment sales finished $19.6 million below the prior year sales mainly due to lower respiratory therapy sales resulting from weakness in the European market and the impact of Medicare competitive bidding in the United States.

Gross Profit and Margin

Gross profit for 2013 was $351.7 million, or 29.9% of sales compared to $305.2 million, or 30.1% of sales for 2012, reflecting an increase of $46.5 million while the margin decreased slightly by 0.2 percentage points. In 2013, E&C segment gross profit decreased by $9.6 million, and the related margin decreased 2.5 percentage points. The decrease in gross profit and the related margin percentage for the E&C segment was primarily in LNG applications due to large base-load LNG projects being completed at overall lower margins partially offset by improved gross profit and margin performance in our brazed aluminum heat exchanger product line. D&S segment gross profit increased by $31.5 million in 2013 and the related margin decreased slightly by 0.4 percentage points. The increase in gross profit was mainly due to higher volume in LNG applications from our China operations. BioMedical segment gross profit increased by $24.6 million and its related margin increased by 3.0 percentage points in 2013. The increase in gross profit was primarily due to higher volume contributed by AirSep, partially offset by $2.6 million to amortize the remaining portion of the write-up of AirSep’s inventory to fair value. The increase in the related margin percentage was mainly attributable to improved product mix and lower acquisition-related costs related to AirSep which impacted 2012 gross margin.

SG&A Expenses

SG&A expenses for 2013 of $196.5 million increased by $31.0 million to 16.7% of sales, compared to $165.5 million, or 16.3% of sales in 2012. In 2013, E&C segment SG&A expenses decreased by $4.1 million mainly due to lower employee-

related costs and lower expenses related to marketing and professional services. D&S segment SG&A expenses increased by $16.7 million in 2013 mainly due to increases in employee-related costs and sales commissions to support the growing LNG business, especially in China. In 2013, SG&A expenses for the BioMedical segment increased by $14.5 million mainly due to the AirSep acquisition, which incrementally added $11.7 million in SG&A expenses during the period, including $2.7 million in management retention expenses and severance costs. Additionally, 2012 included a favorable acquisition-related contingent consideration fair value adjustment of $4.6 million that reduced SG&A expense. Corporate SG&A expenses for 2013 increased by $3.9 million primarily due to higher share-based compensation expense.

Amortization Expense

Amortization expense for 2013 was $19.2 million, or 1.6% of sales, compared to $14.8 million, or 1.5% of sales, for 2012. The AirSep acquisition incrementally added $4.6 million of amortization expense related to intangible assets during the period.

Impairment of Intangible Assets

During the year ended December 31, 2012, the Company recorded an impairment charge of $3.1 million to reduce the carrying value of in-process research and development (“IPR&D”) indefinite-lived intangible assets to fair value, which was zero. The write-off of the fair value of the IPR&D indefinite-lived intangible assets was primarily caused by higher forecasted costs and project delays.

Operating Income

As a result of the foregoing, operating income for 2013 increased by $14.2 million to $136.0 million from $121.8 million in 2012.

Interest Expense, Net and Financing Costs Amortization

For the year ended December 31, 2013, net interest expense was $16.3 million compared to $15.7 million for the year ended December 31, 2012. Interest expense for the year ended December 31, 2013 included $5.0 million of 2.0% cash interest and $9.9 million of non-cash interest accretion expense related to the carrying value of the Company’s Convertible Notes. Financing costs amortization was $1.3 million and $1.5 million for the years ended December 31, 2013 and 2012, respectively.

Foreign Currency (Gain) Loss

Foreign currency gains were $0.2 million for the year ended December 31, 2013 while foreign currency losses were $1.5 million for the year ended December 31, 2012. The $1.7 million change was primarily attributable to exchange rate volatility, especially with respect to the euro, and settlements and mark-to market adjustments related to foreign currency forward contracts.

Income Tax Expense

Income tax expense of $31.3 million and $30.8 million for the years ended December 31, 2013 and 2012, respectively, represents taxes on both U.S. and foreign earnings at a combined effective income tax rate of 26.4% and 29.9%, respectively. The decrease in the effective tax rate for the year ended December 31, 2013 compared to the prior year period was primarily due to an increase in the mix of income earned by certain of the Company’s foreign entities which are taxed at lower rates than the U.S. federal statutory rate and the positive effect of the 2012 U.S. Research and Experimentation credits recognized in 2013.

Net Income

As a result of the foregoing, net income for 2013 increased by $11.9 million to $83.2 million from $71.3 million in 2012 representing an increase of 16.7%.

Orders and Backlog

We consider orders to be those for which we have received a firm signed purchase order or other written contractual commitment from the customer. Backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as revenue upon shipment or under the percentage of completion method. Backlog can be significantly affected by the timing of orders for large projects, particularly in the E&C segment, and is not necessarily indicative of future backlog levels or the rate at which backlog will be recognized as sales. Orders included in our backlog may include customary cancellation provisions under which the customer could cancel part or all of the order, potentially subject to the payment of certain costs and/or fees. Our backlog as of December 31, 2014, 2013 and 2012 was $640.1 million, $728.8 million and $617.4 million, respectively.

The table below represents orders (net of cancellations) and backlog by segment for the periods indicated (dollar amounts in thousands):

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Orders | | | |
| Energy & Chemicals | $339,357 | $294,921 | $384,835 |
| Distribution & Storage | 558,555 | 719,589 | 531,227 |
| BioMedical | 218,125 | 256,073 | 208,439 |
| Total | $1,116,037 | $1,270,583 | $1,124,501 |
| Backlog | | | |
| Energy & Chemicals | $294,204 | $342,466 | $365,470 |
| Distribution & Storage | 328,350 | 363,480 | 228,204 |
| BioMedical | 17,509 | 22,890 | 23,760 |
| Total | $640,063 | $728,836 | $617,434 |

Orders and Backlog for the Year Ended and As of December 31, 2014 Compared to the Year Ended and As of December 31, 2013

Orders for 2014 were $1,116.0 million compared to $1,270.6 million for 2013, representing a decrease of $154.5 million, or 12.2%.

E&C segment orders were $339.4 million in 2014, an increase of $44.5 million compared to 2013. Significant E&C orders for 2014 included several small to mid-scale LNG liquefaction plants within LNG applications. Orders related to natural gas processing plants also increased during the year. Order flow in the E&C segment is historically volatile due to project size and it is not unusual to see order intake change significantly year over year.

D&S segment orders for 2014 were $558.6 million compared to $719.6 million for 2013, a decrease of $161.0 million, or 22.4%. Approximately 28% of D&S backlog as of December 31, 2014 related to PetroChina. The decrease in D&S segment orders and backlog year over year was driven primarily by several factors. First, 2013 included two large orders for PetroChina in excess of $95 million, which did not recur in 2014. Excluding PetroChina, D&S segment orders were down approximately $61 million mainly within LNG applications, largely due to pending regulatory changes on certain product lines in China as well as the reduction in the price of diesel relative to natural gas in the U.S. In addition, backlog and orders in the fourth quarter 2014 were reduced by approximately $33 million to eliminate previously received orders, most of which were received prior to 2014 for applications in China, where circumstances indicated that the customer would not perform its obligations. As a result, both backlog and orders for the fourth quarter 2014 were reduced by approximately $33 million.

BioMedical segment orders for 2014 were $218.1 million compared to orders of $256.1 million for 2013. The $38.0 million decrease in BioMedical segment orders year over year was mainly attributable to reduced demand for respiratory therapy equipment driven largely by customer consolidation and inventory rationalization. In addition, competitive pricing and AirSep concentrator warranty issues, which continue to be remedied, had an impact on BioMedical segment orders.

Orders and Backlog for the Year Ended and As of December 31, 2013 Compared to the Year Ended and As of December 31, 2012

Orders for 2013 were $1,270.6 million compared to $1,124.5 million for 2012, representing an increase of $146.1 million, or 13.0%. E&C segment orders were $294.9 million in 2013, a decrease of $89.9 million compared to 2012. Significant E&C segment orders for 2013 included several LNG liquefiers and ethylene plant orders. Orders in 2012 included orders in excess of $150 million for two large LNG baseload project awards in Australia. D&S segment orders for 2013 were $719.6 million compared to $531.2 million for 2012, an increase of $188.4 million, or 35.5%. D&S segment order increases were driven by strong demand for LNG-related equipment including LNG fuel stations and vehicle tanks. Significant D&S segment awards included orders in excess of $95 million from PetroChina for LNG mobile and fixed fuel stations. BioMedical segment orders for 2013 were $256.1 million compared to orders of $208.4 million for 2012. Excluding orders incrementally added by the AirSep acquisition in the amount of $68.3 million, BioMedical segment orders were down year over year due largely to weakness in the European market and the impact of Medicare competitive bidding in the U.S.

Liquidity and Capital Resources

Debt Instruments and Related Covenants

Convertible Notes: The outstanding aggregate principal amount of the Company's Convertible Notes is $250.0 million. The Convertible Notes bear interest at a fixed rate of 2.0% per year, payable semiannually in arrears on February 1 and August 1 of each year, and will mature on August 1, 2018. The effective interest rate at issuance, under generally accepted accounting principles, was 7.9%. Upon conversion, holders of the Convertible Notes will receive cash up to the principal amount of the Convertible Notes, and it is the Company's intention to settle any excess conversion value in shares of the Company's common stock. However, the Company may elect to settle, at its discretion, any such excess value in cash, shares of the Company's common stock or a combination of cash and shares. The initial conversion price of $69.03 per share represents a conversion premium of 30% over the last reported sale price of the Company's common stock on July 28, 2011, the date of the Convertible Notes offering, which was $53.10 per share. At the end of the fourth quarter of 2014, events for early conversion were not met, and thus the Convertible Notes were not convertible as of, and for the fiscal quarter beginning January 1, 2015. There have been no conversions as of the date of this filing. In the event that holders of Convertible Notes elect to convert, the Company expects to fund any cash settlement of any such conversion from cash balances or borrowings under its senior secured revolving credit facility.

Senior Secured Revolving Credit Facility: On October 29, 2014, the Company amended and extended its five-year $375.0 million senior secured credit facility ("Prior Credit Facility") with a five-year $450.0 million senior secured revolving credit facility (the "SSRCF") which matures on October 29, 2019. The SSRCF includes a $25.0 million sub-limit for the issuance of swingline loans and a $100.0 million sub-limit to be used for letters of credit. There is a foreign currency limit of $100.0 million under the SSRCF which can be used for foreign currency denominated letters of credit and borrowings in a foreign currency, in each case in currencies agreed upon with the lenders. In addition, the facility permits borrowings up to $100.0 million made by the Company's wholly-owned subsidiaries, Chart Industries Luxembourg S.à r.l. ("Chart Luxembourg") and Chart Asia Investment Company Limited. The SSRCF also includes an expansion option permitting the Company to add up to an aggregate $200.0 million in term loans or revolving credit commitments from its lenders. Loans under the SSRCF bear interest at LIBOR or the Adjusted Base Rate as defined in the Debt and Credit Arrangements note (Note 6) to our consolidated financial statements included elsewhere in this report, plus a margin that varies with the Company's leverage ratio. Significant financial covenants for the SSRCF include a leverage ratio and an interest ratio. The Company had $34.0 million in letters of credit and bank guarantees supported by the SSRCF, which had availability of $416.0 million, at December 31, 2014. The Company was in compliance with all covenants, including its financial covenants, at December 31, 2014.

Foreign Facilities – China: Chart Cryogenic Engineering Systems (Changzhou) Company Limited ("CCESC"), Chart Energy & Chemicals Wuxi Co., Ltd. ("Wuxi") and Chart Biomedical (Chengdu) Co. Ltd. ("Chengdu"), wholly-owned subsidiaries of the Company, and Chart Cryogenic Distribution Equipment (Changzhou) Company Limited ("CCDEC"), a joint venture of the Company, maintain joint banking facilities (the "China Facilities") which include a revolving line with 50.0 million Chinese yuan (equivalent to $8.2 million) in borrowing capacity, a bonding/guarantee facility with

up to 30.0 million Chinese yuan (equivalent to $4.9 million) in borrowing capacity, and an overdraft facility with 10.0 million Chinese yuan (equivalent to $1.6 million) in borrowing capacity. Any borrowings made by CCESC, CCDEC, Chengdu or Wuxi under the China Facilities are guaranteed by the Company. At December 31, 2014, there was 20.0 million Chinese yuan (equivalent to $3.3 million) outstanding under the revolving line, bearing interest at 5.9% on a weighted-average basis.

CCDEC maintains a credit facility with Bank of China whereby CCDEC may borrow up to 50.0 million Chinese yuan (equivalent to $8.2 million) for working capital purposes, and 30.0 million Chinese yuan (equivalent to $4.9 million) for non-

financing bank guarantee purposes. This credit facility is effective until August 7, 2015. At December 31, 2014, there was 10.0 million Chinese yuan (equivalent to $1.6 million) outstanding under this facility, bearing interest at 6.4%. CCESC maintains a credit facility with Bank of China whereby CCESC may borrow up to 100.0 million Chinese yuan (equivalent to $16.3 million) for working capital purposes. This credit facility is effective until July 8, 2015. There were no borrowings under this facility as of December 31, 2014.

As of December 31, 2014, CCESC and Wuxi had 7.5 million Chinese yuan (equivalent to $1.2 million) and 1.8 million Chinese yuan (equivalent to $0.3 million) in bank guarantees, respectively.

Foreign Facilities – Europe: Chart Ferox, a.s. (“Ferox”), a wholly-owned subsidiary of the Company, maintains two secured credit facilities with capacity of up to 175.0 million Czech koruna (equivalent to $7.7 million). Both of the facilities allow Ferox to request bank guarantees and letters of credit. Neither of the facilities allows revolving credit borrowings. Under both facilities, Ferox must pay letter of credit and guarantee fees equal to 0.70% per annum on the face amount of each guarantee or letter of credit. Ferox’s land, buildings and accounts receivable secure the credit facilities. As of December 31, 2014, there were bank guarantees of 71.4 million Czech koruna (equivalent to $3.1 million) supported by the Ferox credit facilities.

Chart Luxembourg maintains an overdraft facility with $5.0 million in borrowing capacity. There were no borrowings under the Chart Luxembourg facility as of December 31, 2014.

Our debt and related covenants are further described in Note 6 to our consolidated financial statements included elsewhere in this report.

Sources and Uses of Cash

Our foreign subsidiaries held cash of approximately $82.9 million and $97.1 million at December 31, 2014 and December 31, 2013, respectively, to meet their liquidity needs. No material restrictions exist in accessing cash held by our foreign subsidiaries. We expect to meet our U.S. funding needs without repatriating non-U.S. cash and incurring incremental U.S. taxes. Cash equivalents are invested in money market funds that invest in high quality, short-term instruments, such as U.S. government obligations, certificates of deposit, repurchase obligations and commercial paper issued by corporations that have been highly rated by at least one nationally recognized rating organization. We believe that our existing cash and cash equivalents, funds available under our SSRCF and cash provided by operations will be sufficient to finance our normal working capital needs, and investments in properties, facilities and equipment for the foreseeable future.

Years Ended December 31, 2014 and 2013

Our cash and cash equivalents totaled $103.7 million as of December 31, 2014, a decrease of $33.6 million from the balance at December 31, 2013. Cash provided by operating activities for the year ended December 31, 2014 was $118.7 million compared to cash provided by operating activities of $59.7 million for the year ended December 31, 2013. The increase of $59.0 million was primarily due to a decrease in accounts receivable largely driven by the E&C and BioMedical segments.

Cash used in investing activities was $72.5 million and $75.0 million for the year ended December 31, 2014 and 2013, respectively. Capital expenditures were $62.1 million for the year ended December 31, 2014, primarily for expansion projects in the E&C segment for additional brazed aluminum heat exchanger capacity and construction of a new D&S segment plant in China to increase our capacity for both LNG and industrial gas applications. Also during the year ended December 31, 2014, we used $11.9 million of cash (net of cash acquired) to fund the Wuxi acquisition.

Cash used in financing activities for the year ended December 31, 2014 was $70.8 million compared to $8.1 million of cash provided by financing activities for the year ended December 31, 2013, primarily as a result of higher net repayments on revolving credit facilities. During the year ended December 31, 2014, the Company made $2.8 million in scheduled quarterly principal payments related its Prior Credit Facility and used $65.6 million to pay down balances outstanding on the SSRCF. We also made $1.3 million in payments for debt issuance costs related to the SSRCF. We borrowed $88.8 million and repaid $87.2 million on our revolving credit facilities. Excess tax benefits from share-based compensation were $1.9 million. We received $0.8 million in proceeds from stock option exercises. We also used $3.4 million for the purchase of common stock which was surrendered to cover tax withholding elections. Other uses of cash during the year ended December 31, 2014 included a $0.7 million contingent consideration payment related to a prior BioMedical segment acquisition and a $1.2 million distribution to one of our

joint venture noncontrolling interests.

Years Ended December 31, 2013 and 2012

Our cash and cash equivalents totaled $137.3 million as of December 31, 2013, a decrease of $4.2 million from the balance at December 31, 2012. Cash provided by operating activities for the year ended December 31, 2013 was $59.7 million

compared to cash provided by operating activities of $87.6 million for the year ended December 31, 2012. The decrease of $27.9 million was primarily due to an increase in accounts receivable largely driven by the E&C and D&S segments, partially offset by an increase in net income.

Cash used in investing activities for the years ended December 31, 2013 and 2012 was $75.0 million and $224.3 million, respectively. The year ended December 31, 2012 included an investment of $182.5 million for the AirSep acquisition, whereas in 2013 we used $3.0 million in cash (net) to fund the acquisition of 80% of the shares of Nanjing Xinye Electric Engineering Co., Ltd. Capital expenditures for 2013 were $72.6 million compared with $43.7 million for 2012. Major capital expenditures for the year ended December 31, 2013 included capacity expansion projects in D&S and E&C in response to growth in the energy industry.

Cash provided by financing activities for the year ended December 31, 2013 was $8.1 million compared to $17.4 million for the year ended December 31, 2012. During the year ended December 31, 2013, the Company made $3.7 million in scheduled quarterly principal payments on the term loan portion of its Prior Credit Facility. Additionally, the Company borrowed $214.6 million and repaid $211.4 million from the revolving portion of its Prior Credit Facility and foreign facilities primarily to fund working capital needs. Excess tax benefits from share-based compensation were $6.7 million. The Company received $5.3 million in proceeds for stock option exercises which were offset by $2.0 million for the purchase of common stock which was surrendered to cover tax withholding elections. Finally, the company paid a $1.4 million distribution to one of its noncontrolling interests.

Cash Requirements

The Company does not currently anticipate any unusual cash requirements for working capital needs for the year ending December 31, 2015. Management anticipates the Company will be able to satisfy cash requirements for its ongoing business for the foreseeable future with cash generated by operations, existing cash balances and available borrowings under our credit facilities. We expect capital expenditures for 2015 to be in the range of $60.0 to $70.0 million, which will be deployed primarily within our D&S segment related to an ongoing capital expansion project to increase our capacity in China for both LNG and industrial gas applications.

In 2015, the Company is forecasting to use $5.0 million for scheduled interest payments on the Convertible Notes. In addition, we are forecasting to use approximately $28.0 to $33.0 million of cash to pay U.S. and foreign income taxes.

Contractual Obligations

Our known contractual obligations as of December 31, 2014 and cash requirements resulting from those obligations are as follows (all dollar amounts in thousands):

| | Payments Due by Period | | | | |
|---|---|---|---|---|---|
| | Total | Less Than 1 Year | 1 – 3 Years | 3 – 5 Years | More Than 5 Years |
| Gross debt [1] | $254,903 | $4,903 | $— | $250,000 | $— |
| Long-term Convertible Notes interest | 20,000 | 5,000 | 10,000 | 5,000 | — |
| Operating leases | 44,500 | 10,900 | 14,400 | 9,300 | 9,900 |
| Purchase obligations [2] | 754 | 754 | — | — | — |
| Pension obligations [3] | 2,300 | — | 400 | 1,900 | — |
| Total contractual cash obligations | $322,457 | $21,557 | $24,800 | $266,200 | $9,900 |

[1] The $250,000 principal balance of the Convertible Notes will mature on August 1, 2018.

[2] Purchase obligations represent orders for metals to be consumed in the normal course of business.

[3] The planned funding of the pension obligations is based upon actuarial and management estimates taking into consideration the current status of the plan.

Not included in the table above are unrecognized tax benefits of $0.9 million at December 31, 2014 and a contingent consideration arrangement from a prior acquisition with a maximum potential payout of $2.3 million.

Our commercial commitments as of December 31, 2014, which include standby letters of credit and bank guarantees, represent potential cash requirements resulting from contingent events that require performance by us or our subsidiaries pursuant to funding commitments, and are as follows (all dollar amounts in thousands):

| | Total | Expiring in 2015 | Expiring in 2016 and beyond |
|---|---|---|---|
| Standby letters of credit | $20,119 | $15,631 | $4,488 |
| Bank guarantees | 18,554 | 4,216 | 14,338 |
| Total commercial commitments | $38,673 | $19,847 | $18,826 |

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Contingencies

We are involved with environmental compliance, investigation, monitoring and remediation activities at certain of our operating facilities or formerly owned manufacturing facilities, and accrue for these activities when commitments or remediation plans have been developed and when costs are probable and can be reasonably estimated. Historical annual cash expenditures for these activities have been charged against the related environmental reserves. Future expenditures relating to these environmental remediation efforts are expected to be made over the next 14 years as ongoing costs of remediation programs. Management believes that any additional liability in excess of amounts accrued, which may result from the resolution of such matters should not have a material adverse effect on our financial position, liquidity, cash flows or results of operations.

We are occasionally subject to various legal claims related to performance under contracts, product liability, taxes, employment matters, environmental matters, intellectual property and other matters, several of which claims assert substantial damages, in the ordinary course of our business. Based on our historical experience in litigating these claims, as well as our current assessment of the underlying merits of the claims and applicable insurance, if any, we believe the resolution of these legal claims will not have a material adverse effect on our financial position, liquidity, cash flows or results of operations. Future developments may, however, result in resolution of these legal claims in a way that could have a material adverse effect. See Item 1A. “Risk Factors” and Item 3. “Legal Proceedings” for further information.

Foreign Operations

During 2014, we had operations in Asia, Australia and Europe, which accounted for approximately 31% of consolidated sales and 33% of total assets at December 31, 2014. Functional currencies used by these operations include the U.S. dollar, Chinese yuan, the euro, the British pound and the Japanese yen. We are exposed to foreign currency exchange risk as a result of transactions by these subsidiaries in currencies other than their functional currencies, and from transactions by our domestic operations in currencies other than the U.S. dollar. The majority of these functional currencies and the other currencies in which we record transactions are fairly stable, although we experienced variability in the current year as more fully discussed in Item 7A. The use of these currencies, combined with the use of foreign currency forward purchase and sale contracts, has enabled us to be sheltered from significant gains or losses resulting from foreign currency transactions. This situation could change if these currencies experience significant fluctuations or the volume of forward contracts changes.

Application of Critical Accounting Policies

Our consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and are based on the selection and application of significant accounting policies, which require management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ materially from those estimates. Management believes the following are the more critical judgmental areas in the application of its accounting policies that affect its financial position and results of operations.

Accounts Receivable, Net of Allowances. We evaluate the collectibility of accounts receivable based on a combination of factors. In circumstances where we are aware of a specific customer’s inability to meet its financial

obligations (e.g., bankruptcy filings, substantial downgrading of credit scores), a specific reserve is recorded to reduce the receivable to the amount we believe will be collected. We also record allowances for doubtful accounts based on historical experience. If circumstances change (e.g., higher than expected defaults or an unexpected material adverse change in a customer's ability to meet its financial obligations), our estimates of the collectibility of amounts due could be changed by a material amount. When collection of a specific amount due is deemed remote, the account is written off against the allowance.

Goodwill and Indefinite-Lived Intangible Assets. We evaluate goodwill and indefinite-lived intangible assets for impairment on an annual basis, as of October 1 or whenever events or changes in circumstances indicate that an evaluation should be completed. A significant amount of judgment is involved in determining if an indicator of impairment has occurred. Such indicators may include deterioration in general economic conditions, negative developments in equity and credit markets, a decline in stock price and market capitalization, adverse changes in the markets in which we operate, and a trend of negative or declining cash flows over multiple periods. The fair value that could be realized in an actual transaction may differ from that used to evaluate the impairment of goodwill.

Goodwill is analyzed on a reporting unit basis. The reporting units are the same as our operating and reportable segments: Energy & Chemicals, Distribution & Storage and BioMedical. We first evaluate qualitative factors, such as macroeconomic conditions and our overall financial performance to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. We then evaluate how significant each of the identified factors could be to the fair value or carrying amount of a reporting unit and weigh these factors in totality in forming a conclusion of whether or not it is more likely than not that the fair value of a reporting unit is less than its carrying amount (the "Step 0 Test"). If we determine that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, the first and second steps of the goodwill impairment test are not necessary. Otherwise, we would perform the first step of the two-step goodwill impairment test.

Alternatively, we may also bypass the Step 0 Test and proceed directly to the two-step goodwill impairment test. Under the first step ("Step 1"), we estimate the fair value of our reporting units by using income and market approaches to develop fair value estimates, which are weighted equally to arrive at a fair value estimate for each reporting unit. With respect to the income approach, a model has been developed to estimate the fair value of each reporting unit. This fair value model incorporates estimates of future cash flows, estimates of allocations of certain assets and cash flows among reporting units, estimates of future growth rates and management's judgment regarding the applicable discount rates to use to discount such estimates of cash flows. With respect to the market approach, a guideline company method is employed whereby pricing multiples are derived from companies with similar assets or businesses to estimate fair value of each reporting unit. If the fair value of the reporting unit exceeds the carrying amount of the net assets assigned to that reporting unit, then goodwill is not impaired and no further testing is required. However, if the fair value of the reporting unit is less than its carrying amount, we perform the second step of the goodwill impairment test to measure the amount of impairment loss, if any, to recognize. In order to assess the reasonableness of the calculated fair values of our reporting units, we also compare the sum of the reporting units' fair values to our market capitalization and calculate an implied control premium (the excess of the sum of the reporting unit's fair values over the market capitalization). We evaluate the control premium by comparing it to control premiums of recent comparable transactions. If the implied control premium is not reasonable in light of this assessment, we reevaluate our fair value estimates of the reporting units by adjusting the discount rates and other assumptions as necessary. Changes to these assumptions and estimates may result in a significantly different estimate of the fair value of the reporting units, which could result in a different assessment of the recoverability of goodwill.

With respect to indefinite-lived intangible assets, we first evaluate relevant events and circumstances to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount. If, in weighing all relevant events and circumstances in totality, we determine that it is not more likely than not that an indefinite-lived intangible asset is impaired, no further action is necessary. Otherwise, we would determine the fair value of indefinite-lived intangible assets and perform a quantitative impairment assessment by comparing the indefinite-lived intangible asset's fair value to its carrying amount. We may bypass such a qualitative assessment and proceed directly to the quantitative assessment. We estimate the fair value of our indefinite-lived assets using the relief-from-royalty method within the income approach. Under this method, fair value is estimated by discounting the royalty savings as well as any tax benefits related to ownership to a present value.

As of October 1, 2014 ("annual assessment date") and based on our Step 0 Test, we determined that it was not more likely than not that the fair value was less than the carrying amount of any reporting unit and, therefore, the two-step goodwill impairment test was not necessary. Furthermore, as of the annual assessment date, and based on our qualitative assessment, we determined that it was not more likely than not that the fair value of any indefinite-lived intangible asset was less than its carrying amount, therefore, no further action was necessary.

Subsequent to the annual assessment date, the market value of our common stock declined from a closing share price of $52.55 on October 1, 2014 to a closing price of $34.20 on December 31, 2014. Given the fourth quarter decline in our market capitalization, which we believe was largely driven by the dramatic decline in oil prices, and the resulting review of the financial performance of our reporting units, we determined that an interim impairment indicator existed for the BioMedical reporting unit. Both D&S and E&C reporting units continue to perform as expected, and any resulting cash flow analysis would yield a fair value well in excess of the carrying amount. Goodwill at December 31, 2014 is $405.5 million (attributed to the segments as follows: E&C $92.6 million; D&S $157.3 million; and BioMedical $155.6 million). For the BioMedical

reporting unit, we performed quantitative assessments for both goodwill and certain indefinite-lived assets as of December 31, 2014. Based on the results of our Step 1 analysis, the excess fair value over the carrying amount of the BioMedical reporting unit was between approximately 10% and 30% depending on discount rate assumptions, and as such, we determined the goodwill as of December 31, 2014 was not impaired. Furthermore, we determined that the selected indefinite-lived assets were not impaired as of December 31, 2014.

Assuming no changes in key assumptions identified and projected results, we currently anticipate the future fair value of the BioMedical reporting unit to increase over time; however, future declines in the operating results of the reporting unit or our market capitalization could indicate a need to reevaluate the fair value of these businesses prior to the next annual assessment date and may ultimately result in an impairment to goodwill. We continue to monitor for any potential indicators of impairment.

At February 20, 2015, the closing share price of our common stock was $31.07, representing a decline from the $34.20 closing share price on December 31, 2014.

Pensions. We sponsor one defined benefit pension plan which has been frozen since February 2006. The funded status is measured as the difference between the fair value of the plan assets and the projected benefit obligation. We recognize the change in the funded status of the plan in the year in which the change occurs through accumulated other comprehensive (loss) income. Our funding policy is to contribute at least the minimum funding amounts required by law. We have chosen policies according to accounting guidance that allow the use of a calculated value of plan assets (which is further described below), which generally reduces the volatility of (income) expense from changes in pension liability discount rates and the performance of the pension plans' assets.

A significant element in determining our pension expense in accordance with accounting guidance is the expected return on plan assets. We have assumed that the expected long-term rate of return on plan assets as of December 31, 2014 and 2013 was 7.25% and 7.25%, respectively. The expected return assumptions were developed using an averaging formula based upon the plans' investment guidelines, mix of asset classes, historical returns of equities and bonds, and expected future returns. We believe our assumptions for expected future returns are reasonable. However, we cannot guarantee that we will achieve these returns in the future. The assumed long-term rate of return on assets is applied to the market value of plan assets. This produces the expected return on plan assets that reduces pension expense. The difference between this expected return and the actual return on plan assets is deferred. The net deferral of past asset gains or losses affects the calculated value of plan assets and, ultimately, future net periodic pension expense.

At the end of each year, we determine the rate to be used to discount plan liabilities. The discount rate reflects the current rate at which the pension liabilities could be effectively settled at the end of the year. In estimating this rate, we look to rates of return on high quality, fixed-income investments that receive one of the two highest ratings given by a recognized rating agency and the expected timing of benefit payments under the plan. At December 31, 2014, we determined this rate to be 3.75% as compared to 4.75% in 2013. Changes in discount rates over the past three years have not materially affected pension expense (income), and the net effect of changes in the discount rate, as well as the net effect of other changes in actuarial assumptions and experience, have been deferred and amortized over the expected future service of participants.

Assumptions as to mortality of the plan participants is a key estimate in measuring expected payments a participant may receive over their lifetime and therefore the amount of pension expense we will recognize. During 2014, the Society of Actuaries released a series of updated mortality tables resulting from recent studies conducted by them measuring mortality rates for various groups of individuals. The updated mortality tables reflect improved trends in longevity and therefore have the effect of increasing the estimate of benefits to be received by the plan participants. We adopted these updated mortality assumptions which contributed to the increased benefit obligation at December 31, 2014.

At December 31, 2014, our consolidated net pension liability recognized was $16.9 million, an increase of $9.2 million from December 31, 2013. This increase in the liability was largely due to a lower discount rate used on the interest cost for the projected benefit obligation as a result of lower interest rates and updated mortality rates. Employer contributions to the plan were $1.9 million and benefit payments were $1.9 million in fiscal 2014. We recognized approximately $0.4 million in net periodic pension income for the year ended December 31, 2014 and $0.8

million and $0.5 million of net periodic pension expense for the years ended December 31, 2013 and 2012, respectively. See Note 14 to our consolidated financial statements included elsewhere in this report for further information.

Product Warranty Costs. We provide product warranties with varying terms and durations for the majority of our products. We estimate product warranty costs and accrue for these costs as products are sold with a charge to cost of sales. Factors considered in estimating warranty costs include historical and projected warranty claims, historical and projected cost-per-claim and knowledge of specific product issues that are outside of our typical experience. Warranty accruals are evaluated and adjusted as necessary based on actual claims experience and changes in future claim and cost estimates.

As a result of our BioMedical segment's acquisition of AirSep in August 2012, we recorded a warranty reserve of $37.0 million in purchase accounting, which included a significant estimate of claims associated with one of its product lines. This product line had experienced a significantly higher than normal level of failures of compressors and other components. To calculate the reserve associated with this product line, we isolated the warranty issues of the specific units which were being returned at significantly higher rates than normal. The entire population of these units was excluded from the typical warranty accrual process and the reserve was estimated by considering the identified population less units already returned, to estimate potential units that will be returned. These expected future claims were multiplied by the estimated cost to repair the unit in order to establish the warranty reserve associated with this product line. We have experienced and expect a significant number of claims as this product line runs through its warranty period. Usage of the acquired warranty reserve occurs as this product line progresses through its warranty period (expected completion in 2016). We have made various product improvements, revisions to the warranty claim process and a reduction in repair costs since the 2012 acquisition to mitigate the costs associated with this issue. Usage of the acquired warranty reserve has exceeded warranty expense since the acquisition. We do not expect our ongoing warranty expense to be as significant based on revisions to the product line as well as our process to satisfy the warranty claims.

Due to the uncertainty and potential volatility of these warranty estimates, changes in assumptions including expected warranty claims and costs to satisfy those claims or specifically identified issues could materially affect our financial position and net income in future periods.

Revenue Recognition — Long-Term Contracts. We recognize revenue and gross profit as work on certain long-term contracts progresses using the percentage of completion method of accounting, which relies on estimates of total expected contract revenues and costs. We follow this method since reasonably dependable estimates of the revenue and costs applicable to various stages of a contract can be made. Since the financial reporting of these contracts depends on estimates, which are assessed continually during the term of the contract, recognized revenues and profit are subject to revisions as the contract progresses toward completion. Revisions in profit estimates are reflected in the period in which the facts that give rise to the revision become known. Accordingly, favorable changes in estimates result in additional profit recognition, and unfavorable changes will result in the reversal of previously recognized revenue and profits. When estimates indicate a loss is expected to be incurred under a contract, cost of sales is charged with a provision for such loss immediately. As work progresses under a loss contract, revenue and cost of sales continue to be recognized in equal amounts, and the excess of costs over revenues is charged to the contract loss reserve. Change orders resulting in additional revenue and profit are recognized upon approval by the customer based on the percentage that incurred costs to date bear to total estimated costs at completion. Pre-contract costs relate primarily to salaries and benefits incurred to support the selling effort and, accordingly, are expensed as incurred. Certain contracts include incentive-fee arrangements clearly defined in the agreement and are not recognized until earned. The percentage of completion method of accounting is primarily used in the E&C segment, although it is used on certain contracts in our D&S and BioMedical segments.

Share-based Employee Compensation. We measure share-based compensation expense for share-based payments to employees and directors, including grants of employee stock options, restricted stock and restricted stock units, performance units, and leveraged restricted share units based on the grant-date fair value. The fair value of stock options is calculated using the Black-Scholes pricing model and is recognized on an accelerated basis over the vesting period. The grant-date fair value calculation under the Black-Scholes pricing model requires the use of variables such as exercise term of the option, future volatility, dividend yield and risk-free interest rate. The fair value of restricted stock and restricted stock units is based on our market price on the date of grant and is generally recognized on an accelerated basis over the vesting period. The fair value of performance units is based on our market price on the date of grant and pre-determined performance conditions as determined by the Compensation Committee of the Board of Directors and is recognized on straight-line basis over the performance measurement period based on the probability that the performance conditions will be achieved. We reassess the vesting probability of performance units each reporting period and adjust share-based compensation expense based on our probability assessment. The fair value of leveraged restricted share units is based on market conditions and calculated using a Monte Carlo simulation model and is recognized straight-line over the vesting period. Share-based compensation expense for all awards considers

estimated forfeitures.

Recently Issued Accounting Standard

Refer to the Significant Accounting Policies note (Note 2) to our consolidated financial statements included elsewhere in this report for disclosure regarding a recently issued accounting standard.

Forward-Looking Statements

The Company is making this statement in order to satisfy the "safe harbor" provisions contained in the Private Securities Litigation Reform Act of 1995. This Annual Report on Form 10-K includes "forward-looking statements." These forward-looking statements include statements relating to our business. In some cases, forward-looking statements may be identified by terminology such as "may," "should," "expects," "anticipates," "believes," "projects," "forecasts," "contin the negative of such terms or comparable terminology. Forward-looking statements contained herein (including future cash contractual obligations, liquidity, cash flow, orders, results of operations, projected revenues, and trends, among other matters) or in other statements made by us are made based on management's expectations and beliefs concerning future events impacting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that could cause our actual results to differ materially from those matters expressed or implied by forward-looking statements. We believe that the following factors, among others (including those described under Item 1A. "Risk Factors"), could affect our future performance and the liquidity and value of our securities and cause our actual results to differ materially from those expressed or implied by forward-looking statements made by us or on our behalf:

- the cyclicality of the markets which we serve and the vulnerability of those markets to economic downturns;
- the loss of, or a significant reduction or delay in purchases by, our largest customers;
- fluctuations in energy prices;
- the potential for negative developments in the natural gas industry related to hydraulic fracturing;
- competition in our markets;
- governmental energy policies could change, or expected changes could fail to materialize;
- our ability to successfully manage our planned operational expansions;
- degradation of our backlog as a result of modification or termination of orders;
- our ability to successfully acquire or integrate companies that provide complementary products or technologies;
- economic downturns and deteriorating financial conditions;
- the impairment of our goodwill or other intangible assets;
- our ability to manage our fixed-price contract exposure;
- our reliance on the availability of key supplies and services;
- changes in government health care regulations and reimbursement policies;
- litigation and disputes involving us, including the extent of product liability, warranty, contract, employment, intellectual property and environmental claims asserted against us;
- general economic, political, business and market risks associated with our global operations;
- our warranty reserves may not adequately cover our warranty obligations;
- the loss of key employees;
- fluctuations in foreign currency exchange rates and interest rates;
- financial distress of third parties;
- our ability to control our costs while maintaining customer relationships and core business resources;
- our ability to protect our intellectual property and know-how;
- United States Food and Drug Administration and comparable foreign regulation of our products;
- the pricing and availability of raw materials;
- technological security threats and our reliance on information systems;
- the cost of compliance with environmental, health and safety laws and responding to potential liabilities under these laws;
- claims that our products or processes infringe intellectual property rights of others;
- additional liabilities related to taxes;
- our ability to continue our technical innovation in our product lines;
- labor costs and disputes and the deterioration of our relations with our employees;
- increased government regulation;
- the underfunded status of our pension plan;
- the risk of potential violations of the Foreign Corrupt Practices Act;

- disruptions in our operations due to severe weather;

- regulations governing the export of our products and other regulations applicable to us as a supplier of products to the U.S. government;
- risks associated with our indebtedness, leverage and liquidity;
- potential dilution to existing holders of our common stock as a result of the conversion of our Convertible Notes, and the need to utilize our cash balances and/or credit facility to fund any cash settlement related to such conversions;
- fluctuations in the price of our stock; and
- other factors described herein.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this Annual Report and are expressly qualified in their entirety by the cautionary statements included in this Annual Report. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the filing date of this document or to reflect the occurrence of unanticipated events.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, the Company's operations are exposed to fluctuations in interest rates and foreign currency values that can affect the cost of operating and financing. Accordingly, the Company addresses a portion of these risks through a program of risk management.

Interest Rate Risk: The Company's primary interest rate risk exposure results from the SSRCF's various floating rate pricing mechanisms. As of December 31, 2014, there were no borrowings outstanding under the SSRCF. Based on zero borrowings at year-end, as well as historical borrowing practice under the SSRCF, the Company believes that interest rate exposure is not a material risk to the Company.

Foreign Currency Exchange Rate Risk: The Company operates in the United States, Asia, Australia and Europe, creating exposure to foreign currency exchange fluctuations in the normal course of business which can impact our financial position, results of operations, cash flow and competitive position. The financial statements of foreign subsidiaries are translated into their U.S. dollar equivalents at end-of-period exchange rates for assets and liabilities, while income and expenses are translated at average monthly exchange rates. Translation gains and losses are components of other comprehensive income (loss) as reported in the consolidated statements of comprehensive income. Translation exposure is primarily with the euro, the Chinese yuan, and the Japanese yen. During the course of the fiscal year, the euro, the Chinese yuan and the Japanese yen decreased in relation to the U.S. dollar by 13%, less than 1%, and 13%, respectively.

Chart's primary transaction exchange rate exposures are with the euro, the Japanese yen, the Czech koruna, the Australian dollar, the Norwegian krone, the Canadian dollar and the Chinese yuan. Transaction gains and losses arising from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency are recognized in the consolidated statements of income as a component of foreign currency loss (gain). The Company enters into foreign exchange forward contracts to hedge anticipated and firmly committed foreign currency transactions. Chart does not use derivative financial instruments for speculative or trading purposes. The terms of the contracts are generally one year or less. At December 31, 2014, a hypothetical 10% weakening of the U.S. dollar would not materially affect the Company's outstanding foreign exchange forward contracts.

Market Price Sensitive Instruments

In connection with the issuance of the Convertible Notes, the Company entered into privately-negotiated convertible note hedge and capped call transactions with affiliates of certain of the underwriters (the "Option Counterparties"). The convertible note hedge and capped call transactions relate to, collectively, 3.6 million shares, which represents the number of shares of the Company's common stock underlying the Convertible Notes, subject to anti-dilution adjustments substantially similar to those applicable to the Convertible Notes. These convertible note hedge and capped call transactions are expected to reduce the potential dilution with respect to the Company's common stock upon conversion of the Convertible Notes and/or reduce the Company's exposure to potential cash or stock payments that may be required upon conversion of the Convertible Notes, except, in the case of the capped call transactions, to the extent that the market price per share of the Company's common stock exceeds the cap price of the capped call transactions.

The Company also entered into separate warrant transactions with the Option Counterparties initially relating to the number of shares of the Company's common stock underlying the convertible note hedge transactions, subject to customary anti-dilution adjustments. The warrant transactions will have a dilutive effect with respect to the Company's common stock to the extent that the price per share of the Company's common stock exceeds the strike price of the warrants unless the Company elects, subject to certain conditions, to settle the warrants in cash. The cap price of the capped call transactions and the strike

price of the warrant transactions was initially $84.96 per share. Further information is located in Note 6 to the Company's consolidated financial statements included in Item 8 of this Annual Report on Form 10-K.

Item 8. Financial Statements and Supplementary Data

Our Financial Statements and the accompanying Notes that are filed as part of this Annual Report are listed under Item 15. "Exhibits and Financial Statement Schedules" and are set forth beginning on page F-1 immediately following the signature page of this Form 10-K and are incorporated into this Item 8 by reference.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of December 31, 2014, an evaluation was performed, under the supervision and with the participation of the Company's management including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15 under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, such officers concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act (1) is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) is accumulated and communicated to the Company's management including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Management's Report on Internal Control Over Financial Reporting is set forth on page F-1 of this Annual Report on Form 10-K and incorporated herein by reference. Management used the updated Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission to perform the evaluation.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2014 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report which is set forth in Item 8. "Financial Statements and Supplementary Data," on page F-3 under the caption "Report of Independent Registered Public Accounting Firm" and incorporated herein by reference.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information required by this item as to the Directors of the Company appearing under the caption “Election of Directors” in the Company’s 2015 Proxy Statement is incorporated herein by reference. Information required by this item as to the Executive Officers of the Company is included as Item 4A of this Annual Report on Form 10-K as permitted by Instruction 3 to Item 401(b) of Regulation S-K. Information required by Item 405 is set forth in the 2015 Proxy Statement under the heading “Section 16(a) Beneficial Ownership Reporting Compliance” which information is incorporated herein by reference. Information required by Items 406 and 407(c)(3), (d)(4) and (d)(5) of Regulation S-K is set forth in the 2015 Proxy Statement under the headings “Information Regarding Meetings and Committees of the Board of Directors,” “Code of Ethical Business Conduct and Officer Code of Ethics” and “Stockholder Communications with the Board,” which information is incorporated herein by reference.

The Charters of the Audit Committee, Compensation Committee and Nominations and Corporate Governance Committee and the Corporate Governance Guidelines, Officer Code of Ethics and Code of Ethical Business Conduct are available free of charge on the Company’s website at www.chartindustries.com and in print to any stockholder who requests a copy. Requests for copies should be directed to Secretary, Chart Industries, Inc., One Infinity Corporate Centre Drive, Suite 300, Garfield Heights, Ohio 44125. The Company intends to disclose any amendments to the Code of Ethical Business Conduct or Officer Code of Ethics, and any waiver of the Code of Ethical Business Conduct or Officer Code of Ethics granted to any Director or Executive Officer of the Company, on the Company’s website.

Item 11. Executive Compensation

The information required by Item 402 of Regulation S-K is set forth in the 2015 Proxy Statement under the heading “Executive and Director Compensation,” which information is incorporated herein by reference. The information required by Items 407(e)(4) and 407(e)(5) of Regulation S-K is set forth in the 2015 Proxy Statement under the headings “Compensation Committee Interlocks and Insider Participation” and “Compensation Committee Report,” respectively, which information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is set forth in the 2015 Proxy Statement under the headings “Security Ownership of Certain Beneficial Owners” and “Equity Compensation Plan Information,” which information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is set forth in the 2015 Proxy Statement under the headings “Related Party Transactions” and “Director Independence,” which information is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information required by this item is set forth in the 2015 Proxy Statement under the heading “Principal Accounting Fees and Services,” which information is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as part of this 2014 Annual Report on Form 10-K:

1. Financial Statements. The following consolidated financial statements of the Company and its subsidiaries and the reports of the Company's independent registered public accounting firm are incorporated by reference in Item 8:

Management's Report on Internal Control over Financial Reporting

Reports of Independent Registered Public Accounting Firm

Consolidated Balance Sheets at December 31, 2014 and 2013

Consolidated Statements of Income for the Years Ended December 31, 2014, 2013 and 2012

Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2014, 2013 and 2012

Consolidated Statements of Cash Flows for the Years Ended December 31, 2014, 2013 and 2012

Consolidated Statements of Equity for the Years Ended December 31, 2014, 2013 and 2012

Notes to Consolidated Financial Statements

2. Financial Statement Schedules. The following additional information should be read in conjunction with the consolidated financial statements:

Schedule II Valuation and Qualifying Accounts for the Years Ended December 31, 2014, 2013 and 2012

All other financial statement schedules have been omitted since they are either not required, not applicable, or the information is otherwise included.

3. Exhibits. See the Index to Exhibits at page E-1 of this Annual Report on Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHART INDUSTRIES, INC.

By: /S/ SAMUEL F. THOMAS
Samuel F. Thomas
Chairman, Chief Executive Officer and President

Date: February 24, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

| Signature and Title | |
|---|---|
| /S/ SAMUEL F. THOMAS<br>Samuel F. Thomas | Chairman, Chief Executive Officer,<br>President and a Director |
| /S/ MICHAEL F. BIEHL<br>Michael F. Biehl | Executive Vice President and Chief Financial Officer<br>(Principal Financial Officer) |
| /S/ KENNETH J. WEBSTER<br>Kenneth J. Webster | Vice President, Chief Accounting Officer and<br>Controller (Principal Accounting Officer) |
| /S/ W. DOUGLAS BROWN<br>W. Douglas Brown | Director |
| /S/ RICHARD E. GOODRICH<br>Richard E. Goodrich | Director |
| /S/ TERRENCE J. KEATING<br>Terrence J. Keating | Director |
| /S/ STEVEN W. KRABLIN<br>Steven W. Krablin | Director |
| /S/ MICHAEL W. PRESS<br>Michael W. Press | Director |
| /S/ ELIZABETH G. SPOMER<br>Elizabeth G. Spomer | Director |
| /S/ THOMAS L. WILLIAMS<br>Thomas L. Williams<br>Date: February 24, 2015 | Director |

INDEX TO FINANCIAL STATEMENTS
Audited Consolidated Financial Statements:


| | |
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| Management's Report on Internal Control over Financial Reporting | F-1 |
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| Consolidated Balance Sheets at December 31, 2014 and 2013 | F-4 |
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| Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2014, 2013 and 2012 | F-6 |
| Consolidated Statements of Cash Flows for the Years Ended December 31, 2014, 2013 and 2012 | F-7 |
| Consolidated Statements of Equity for the Years Ended December 31, 2014, 2013 and 2012 | F-8 |
| Notes to Consolidated Financial Statements | F-9 |

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Chart Industries, Inc. and its subsidiaries (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of the Company's principal executive and financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles.

The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and the directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management has assessed the effectiveness of its internal control over financial reporting as of December 31, 2014 based on the framework established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) ("COSO").

Based on this assessment, management has determined that the Company's internal control over financial reporting is effective as of December 31, 2014.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2014 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report appearing below, which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2014.

/S/ SAMUEL F. THOMAS
Samuel F. Thomas
Chairman, Chief Executive Officer and President

/S/ MICHAEL F. BIEHL
Michael F. Biehl
Executive Vice President and Chief Financial Officer

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
To the Board of Directors and Shareholders of
Chart Industries, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Chart Industries, Inc. and Subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2014. Our audits also included the financial statement schedule listed in the index at Item 15(a) 2. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Chart Industries, Inc. and Subsidiaries at December 31, 2014 and 2013, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Chart Industries, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2014, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) and our report dated February 24, 2015 expressed an unqualified opinion thereon.

/S/ ERNST & YOUNG LLP
Cleveland, Ohio
February 24, 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
To the Board of Directors and Shareholders of
Chart Industries, Inc. and Subsidiaries

We have audited Chart Industries, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2014 based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) (the COSO criteria). Chart Industries, Inc. and Subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Chart Industries, Inc. and Subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Chart Industries, Inc. and Subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2014, and our report dated February 24, 2015 expressed an unqualified opinion thereon.

/S/ ERNST & YOUNG LLP

Cleveland, Ohio
February 24, 2015

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CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except per share amounts)

| | December 31, 2014 | 2013 |
|---|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | $103,656 | $137,345 |
| Accounts receivable, less allowances of $6,475 and $5,654 | 178,613 | 224,114 |
| Inventories, net | 215,725 | 213,004 |
| Unbilled contract revenue | 58,645 | 31,976 |
| Prepaid expenses | 15,708 | 12,257 |
| Deferred income taxes | 17,248 | 14,675 |
| Other current assets | 15,009 | 16,072 |
| Total Current Assets | 604,604 | 649,443 |
| Property, plant and equipment, net | 257,645 | 224,205 |
| Goodwill | 405,522 | 398,905 |
| Identifiable intangible assets, net | 153,666 | 172,142 |
| Other assets | 40,626 | 16,935 |
| TOTAL ASSETS | $1,462,063 | $1,461,630 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable | $114,252 | $101,805 |
| Customer advances and billings in excess of contract revenue | 82,158 | 102,048 |
| Accrued salaries, wages and benefits | 35,655 | 39,961 |
| Current portion of warranty reserve | 14,325 | 19,567 |
| Short-term debt | 4,903 | 3,280 |
| Current convertible notes | — | 193,437 |
| Current portion of long-term debt | — | 3,750 |
| Other current liabilities | 36,466 | 35,456 |
| Total Current Liabilities | 287,759 | 499,304 |
| Long-term debt | 204,099 | 64,688 |
| Long-term deferred tax liabilities | 46,888 | 47,716 |
| Long-term portion of warranty reserve | 9,921 | 14,260 |
| Accrued pension liabilities | 16,920 | 7,719 |
| Other long-term liabilities | 9,396 | 9,360 |
| Total Liabilities | 574,983 | 643,047 |
| | | |
| Convertible notes conversion feature | — | 56,563 |
| Equity | | |
| Common stock, par value $.01 per share — 150,000,000 shares authorized, as of December 31, 2014 and 2013, respectively; 30,482,252 and 30,378,502 shares issued and outstanding at December 31, 2014 and 2013, respectively | 305 | 304 |
| Additional paid-in capital | 377,209 | 311,972 |
| Retained earnings | 511,051 | 429,187 |
| Accumulated other comprehensive (loss) income | (8,686) | 13,322 |
| Total Chart Industries, Inc. Shareholders' Equity | 879,879 | 754,785 |
| Noncontrolling interests | 7,201 | 7,235 |
| Total Equity | 887,080 | 762,020 |

| | | |
|---|---|---|
| TOTAL LIABILITIES AND EQUITY | $1,462,063 | $1,461,630 |

The accompanying notes are an integral part of these consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Dollars and shares in thousands, except per share amounts)

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Sales | $1,192,952 | $1,177,438 | $1,014,152 |
| Cost of sales | 835,098 | 825,715 | 708,989 |
| Gross profit | 357,854 | 351,723 | 305,163 |
| Selling, general and administrative expenses | 201,752 | 196,496 | 165,488 |
| Amortization expense | 17,945 | 19,230 | 14,792 |
| Impairment of intangible assets | — | — | 3,070 |
| Operating expenses, net | 219,697 | 215,726 | 183,350 |
| Operating income | 138,157 | 135,997 | 121,813 |
| Other expenses (income): | | | |
| Interest expense, net | 16,631 | 16,275 | 15,679 |
| Financing costs amortization | 1,392 | 1,306 | 1,530 |
| Foreign currency loss (gain) | 970 | (242) | 1,498 |
| Other expenses, net | 18,993 | 17,339 | 18,707 |
| Income before income taxes | 119,164 | 118,658 | 103,106 |
| Income tax expense (benefit): | | | |
| Current | 36,340 | 32,903 | 35,300 |
| Deferred | (248) | (1,607) | (4,518) |
| Income tax expense, net | 36,092 | 31,296 | 30,782 |
| Net income | 83,072 | 87,362 | 72,324 |
| Noncontrolling interests, net of taxes | 1,208 | 4,186 | 1,029 |
| Net income attributable to Chart Industries, Inc. | $81,864 | $83,176 | $71,295 |
| Net income attributable to Chart Industries, Inc. per common share: | | | |
| Basic | $2.69 | $2.75 | $2.39 |
| Diluted | $2.67 | $2.60 | $2.36 |
| Weighted-average number of common shares outstanding: | | | |
| Basic | 30,384 | 30,209 | 29,786 |
| Diluted | 30,666 | 31,931 | 30,194 |

The accompanying notes are an integral part of these consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in thousands)

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Net income | $83,072 | $87,362 | $72,324 |
| Other comprehensive income (loss): | | | |
| Foreign currency translation adjustments | (14,653) | 4,362 | 1,575 |
| Defined benefit pension plan: | | | |
| Actuarial (loss) gain on remeasurement | (11,884) | 10,380 | (5,597) |
| Amortization of prior service cost included in net periodic pension (income) expense | 320 | 1,348 | 974 |
| Defined benefit pension plan | (11,564) | 11,728 | (4,623) |
| Other comprehensive (loss) income, before tax | (26,217) | 16,090 | (3,048) |
| Income tax (expense) benefit related to defined benefit pension plan | 4,173 | (4,265) | 1,699 |
| Other comprehensive (loss) income, net of taxes | (22,044) | 11,825 | (1,349) |
| Comprehensive income | 61,028 | 99,187 | 70,975 |
| Less: comprehensive income attributable to noncontrolling interests, net of taxes | (1,172) | (4,330) | (1,032) |
| Comprehensive income attributable to Chart Industries, Inc. | $59,856 | $94,857 | $69,943 |

The accompanying notes are an integral part of these consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| OPERATING ACTIVITIES | | | |
| Net income | $83,072 | $87,362 | $72,324 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 43,176 | 40,389 | 32,196 |
| Interest accretion of convertible notes discount | 10,662 | 9,854 | 9,109 |
| Financing costs amortization | 1,392 | 1,306 | 1,530 |
| Employee share-based compensation expense | 9,420 | 9,989 | 7,461 |
| Impairment of intangible assets | — | — | 3,070 |
| Unrealized foreign currency transaction (gain) loss | (1,606) | (3,388) | 96 |
| Deferred income tax benefit | (248) | (1,607) | (4,518) |
| Reversal of contingent consideration liability | — | — | (4,620) |
| Other non-cash operating activities | (170) | 4,514 | 6,165 |
| Changes in assets and liabilities, net of acquisitions: | | | |
| Accounts receivable | 43,079 | (69,287) | 3,422 |
| Inventory | (8,150) | (12,679) | (15,777) |
| Unbilled contract revenues and other assets | (51,467) | (10,875) | (7,465) |
| Accounts payable and other liabilities | 11,660 | (5,259) | 2,936 |
| Deferred income taxes | (3,690) | (793) | 663 |
| Customer advances and billings in excess of contract revenue | (18,413) | 10,137 | (18,951) |
| Net Cash Provided By Operating Activities | 118,717 | 59,663 | 87,641 |
| INVESTING ACTIVITIES | | | |
| Capital expenditures | (62,135) | (72,585) | (43,685) |
| Proceeds from sale of assets | 1,593 | 569 | 2,073 |
| Acquisition of businesses, net of cash acquired | (11,943) | (2,965) | (182,450) |
| Other investing activities | — | — | (285) |
| Net Cash Used In Investing Activities | (72,485) | (74,981) | (224,347) |
| FINANCING ACTIVITIES | | | |
| Proceeds from long-term debt | — | — | 21,375 |
| Borrowings on revolving credit facilities | 88,819 | 214,623 | 73,012 |
| Repayments on revolving credit facilities | (87,162) | (211,403) | (77,770) |
| Payments on long-term debt | (68,437) | (3,750) | (4,438) |
| Payments for debt issuance costs | (1,321) | — | (1,445) |
| Payment of contingent consideration | (741) | — | (1,300) |
| Proceeds from exercise of stock options | 763 | 5,335 | 3,519 |
| Excess tax benefit from exercise of stock options | 1,859 | 6,673 | 8,972 |
| Common stock repurchases | (3,367) | (2,002) | (4,484) |
| Dividend distribution to noncontrolling interest | (1,206) | (1,369) | — |
| Net Cash (Used In) Provided By Financing Activities | (70,793) | 8,107 | 17,441 |
| Effect of exchange rate changes on cash | (9,128) | 3,058 | 3,902 |
| Net decrease in cash and cash equivalents | (33,689) | (4,153) | (115,363) |
| Cash and cash equivalents at beginning of period | 137,345 | 141,498 | 256,861 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | $103,656 | $137,345 | $141,498 |

The accompanying notes are an integral part of these consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(Dollars and shares in thousands)

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive Income (Loss) | Non-controlling Interests | Total Equity |
|---|---|---|---|---|---|---|---|
| | Shares Outstanding | Amount | | | | | |
| Balance at January 1, 2012 | 29,613 | $296 | $333,034 | $274,716 | $ 2,993 | $ 2,512 | $613,551 |
| Net income | — | — | — | 71,295 | — | 1,029 | 72,324 |
| Other comprehensive (loss) income | — | — | — | — | (1,352) | 3 | (1,349) |
| Share-based compensation expense | — | — | 7,461 | — | — | — | 7,461 |
| Common stock issued from share-based compensation plans | 499 | 5 | 3,515 | — | — | — | 3,520 |
| Excess tax benefit from exercise of stock options | — | — | 8,972 | — | — | — | 8,972 |
| Common stock repurchases | (70) | (1) | (4,484) | — | — | — | (4,485) |
| Other | — | — | 28 | — | — | (239) | (211) |
| Balance at December 31, 2012 | 30,042 | 300 | 348,526 | 346,011 | 1,641 | 3,305 | 699,783 |
| Net income | — | — | — | 83,176 | — | 4,186 | 87,362 |
| Other comprehensive income | — | — | — | — | 11,681 | 144 | 11,825 |
| Share-based compensation expense | — | — | 9,989 | — | — | — | 9,989 |
| Common stock issued from share-based compensation plans | 367 | 4 | 5,335 | — | — | — | 5,339 |
| Excess tax benefit from exercise of stock options | — | — | 6,673 | — | — | — | 6,673 |
| Common stock repurchases | (30) | — | (2,002) | — | — | — | (2,002) |
| Convertible notes conversion feature | — | — | (56,563) | — | — | — | (56,563) |
| Acquisition of business, noncontrolling interest | — | — | — | — | — | 969 | 969 |
| Dividend distribution to noncontrolling interest | — | — | — | — | — | (1,369) | (1,369) |
| Other | — | — | 14 | — | — | — | 14 |
| Balance at December 31, 2013 | 30,379 | 304 | 311,972 | 429,187 | 13,322 | 7,235 | 762,020 |
| Net income | — | — | — | 81,864 | — | 1,208 | 83,072 |
| Other comprehensive loss | — | — | — | — | (22,008) | (36) | (22,044) |
| Share-based compensation expense | — | — | 9,420 | — | — | — | 9,420 |
| | 141 | 1 | 762 | — | — | — | 763 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Common stock issued from share-based compensation plans | | | | | | | |
| Excess tax benefit from exercise of stock options | — | — | 1,859 | — | — | — | 1,859 |
| Common stock repurchases | (38) | — | (3,367) | — | — | — | (3,367) |
| Convertible notes conversion feature | — | — | 56,563 | — | — | — | 56,563 |
| Dividend distribution to noncontrolling interest | — | — | — | — | — | (1,206) | (1,206) |
| Balance at December 31, 2014 | 30,482 | $305 | $377,209 | $511,051 | $(8,686) | $ 7,201 | $887,080 |

The accompanying notes are an integral part of these consolidated financial statements.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars and shares in thousands, except per share amounts)

NOTE 1 — Nature of Operations and Principles of Consolidation

Nature of Operations: Chart Industries, Inc. and its consolidated subsidiaries (herein referred to as the "Company," "Chart" or "we"), is a leading diversified global manufacturer of highly engineered equipment for the industrial gas, energy, and biomedical industries. Chart's equipment and engineered systems are primarily used for low-temperature and cryogenic applications utilizing our expertise in cryogenic systems and equipment, which operate at low temperatures sometimes approaching absolute zero (0 kelvin; -273° Centigrade; -459° Fahrenheit). The Company has domestic operations located across the United States, including principal executive offices located in Ohio, and an international presence in Asia, Australia and Europe.

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany accounts and transactions are eliminated in consolidation.

Reclassifications: Certain product sales information as reported in 2013 was reclassified to conform to the 2014 presentation within Note 18.

NOTE 2 — Significant Accounting Policies

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. These estimates may also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents: The Company considers all investments with an initial maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable, Net of Allowances: The Company evaluates the collectibility of accounts receivable based on a combination of factors. In circumstances where the Company is aware of a specific customer's inability to meet its financial obligations (e.g., bankruptcy filings, or substantial downgrading of credit scores), a specific reserve is recorded to reduce the receivable to the amount the Company believes will be collected. The Company also records allowances for doubtful accounts based on historical experience. If circumstances change (e.g., higher than expected defaults or an unexpected material adverse change in a customer's ability to meet its financial obligations), the Company's estimates of the collectibility of amounts due could be changed by a material amount. When collection of a specific amount due is deemed remote, the account is written off against the allowance.

Inventories: Inventories are stated at the lower of cost or market with cost being determined by the first-in, first-out ("FIFO") method. The Company determines inventory valuation reserves based on a combination of factors. In circumstances where the Company is aware of a specific problem in the valuation of a certain item, a specific reserve is recorded to reduce the item to its net realizable value. The Company also recognizes reserves based on the actual usage in recent history and projected usage in the near-term.

Property, Plant and Equipment: Capital expenditures for property, plant and equipment are recorded at cost. Expenditures for maintenance and repairs are charged to expense as incurred, whereas major improvements are capitalized. The cost of applicable assets is depreciated over their estimated useful lives. Depreciation is computed using the straight-line method for financial reporting purposes and accelerated methods for income tax purposes.

Long-lived Assets: The Company monitors its property, plant and equipment, and finite-lived intangible assets for impairment indicators on an ongoing basis. If impairment indicators exist, the Company performs the required analysis and records impairment charges if applicable. In conducting its analysis, the Company compares the undiscounted cash flows expected to be generated from the long-lived assets to the related net book values. If the undiscounted cash flows exceed the net book value, the long-lived assets are considered not to be impaired. If the net book value exceeds the undiscounted cash flows, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived assets. Fair value is

estimated based upon either discounted cash flow analyses or estimated salvage values. Cash flows are estimated using internal forecasts as well as assumptions related to discount rates.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

Changes in economic or operating conditions impacting these estimates and assumptions could result in the impairment of long-lived assets. The Company amortizes intangible assets that have finite lives over their estimated useful lives.

Goodwill and Indefinite-Lived Intangible Assets: Goodwill is recognized as the excess cost of an acquired entity over the net amount assigned to assets acquired and liabilities assumed. The Company does not amortize goodwill or indefinite-lived intangible assets, but reviews them for impairment annually as of October 1 or whenever events or changes in circumstances indicate that an evaluation should be completed.

With respect to goodwill, the Company may assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The reporting units are the same as our operating segments, which are also the reportable segments: Energy & Chemicals ("E&C"), Distribution & Storage ("D&S"), and BioMedical. Alternatively, the Company may also bypass such a qualitative assessment and proceed directly to the goodwill test utilizing a two-step approach. Under the qualitative assessment, the Company first evaluates relevant events and circumstances, such as macroeconomic conditions and the Company's overall financial performance to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. The Company then evaluates how significant each of the identified factors could be to the fair value or carrying amount of a reporting unit and weighs these factors in totality in forming a conclusion whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the Company determines that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, the first and second steps of the goodwill impairment test are not necessary. Otherwise, the Company would perform the first step of the two-step goodwill impairment test. If the carrying amount of the reporting unit goodwill exceeds its fair value, further analysis is performed to measure the amount of impairment loss, if any.

Similar to the qualitative goodwill impairment testing screen, the Company may first evaluate relevant events and circumstances to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount. Alternatively, the Company also may bypass such a qualitative assessment and proceed directly to the quantitative assessment. If, in weighing all relevant events and circumstances in totality, the Company determines that it is not more likely than not that an indefinite-lived intangible asset is impaired, no further action is necessary. Otherwise, the Company would determine the fair value of indefinite-lived intangible assets and perform a quantitative impairment assessment by comparing the indefinite-lived asset's fair value to its carrying amount. If the carrying amount of an indefinite-lived intangible asset exceeds its fair value, an impairment loss will be recognized in an amount equal to the excess.

The Company estimates the fair value of its reporting units by using income and market approaches to develop fair value estimates, which are weighted equally to arrive at a fair value estimate for each reporting unit. With respect to the income approach, a model has been developed to estimate the fair value of each reporting unit. This fair value model incorporates estimates of future cash flows, estimates of allocations of certain assets and cash flows among reporting units, estimates of future growth rates and management's judgment regarding the applicable rates to use to discount such cash flows. With respect to the market approach, a guideline company method is employed whereby pricing multiples are derived from companies with similar assets or businesses to estimate fair value of each reporting unit. Changes to these judgments and estimates could result in a significantly different estimate of the fair value of the reporting units, which could result in a different assessment of the recoverability of goodwill. The Company estimates the fair value of its indefinite-lived assets using the relief-from-royalty method within the income approach. Under this method, fair value is estimated by discounting the royalty savings as well as any tax benefits related to ownership to a present value.

Convertible Debt: The Company determined that the embedded conversion feature within the Company's 2.0% Convertible Senior Subordinated Notes due 2018 (the "Convertible Notes") was clearly and closely related to the Company's common stock and therefore exempt from separate accounting treatment. Convertible Notes exempt from

derivative accounting are recognized by bifurcating the principal balance into a liability component and an equity component where the fair value of the liability component is estimated by calculating the present value of its cash flows discounted at an interest rate that the Company would have received for similar debt instruments that have no conversion rights (the “straight-debt rate”), and the equity component is the residual amount, net of tax, which creates a discount on the Convertible Notes. The Company recognizes non-cash interest accretion expense related to the carrying amount of the Convertible Notes which is accreted back to its principal amount over the expected life of the debt, which is also the stated life of the debt.

Financial Instruments: The fair values of cash equivalents, accounts receivable, accounts payable and short-term bank debt approximate their carrying amount because of the short maturity of these instruments.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

To minimize credit risk from trade receivables, the Company reviews the financial condition of potential customers in relation to established credit requirements before sales credit is extended and monitors the financial condition of customers to help ensure timely collections and to minimize losses. Additionally, for certain domestic and foreign customers, particularly in the E&C segment, the Company requires advance payments, letters of credit, bankers' acceptances and other such guarantees of payment. Certain customers also require the Company to issue letters of credit or performance bonds, particularly in instances where advance payments are involved, as a condition of placing the order.

Derivative Financial Instruments: The Company utilizes certain derivative financial instruments to enhance its ability to manage foreign currency risk that exists as part of ongoing business operations. Derivative instruments are entered into for periods consistent with related underlying exposures and do not constitute positions independent of those exposures. The Company does not enter into contracts for speculative purposes, nor is it a party to any leveraged derivative instrument. The Company is exposed to foreign currency exchange risk as a result of transactions in currencies other than the functional currency of certain subsidiaries. The Company utilizes foreign currency forward purchase and sale contracts to manage the volatility associated with foreign currency purchases and certain intercompany transactions in the normal course of business. Contracts typically have maturities of less than one year. Principal currencies include the U.S. dollar, the euro, the Japanese yen, the Czech koruna, the Australian dollar, the Norwegian krone, the Canadian dollar and the Chinese yuan. The Company's foreign currency forward contracts do not qualify as hedges as defined by accounting guidance. Foreign currency forward contracts are measured at fair value and recorded on the consolidated balance sheets as other current liabilities or assets. Changes in their fair value are recorded in the consolidated statements of income as foreign currency gains or losses. The Company's foreign currency forward contracts are not exchange traded instruments and, accordingly, the valuation is performed using Level 2 inputs as defined in Note 10. Gains or losses on settled or expired contracts are recorded in the consolidated statements of income as foreign currency gains or losses.

Product Warranties: The Company provides product warranties with varying terms and durations for the majority of its products. The Company estimates product warranty costs and accrues for these costs as products are sold with a charge to cost of sales. Factors considered in estimating warranty costs include historical and projected warranty claims, historical and projected cost-per-claim and knowledge of specific product issues that are outside of typical experience. Warranty accruals are evaluated and adjusted as necessary based on actual claims experience and changes in future claim and cost estimates.

As a result of the BioMedical segment's acquisition of AirSep Corporation ("AirSep") in August 2012, the Company recorded a warranty reserve of $37,033 in purchase accounting, which included a significant estimate of claims associated with one of its product lines. This product line has experienced a significantly higher than normal level of failures of compressors and other components. To calculate the reserve associated with this product line, the Company isolated the warranty issues of the specific units which were being returned at significantly higher rates than normal. The entire population of these units was excluded from the typical warranty accrual process and the reserve was estimated by considering the identified population less units already returned, to estimate potential units that will be returned. These expected future claims were multiplied by the estimated cost to repair the unit in order to establish the warranty reserve associated with this product line. The Company has experienced and expects a significant number of claims as this product line runs through its warranty period. Usage of the acquired warranty reserve occurs as this product line progresses through its warranty period (expected completion in 2016). The Company has made various product improvements, revisions to the warranty claim process and a reduction in repair costs since the 2012 acquisition to mitigate the costs associated with this issue. Usage of the acquired warranty reserve has exceeded warranty expense since the acquisition.

Revenue Recognition: For the majority of the Company's products, revenue is recognized when products are shipped, title has transferred and collection is reasonably assured. For these products, there is also persuasive evidence of an arrangement and the selling price to the buyer is fixed or determinable. For brazed aluminum heat exchangers, cold

boxes, liquefied natural gas fueling stations, engineered tanks and commercial oxygen generation systems, the Company primarily uses the percentage of completion method of accounting. Earned revenue is based on the percentage of incurred costs to date compared to total estimated costs at completion after giving effect to the most current estimates. Timing of amounts billed on contracts varies from contract to contract and could cause significant variation in working capital needs. The cumulative impact of revisions in total cost estimates during the progress of work is reflected in the period in which these changes become known. Earned revenue reflects the original contract price adjusted for agreed upon claims and change orders, if any. Losses expected to be incurred on contracts in process, after consideration of estimated minimum recoveries from claims and change orders, are charged to operations as soon as such losses are known. Pre-contract costs relate primarily to salaries and benefits incurred to support the selling effort and are expensed as incurred. Change orders resulting in additional revenue and profit are recognized upon approval by the customer based on the percentage of incurred costs to date compared to total estimated costs at

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

completion. Certain contracts include incentive-fee arrangements. The incentive fees in such contracts can be based on a variety of factors, but the most common are the achievement of target completion dates, target costs, and/or other performance criteria. Incentive-fee revenue is not recognized until it is earned.

The Company reports sales net of tax assessed by qualifying governmental authorities.

Cost of Sales: Manufacturing expenses associated with sales are included in cost of sales. Cost of sales includes all materials, direct and indirect labor, inbound freight, purchasing and receiving, inspection, internal transfers and distribution and warehousing of inventory. In addition, shop supplies, facility maintenance costs, manufacturing engineering, project management and depreciation expense for assets used in the manufacturing process are included in cost of sales on the consolidated statements of income.

Selling, General and Administrative ("SG&A") Expenses: SG&A expenses include selling, marketing, customer service, product management, design engineering, and other administrative expenses not directly supporting the manufacturing process as well as depreciation and amortization expense associated with non-manufacturing assets. In addition, SG&A expenses include corporate operating expenses for executive management, accounting, tax, treasury, corporate development, human resources, information technology, investor relations, legal, internal audit, risk management and share-based compensation expense.

Shipping and Handling Costs: Amounts billed to customers for shipping are classified as sales, and the related costs are classified as cost of sales on the consolidated statements of income. Shipping revenue of $8,855, $12,213 and $10,111 for the years ended December 31, 2014, 2013 and 2012, respectively, are included in sales. Shipping costs of $15,913, $15,927, and $13,344 for the years ended December 31, 2014, 2013 and 2012, respectively, are included in cost of sales.

Advertising Costs: The Company incurred advertising costs of $3,914, $4,515 and $4,828 for the years ended December 31, 2014, 2013 and 2012, respectively. Such costs are expensed as incurred and included in SG&A expenses on the consolidated statements of income.

Research and Development Costs: The Company incurred research and development costs of $15,588, $14,941 and $14,398 for the years ended December 31, 2014, 2013 and 2012, respectively. Such costs are expensed as incurred and included in SG&A expenses on the consolidated statements of income.

Foreign Currency Translation: The functional currency for the majority of the Company's foreign operations is the applicable local currency. The translation from the applicable foreign currencies to U.S. dollars is performed for asset and liability accounts using exchange rates in effect at the balance sheet date and for revenue and expense accounts using a weighted-average exchange rate during the period. The resulting translation adjustments are recorded as a component of other comprehensive income (loss) in the consolidated statements of comprehensive income. Remeasurement from local to functional currencies is included in cost of goods sold or foreign currency loss (gain) on the consolidated statements of income. Gains or losses resulting from foreign currency transactions are charged to operations as incurred.

Income Taxes: The Company and its U.S. subsidiaries file a consolidated federal income tax return. Deferred income taxes are provided for temporary differences between financial reporting and the consolidated tax return in accordance with the liability method. A valuation allowance is provided against net deferred tax assets when conditions indicate that it is more likely than not that the benefit related to such assets will not be realized.

The Company utilizes a two-step approach for the recognition and measurement of uncertain tax positions. The first step is to evaluate the tax position and determine whether it is more likely than not that the position will be sustained upon examination by tax authorities. The second step is to measure the tax benefit as the largest amount that is more likely than not of being realized upon settlement.

Interest and penalties related to income taxes are accounted for as income tax expense on the consolidated statements of income.

Share-based Compensation: The Company measures share-based compensation expense for share-based payments to employees and directors, including grants of employee stock options, restricted stock and restricted stock units,

performance units, and leveraged restricted share units based on the grant-date fair value. The fair value of stock options is calculated using the Black-Scholes pricing model and is recognized on an accelerated basis over the vesting period. The grant-date fair value calculation under the Black-Scholes pricing model requires the use of variables such as exercise term of the option, future

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

volatility, dividend yield and risk-free interest rate. The fair value of restricted stock and restricted stock units is based on the Company's market price on the date of grant and is generally recognized on an accelerated basis over the vesting period. The fair value of performance units is based on the Company's market price on the date of grant and pre-determined performance conditions as determined by the Compensation Committee of the Board of Directors and is recognized on straight-line basis over the performance measurement period based on the probability that the performance conditions will be achieved. The Company reassesses the vesting probability of performance units each reporting period and adjusts share-based compensation expense based on the Company's probability assessment. The fair value of leveraged restricted share units is based on market conditions and calculated using a Monte Carlo simulation model and is recognized straight-line over the vesting period. Share-based compensation expense for all awards considers estimated forfeitures.

During the year, the Company may repurchase shares of common stock from equity plan participants to satisfy tax withholding obligations relating to the vesting or payment of equity awards. All such repurchased shares are subsequently retired during the period in which they occur.

Recently Issued Accounting Standard: In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers." The amendment requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU is effective for fiscal years beginning after December 15, 2016, including interim periods within that reporting period. The ASU allows either full retrospective or modified retrospective adoption. Early adoption is not permitted. The Company is currently assessing the transition method and effect that the ASU will have on the Company's financial position, results of operations and cash flows and disclosures.

NOTE 3 — Inventories

The following table summarizes the components of inventory:

| | December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Raw materials and supplies | $94,437 | $93,014 |
| Work in process | 35,631 | 42,996 |
| Finished goods | 85,657 | 76,994 |
| Total inventories, net | $215,725 | $213,004 |

The allowance for excess and obsolete inventory balance at December 31, 2014 and 2013 was $5,233 and $6,556, respectively.

NOTE 4 — Property, Plant and Equipment

The following table summarizes the components of property, plant and equipment:

| | | December 31, | |
|---|---|---|---|
| Classification | Estimated Useful Life | 2014 | 2013 |
| Land and buildings | 20-35 years | $161,986 | $139,962 |
| Machinery and equipment | 3-12 years | 165,379 | 124,023 |
| Computer equipment, furniture and fixtures | 3-7 years | 34,866 | 24,659 |
| Construction in process | | 23,626 | 37,249 |
| Total property, plant and equipment, gross | | 385,857 | 325,893 |
| Less: Accumulated depreciation | | (128,212) | (101,688) |
| Total property, plant and equipment, net | | $257,645 | $224,205 |

Depreciation expense was $25,231, $21,159 and $17,404 for the years ended December 31, 2014, 2013 and 2012, respectively.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

NOTE 5 — Goodwill and Intangible Assets

As of October 1, 2014 ("annual assessment date") and based on the Company's qualitative impairment tests, the Company determined that that it was not more likely than not that the fair value was less than the carrying amount of any reporting unit and, therefore, the two-step goodwill impairment test was not necessary. Furthermore, as of the annual assessment date, and based on the Company's qualitative assessment, the Company determined that it was not more likely than not that the fair value of each indefinite-lived intangible asset was less than its carrying amount and, therefore, no further action was necessary.

Subsequent to the annual assessment date, the market value of the Company's common stock declined from a closing share price of $52.55 on October 1, 2014 to a closing share price of $34.20 on December 31, 2014. Given the fourth quarter decline in the Company's market capitalization, which we believe was largely driven by the dramatic decline in oil prices, and the resulting review of the financial performance of the reporting units, the Company determined that an interim impairment indicator existed for the BioMedical reporting unit. Both the D&S and E&C reporting units continue to perform as expected, and any resulting cash flow analysis would yield a fair value well in excess of the carrying amount. For the BioMedical reporting unit, the Company performed quantitative assessments for both goodwill and certain indefinite-lived assets as of December 31, 2014. Based on the results of the Step 1 analysis, the excess fair value over the carrying amount of the BioMedical reporting unit was between approximately 10% and 30% depending on discount rate assumptions, and as such, the Company determined the goodwill as of December 31, 2014 was not impaired. Furthermore, we determined that the selected indefinite-lived assets were not impaired as of December 31, 2014.

Goodwill

The following table represents the changes in goodwill:

| | December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Beginning balance | $398,905 | $398,941 |
| Foreign currency translation adjustments and other | (2,676) | (344) |
| Goodwill acquired during the year | 9,293 | 308 |
| Ending balance | $405,522 | $398,905 |

Intangible Assets

The following table displays the gross carrying amount and accumulated amortization for finite-lived intangible assets and indefinite-lived intangible assets (exclusive of goodwill)[(1)]:

| | December 31, 2014 | | December 31, 2013 | |
|---|---|---|---|---|
| | Gross Carrying Amount | Accumulated Amortization | Gross Carrying Amount | Accumulated Amortization |
| Finite-lived intangible assets: | | | | |
| Unpatented technology | $35,933 | $(6,979) | $43,133 | $(11,776) |
| Patents | 7,809 | (6,213) | 7,904 | (5,397) |
| Trademarks and trade names | 8,981 | (6,206) | 9,244 | (4,525) |
| Non-compete agreements | 421 | (88) | — | — |
| Customer relations | 157,533 | (85,187) | 159,143 | (73,460) |
| Total finite-lived intangible assets | $210,677 | $(104,673) | $219,424 | $(95,158) |
| Indefinite-lived intangible assets: | | | | |
| Trademarks and trade names | $47,662 | | $47,876 | |

(1) Amounts include the impact of foreign currency translation. Fully amortized amounts are written off.

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Amortization expense for intangible assets subject to amortization was $17,945, $19,230 and $14,792 for the years ended December 31, 2014, 2013 and 2012, respectively. The Company estimates amortization expense to be recognized during the next five years as follows:

| For the Year Ending December 31, | |
|---|---|
| 2015 | $16,200 |
| 2016 | 14,300 |
| 2017 | 13,400 |
| 2018 | 12,700 |
| 2019 | 12,500 |

The Company recorded an impairment loss of $3,070 during 2012 resulting in the elimination of in-process research & development ("IPR&D") indefinite-lived intangible assets related to a prior BioMedical segment acquisition. Higher forecasted costs and project delays represented impairment indicators requiring the Company to re-evaluate the fair value of the IPR&D indefinite-lived intangible assets. The Company conducted an impairment test based on the multi-period excess earnings valuation method which determines fair value based on the present value of the prospective net cash flow attributable to the intangible asset (Level 3 in the fair value hierarchy). The Company determined that the fair value of the IPR&D indefinite-lived intangible assets was zero and impaired the intangible assets by a value equal to their carrying amount.

NOTE 6 — Debt and Credit Arrangements

Summary of Outstanding Borrowings

The following table shows the components of the Company's borrowings:

| | December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Convertible notes, due August 2018, effective interest rate of 7.9% | $204,099 | $193,437 |
| Term loan, average interest rate of 2.54% | — | 68,438 |
| Foreign facilities | 4,903 | 3,280 |
| Total debt | 209,002 | 265,155 |
| Less: current maturities [1] | (4,903) | (200,467) |
| Long-term debt | $204,099 | $64,688 |

[1] Current maturities included $193,437 current convertible notes at December 31, 2013.

Convertible Notes

The outstanding aggregate principal amount of the Company's Convertible Notes is $250,000. The Convertible Notes bear interest at a fixed rate of 2.0% per year, payable semiannually in arrears on February 1 and August 1 of each year, and will mature on August 1, 2018. The effective interest rate at issuance was 7.9%.

The Convertible Notes are senior subordinated unsecured obligations of the Company and are not guaranteed by any of the Company's subsidiaries. The Convertible Notes are senior in right of payment to the Company's future subordinated debt, equal in right of payment with the Company's future senior subordinated debt and are subordinated in right of payment to the Company's existing and future senior indebtedness, including indebtedness under the Company's existing credit agreement.

In connection with the issuance of the Convertible Notes, the Company entered into privately-negotiated convertible note hedge and capped call transactions with affiliates of certain of the underwriters (the "Option Counterparties"). The convertible note hedge and capped call transactions relate to, collectively, 3,622 shares, which represents the number of shares of the Company's common stock underlying the Convertible Notes, subject to anti-dilution adjustments substantially similar to those applicable to the Convertible Notes. These convertible note hedge and capped call transactions are expected to reduce the potential dilution with respect to the Company's common stock upon

conversion of the Convertible Notes and/or reduce the Company's exposure to potential cash or stock payments that may be required upon conversion of the Convertible Notes,

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except, in the case of the capped call transactions, to the extent that the market price per share of the Company's common stock exceeds the cap price of the capped call transactions. The Company also entered into separate warrant transactions with the Option Counterparties initially relating to the number of shares of the Company's common stock underlying the convertible note hedge transactions, subject to customary anti-dilution adjustments. The warrant transactions will have a dilutive effect with respect to the Company's common stock to the extent that the price per share of the Company common stock exceeds the strike price of the warrants unless the Company elects, subject to certain conditions, to settle the warrants in cash. These warrants were exercisable as of the issuance date of the Convertible Notes. The cap price of the capped call transactions and the strike price of the warrant transactions was initially $84.96 per share. Proceeds received from the issuance of the warrants totaled approximately $48,848 and were recorded as an addition to additional paid-in-capital. The net cost of the convertible note hedge and capped call transactions, taking into account the proceeds from the issuance of the warrants, was approximately $17,638.

In accordance with Accounting Standards Codification ("ASC") 815, contracts are initially classified as equity if (1) the contract requires physical settlement or net-share settlement, or (2) the contract gives the entity a choice of net-cash settlement in its own shares (physical settlement or net-share settlement). The Company concluded that the settlement terms of the convertible note hedge, capped call and warrant transactions permit net-share settlement. As such, the convertible note hedge, capped call and warrant transactions were recorded in equity.

Upon issuance of the Convertible Notes, the Company bifurcated the $250,000 principal balance of the Convertible Notes into a liability component of $170,885, which was recorded as long-term debt, and an equity component of $79,115, which was initially recorded as additional paid-in-capital. The liability component was recognized at the present value of its associated cash flows using a 7.9% straight-debt rate which represented the Company's interest rate for similar debt instruments at that time without a conversion feature and is being accreted to interest expense over the term of the Convertible Notes. At December 31, 2014 and 2013, the carrying amount of the liability component was $204,099 and $193,437, respectively, and the unamortized debt discount of the Convertible Notes was $45,901 and $56,563, respectively.

For the years ended December 31, 2014, 2013 and 2012, interest expense for the Convertible Notes was $15,662, $14,854 and $14,109, respectively, which included $10,662, $9,854 and $9,109 of non-cash interest accretion expense related to the carrying amount of the Convertible Notes, respectively, and $5,000 of 2.0% cash interest in each year. In accordance with ASC 470-20, which requires issuers to separately account for the liability and equity components of convertible debt instruments that may be settled in cash upon conversion, the Company allocated debt issuance costs to the liability and equity components in proportion to their allocated value. Debt issuance costs were $7,277, with $2,303 recorded as a reduction in additional paid-in-capital. The remaining balance of $4,974 is being amortized over the term of the Convertible Notes. Total expense associated with the amortization of these debt issuance costs was $711 in each of the years ended December 31, 2014, 2013 and 2012.

Prior to May 1, 2018, the Convertible Notes will be convertible at the option of the holders thereof only under the following circumstances: (1) during any fiscal quarter commencing after September 30, 2011 (and only during such fiscal quarter), if the last reported sale price of the Company's common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the applicable conversion price (currently $69.03) for the Convertible Notes on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the "Measurement Period") in which, as determined following a request by a holder of Convertible Notes as provided in the bond indenture (the "Indenture"), the trading price per $1,000 principal amount of Convertible Notes for each trading day of such Measurement Period was less than 97% of the product of the last reported sale price of the Company's common stock and the applicable conversion rate for the Convertible Notes on each such trading day; or (3) upon the occurrence of specified corporate events pursuant to the terms of the Indenture. On or after May 1, 2018, until the close of business on the second scheduled trading day immediately preceding the maturity date of the Convertible Notes, holders of the Convertible Notes may convert their Convertible Notes at any time,

regardless of the foregoing circumstances. Upon conversion, the Company will pay cash up to the aggregate principal amount of the Convertible Notes to be converted and pay or deliver, as the case may be, cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, at the Company's election, in respect of the remainder, if any, of the Company's conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted. It is the Company's intention to settle any excess conversion value in shares of the Company's common stock.

The conversion rate on the Convertible Notes will be subject to adjustment upon the occurrence of certain events, but will not be adjusted for any accrued and unpaid interest. In addition, following the occurrence of a make-whole fundamental

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change, the Company will, in certain circumstances, increase the conversion rate for a holder that converts its Convertible Notes in connection with such make-whole fundamental change. The Company may not redeem the Convertible Notes prior to maturity. If the Company undergoes a fundamental change, subject to certain conditions, holders may require the Company to purchase the Convertible Notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the Convertible Notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date. For purposes of calculating earnings per share, if the average market price of the Company's common stock exceeds the applicable conversion price during the periods reported, as was the case at December 31, 2013, shares contingently issuable under the Convertible Notes will have a dilutive effect with respect to the Company's common stock.

The Company reassesses the convertibility of the Convertible Notes and the related balance sheet classification on a quarterly basis. As of December 31, 2013, the notes were convertible, thus, the liability component of the Convertible Notes was classified as a current liability and the equity component was classified as temporary equity in the consolidated balance sheet. As of December 31, 2014, the notes were not convertible, thus, the liability component of the Convertible Notes was classified as long-term debt and the equity component was classified as permanent equity in the consolidated balance sheet. At January 1, 2015, the Convertible Notes were not convertible. There have been no conversions as of the date of this filing.

Senior Secured Revolving Credit Facility

On October 29, 2014, the Company amended and extended its five-year $375,000 senior secured credit facility ("Prior Credit Facility") with a five-year $450,000 senior secured revolving credit facility ("SSRCF") which matures on October 29, 2019. The SSRCF includes a $25,000 sub-limit for the issuance of swingline loans and a $100,000 sub-limit to be used for letters of credit. There is a foreign currency limit of $100,000 under the SSRCF which can be used for foreign currency denominated letters of credit and borrowings in a foreign currency, in each case in currencies agreed upon with the lenders. In addition, the facility permits borrowings up to $100,000 made by the Company's wholly-owned subsidiaries, Chart Industries Luxembourg S.à r.l. ("Chart Luxembourg") and Chart Asia Investment Company Limited ("Chart Asia"). The SSRCF also includes an expansion option permitting the Company to add up to an aggregate $200,000 in term loans or revolving credit commitments from its lenders.

Debt issuance costs associated with the SSRCF were $1,365 of which $1,321 are being amortized over the five-year term of the SSRCF in accordance with loan modification guidance. In addition, $1,392 in unamortized debt issuance costs associated with the Prior Credit Facility are being amortized over the five year term of the SSRCF. For the year ended December 31, 2014, financing costs amortization associated with the SSRCF and Prior Credit Facility was $586, and for the year ended December 31, 2013 and 2012, financing costs amortization associated with the Prior Credit Facility was $595 and $587, respectively.

Revolving loans under the SSRCF bear interest, at the applicable Borrower's election, at either LIBOR or the greatest of (a) the JPMorgan prime rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% or (c) the Adjusted LIBOR Rate (as defined in the SSRCF) for a one month interest period on such day (or if such day is not a business day, the immediately preceding business day) plus 1% (the "Adjusted Base Rate"), plus a margin that varies with the Company's leverage ratio. In addition, the Company is required to pay a commitment fee of between 0.25% and 0.40% of the unused Revolver balance and a letter of credit participation fee equal to the daily aggregate letter of credit exposure at the rate per annum equal to the Applicable Margin for Eurocurrency Revolving Facility Borrowings (ranging from 1.5% to 2.75%, depending on the leverage ratio calculated at each fiscal quarter end). A fronting fee must be paid on each letter of credit that is issued equal to 0.125% per annum of the stated dollar amount of the letter of credit.

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Significant financial covenants for the SSRCF include a minimum liquidity requirement equal to the principal amount of the Convertible Notes outstanding six months prior to the maturity date of the Convertible Notes and when holders of the Convertible Notes have the option to require the Company to repurchase the Convertible Notes, a maximum leverage ratio of 3.25 and a minimum interest coverage to EBITDA ratio of 3.0. The required leverage ratio can be relaxed on up to two occasions, upon notification to the lenders, to 3.75 for up to four consecutive fiscal quarters, for acquisitions and plant expansions of $100,000 or greater. The SSRCF contains a number of other customary covenants, including but not limited to restrictions on the Company's ability to incur additional indebtedness, create liens or other encumbrances, sell assets, enter into sale and lease-back transactions, make certain payments, investments, loans, advances or guarantees, make acquisitions and engage in mergers or consolidations and pay dividends or distributions. At December 31, 2014, the Company was in compliance with all covenants.

At December 31, 2014, availability under the SSRCF was $415,959, which considers $34,041 in letters of credit issued. The obligations under the SSRCF are guaranteed by the Company and substantially all of its U.S. subsidiaries and secured by substantially all of the assets of the Company and its U.S. subsidiaries and 65% of the capital stock of the Company's material non-U.S. subsidiaries (as defined by the SSRCF) that are owned by U.S. subsidiaries.

Foreign Facilities – China

Chart Cryogenic Engineering Systems (Changzhou) Company Limited ("CCESC"), Chart Energy & Chemicals Wuxi Co., Ltd. ("Wuxi") and Chart Biomedical (Chengdu) Co. Ltd. ("Chengdu"), wholly-owned subsidiaries of the Company, and Chart Cryogenic Distribution Equipment (Changzhou) Company Limited ("CCDEC"), a joint venture of the Company, maintain joint banking facilities (the "China Facilities") which include a revolving line with 50.0 million Chinese yuan (equivalent to $8,171) in borrowing capacity, a bonding/guarantee facility with up to 30.0 million Chinese yuan (equivalent to $4,903) in borrowing capacity, and an overdraft facility with 10.0 million Chinese yuan (equivalent to $1,634) in borrowing capacity. Any borrowings made by CCESC, CCDEC, Chengdu or Wuxi under the China Facilities are guaranteed by the Company. At December 31, 2014, there was 20.0 million Chinese yuan (equivalent to $3,269) outstanding under the revolving line, bearing interest at 5.9% on a weighted-average basis.

CCDEC maintains a credit facility with Bank of China whereby CCDEC may borrow up to 50.0 million Chinese yuan (equivalent to $8,171) for working capital purposes, and 30.0 million Chinese yuan (equivalent to $4,903) for non-financing bank guarantee purposes. This credit facility is effective until August 7, 2015. At December 31, 2014, there was 10.0 million Chinese yuan (equivalent to $1,634) outstanding under this facility, bearing interest at 6.4%.

CCESC maintains a credit facility with Bank of China whereby CCESC may borrow up to 100.0 million Chinese yuan (equivalent to $16,343) for working capital purposes. This credit facility is effective until July 8, 2015. There were no borrowings under this facility as of December 31, 2014.

As of December 31, 2014, CCESC and Wuxi had 7.5 million Chinese yuan (equivalent to $1,220) and 1.8 million Chinese yuan (equivalent to $286) in bank guarantees, respectively.

Foreign Facilities – Europe

Chart Ferox, a.s. ("Ferox"), a wholly-owned subsidiary of the Company, maintains two secured credit facilities with capacity of up to 175.0 million Czech koruna (equivalent to $7,661). Both of the facilities allow Ferox to request bank guarantees and letters of credit. Neither of the facilities allows revolving credit borrowings. Under both facilities, Ferox must pay letter of credit and guarantee fees equal to 0.70% per annum on the face amount of each guarantee or letter of credit. Ferox's land, buildings and accounts receivable secure the credit facilities. As of December 31, 2014, there were bank guarantees of 71.4 million Czech koruna (equivalent to $3,126) supported by the Ferox credit facilities.

Chart Luxembourg maintains an overdraft facility with $5,000 in borrowing capacity. There were no borrowings under the Chart Luxembourg facility as of December 31, 2014.

Scheduled Annual Maturities

The scheduled annual maturities of long-term debt at December 31, 2014, are as follows:

| Year | Amount |
|---|---|

| | |
|---|---|
| 2015 | $4,903 |
| 2018 | 250,000 |
| Total | $254,903 |

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Cash paid for interest during the years ended December 31, 2014, 2013 and 2012 was $6,838, $7,233 and $6,604, respectively.

Fair Value Disclosures

The fair value of the Convertible Notes was approximately 95% of their par value as of December 31, 2014 and approximately 154% of their par value as of December 31, 2013. The Convertible Notes are actively quoted instruments and, accordingly, the fair value of the Convertible Notes was determined using Level 1 inputs as defined in Note 10.

The term loan portion of the Company's Prior Credit Facility ("Term Loan") was transferred to the revolver under the SSRCF and subsequently paid off in the fourth quarter of 2014. As of December 31, 2013, the fair value of the Term Loan was estimated based on the present value of the underlying cash flows discounted using market interest rates. Under this method, the fair value of the Term Loan approximated its carrying amount as of December 31, 2013. The fair value of the Company's Term Loan was determined using Level 2 inputs as defined in Note 10.

NOTE 7 — Financial Instruments and Derivative Financial Instruments

Concentrations of Credit Risks: The Company sells its products to gas producers, distributors and end-users across the industrial gas, hydrocarbon, chemical processing and medical industries in countries all over the world. Approximately 53%, 59% and 56% of sales were to foreign countries in 2014, 2013 and 2012, respectively. No single customer exceeded ten percent of consolidated sales in 2014, 2013 and 2012. Sales to the Company's top ten customers accounted for 34%, 37% and 38% of consolidated sales in 2014, 2013 and 2012, respectively. The Company's sales to particular customers fluctuate from period to period, but the large industrial gas producer and distributor customers of the Company tend to be a consistently large source of revenue for the Company.

The Company is also subject to concentrations of credit risk with respect to its cash and cash equivalents and forward foreign currency exchange contracts. To minimize credit risk from these financial instruments, the Company enters into arrangements with major banks and other quality financial institutions and invests only in high-quality instruments. The Company does not expect any counterparties to fail to meet their obligations in this area.

The changes in fair value with respect to the Company's foreign currency forward contracts generated a net gain of $2,670 for the year ended December 31, 2014 and net losses of $2,940 and $780 for the years ended December 2013 and 2012, respectively.

NOTE 8 — Product Warranties

The Company provides product warranties with varying terms and durations for the majority of its products. The Company estimates its warranty reserve by considering historical and projected warranty claims, historical and projected cost-per-claim and knowledge of specific product issues that are outside its typical experience. The Company records warranty expense in cost of sales. Product warranty claims not expected to occur within one year are recorded in the long-term portion of the warranty reserve in the consolidated balance sheets.

The following table represents changes in the Company's consolidated warranty reserve:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Beginning balance | $33,827 | $44,486 | $13,181 |
| Warranty expense | 14,463 | 17,486 | 12,494 |
| Warranty usage | (24,044) | (28,359) | (18,222) |
| Acquired warranty reserves | — | 214 | 37,033 |
| Ending balance | $24,246 | $33,827 | $44,486 |

Warranty expense for 2014 does not include the impact of the Company's recovery of $5,003 during 2014 from an escrow settlement relating to excess warranty costs for certain product lines acquired from AirSep in 2012.

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NOTE 9 — Business Combinations

Wuxi Acquisition

On May 27, 2014, Chart Asia finalized the acquisition of 100% of the equity of Wuxi Zhongbo Gas and Air Equipment Manufacturing Co. Ltd., which changed its name to Chart Energy & Chemicals Wuxi Co., Ltd., for an aggregate cash purchase price of 73.3 million Chinese yuan (equivalent to $11,943), net of cash acquired. The fair value of the net assets acquired and goodwill at the date of acquisition was 15.6 million Chinese yuan and 57.7 million Chinese yuan, respectively. Wuxi, located in Wuxi, Jiangsu Province, China, designs, manufactures and sells low-pressure brazed aluminum heat exchangers. In addition, cold box fabrication operations were relocated from Changzhou, China to the Wuxi facility. Wuxi's results are included in the Company's E&C segment as of the date of acquisition.

Xinye Acquisition

On June 8, 2013, Chart Asia acquired 80% of the shares of Nanjing Xinye Electric Engineering Co., Ltd. ("Xinye") for an aggregate cash purchase price of 18.3 million Chinese yuan (equivalent to $2,965), net of cash acquired. The remaining 20% was retained by one of the original shareholders. The fair value of the net assets acquired and goodwill at the date of acquisition was 16.4 million Chinese yuan and 1.9 million Chinese yuan, respectively. Xinye, located in Nanjing, Jiangsu Province, China, designs, manufactures and sells control systems and dispensers for liquefied natural gas, compressed natural gas, and industrial gas applications. It also engages in the design and production of integrated circuit card systems and remote monitoring systems for natural gas mobile equipment. Xinye provides the Company localized dispensing and control technology and increases the Company's penetration into the high growth natural gas markets in Asia. Xinye's results are included in the Company's D&S segment.

AirSep Acquisition

On August 30, 2012, the Company acquired 100% of the equity interests of AirSep Corporation for an aggregate cash purchase price of $182,450 (including approximately $2,800 in acquisition-related tax benefits acquired and $10,000 of debt which was retired upon completion of the acquisition). AirSep, located in Amherst, New York, designs, manufactures, sells and services stationary, transportable and portable oxygen concentrators and self-contained generators, standard generators, and packaged systems for industrial and medical oxygen generating systems. AirSep's results are included in the Company's BioMedical segment.

The fair value of the net assets acquired and goodwill at the date of acquisition was $72,687 and $109,763, respectively. The allocation of the purchase price is based on the fair value of assets acquired and liabilities assumed, and the related income tax impact of the acquisition adjustments. The acquisition was made and goodwill was established due to the benefits expected to be derived from the expansion of the oxygen concentrator business in the U.S., Europe and Asia, and the growth potential for the Company's commercial oxygen generation systems business.

The Company recorded a warranty reserve of $37,033 in purchase accounting, which included a significant estimate of claims associated with one of AirSep's product lines as described further in the Significant Accounting Policies note. Usage of the acquired warranty reserve occurs as this product line progresses through its warranty period (expected completion in 2016) and as such has exceeded warranty expense since the acquisition.

AirSep's identifiable intangible assets mainly include customer relationships and technology and are also comprised of product names, trademarks and trade names.

Incremental sales and operating income related to the AirSep acquisition were $71,043 and $3,195, respectively, in the year ended December 31, 2013, the latter of which included $2,638 in cost of goods sold to amortize the remaining portion of the write-up of inventory to fair value, $4,570 of intangible assets amortization expense and $2,726 in management retention expenses and severance costs.

For the period August 31, 2012 through December 31, 2012, AirSep added $40,317 to sales. For the same period, the acquisition of AirSep reduced operating income by $4,026 which included $3,270 recorded in cost of goods sold to amortize a portion of the write-up of inventory to fair value, $2,285 of intangible assets amortization expense and $1,111 in management retention expenses. For the year ended December 31, 2012, the Company recognized $1,164 of

AirSep acquisition related costs which are included in the consolidated statements of income in selling, general and administrative expenses.

Pro-forma information related to these acquisitions has not been presented because the impact on the Company's consolidated results of operations is not material.

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Contingent Consideration

The estimated fair value of total contingent consideration relating to a prior acquisition was valued using a discounted cash flow approach, which includes assumptions for the probabilities of achieving gross sales targets and the discount rate applied to the projected payments. The valuation is performed using Level 3 inputs as defined in Note 10. Changes in fair value of contingent consideration are recorded as selling, general and administrative expenses in the consolidated statements of income.

Potential payments may be paid between January 1, 2015 and March 31, 2016 based on the attainment of certain revenue targets. The remaining maximum potential payout related to total contingent consideration is $2,259.

The changes in the Company's contingent consideration liabilities are summarized below:

| | Distribution & Storage | BioMedical | Total |
|---|---|---|---|
| Balance at January 1, 2012 | $841 | $6,226 | $7,067 |
| Increase (decrease) in fair value of contingent consideration liabilities | 459 | (4,236) | (3,777) |
| Payment of contingent consideration | (1,300) | — | (1,300) |
| Balance at December 31, 2012 | — | 1,990 | 1,990 |
| Increase in fair value of contingent consideration liabilities | — | 299 | 299 |
| Balance at December 31, 2013 | — | 2,289 | 2,289 |
| Decrease in fair value of contingent consideration liabilities | — | (474) | (474) |
| Payment of contingent consideration | — | (741) | (741) |
| Balance at December 31, 2014 | $— | $1,074 | $1,074 |

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NOTE 10 — Fair Value Measurements

The Company measures its financial assets and liabilities at fair value on a recurring basis using a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies. The three levels of inputs used to measure fair value are as follows:

Level 1 — Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 — Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 — Valuations based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Financial assets and liabilities measured at fair value on a recurring basis and presented in the Company's consolidated balance sheets are as follows:

| | December 31, 2014 | | |
|---|---|---|---|
| | Total | Level 2 | Level 3 |
| Foreign currency forward contracts | $49 | $49 | $— |
| Contingent consideration liabilities | 1,074 | — | 1,074 |
| Total financial liabilities | $1,123 | $49 | $1,074 |
| | December 31, 2013 | | |
| | Total | Level 2 | Level 3 |
| Foreign currency forward contracts | $13 | $13 | $— |
| Total financial assets | $13 | $13 | $— |
| | | | |
| Foreign currency forward contracts | $394 | $394 | $— |
| Contingent consideration liabilities | 2,289 | — | 2,289 |
| Total financial liabilities | $2,683 | $394 | $2,289 |

Refer to Note 7 for further information regarding foreign currency forward contracts and Note 9 for further information regarding contingent consideration liabilities.

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NOTE 11 — Accumulated Other Comprehensive (Loss) Income

The components of accumulated other comprehensive (loss) income are as follows:

| | December 31, 2014 | | |
|---|---|---|---|
| | Foreign currency translation adjustments | Pension liability adjustments, net of taxes | Accumulated other comprehensive income (loss) |
| Beginning Balance | $18,425 | $(5,103) | $13,322 |
| Other comprehensive loss before reclassifications, net of taxes of $4,289 | (14,617) | (7,595) | (22,212) |
| Amounts reclassified from accumulated other comprehensive income, net of taxes of $116 [1] | — | 204 | 204 |
| Net current-period other comprehensive loss, net of taxes | (14,617) | (7,391) | (22,008) |
| Ending Balance | $3,808 | $(12,494) | $(8,686) |

| | December 31, 2013 | | |
|---|---|---|---|
| | Foreign currency translation adjustments | Pension liability adjustments, net of taxes | Accumulated other comprehensive income |
| Beginning Balance | $14,207 | $(12,566) | $1,641 |
| Other comprehensive income before reclassifications, net of taxes of $3,769 | 4,218 | 6,611 | 10,829 |
| Amounts reclassified from accumulated other comprehensive income, net of taxes of $496 [1] | — | 852 | 852 |
| Net current-period other comprehensive income, net of taxes | 4,218 | 7,463 | 11,681 |
| Ending Balance | $18,425 | $(5,103) | $13,322 |

(1) Amounts reclassified from accumulated other comprehensive (loss) income were expensed and included in cost of sales ($124 and $530 for the years ended December 31, 2014 and 2013, respectively) and selling, general and administrative expenses ($196 and $818 for the years ended December 31, 2014 and 2013, respectively) in the consolidated statements of income.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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NOTE 12 — Earnings Per Share

The following table presents calculations of net income per share of common stock:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Net income attributable to Chart Industries, Inc. | $81,864 | $83,176 | $71,295 |
| Net income attributable to Chart Industries, Inc. per common share: | | | |
| Basic | $2.69 | $2.75 | $2.39 |
| Diluted | $2.67 | $2.60 | $2.36 |
| Weighted average number of common shares outstanding — basic | 30,384 | 30,209 | 29,786 |
| Incremental shares issuable upon assumed conversion and exercise of share-based awards | 282 | 411 | 408 |
| Incremental shares issuable due to dilutive effect of the Convertible Notes | — | 974 | — |
| Incremental shares issuable due to dilutive effect of warrants | — | 337 | — |
| Weighted average number of common shares outstanding — diluted | 30,666 | 31,931 | 30,194 |

Diluted earnings per share does not reflect the following potential common shares as the effect would be anti-dilutive:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Share-based awards | 48 | 1 | 109 |
| Convertible note hedge and capped call transactions [(1)] | — | 948 | — |
| Warrants | 3,368 | — | 3,368 |
| Total anti-dilutive securities | 3,416 | 949 | 3,477 |

(1) The convertible note hedge and capped call transactions offset any dilution upon actual conversion of the Convertible Notes up to a common stock price of $84.96. See Note 6 for further information.

NOTE 13 — Income Taxes

Income Before Income Taxes

Income before income taxes consists of the following:

| | For the Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| United States | $87,505 | $67,355 | $79,812 |
| Foreign | 31,659 | 51,303 | 23,294 |
| Income before income taxes | $119,164 | $118,658 | $103,106 |

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

Provision

Significant components of the provision for income taxes are as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Current: | | | |
| Federal | $22,608 | $19,421 | $28,076 |
| State and local | 1,406 | 1,618 | 1,768 |
| Foreign | 12,326 | 11,864 | 5,456 |
| Total current | 36,340 | 32,903 | 35,300 |
| Deferred: | | | |
| Federal | 3,135 | 21 | (3,477) |
| State and local | 180 | (364) | (684) |
| Foreign | (3,563) | (1,264) | (357) |
| Total deferred | (248) | (1,607) | (4,518) |
| Total provision | $36,092 | $31,296 | $30,782 |

Effective Tax Rate Reconciliation

The reconciliation of income taxes computed at the U.S. federal statutory tax rate to income tax expense is as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Income tax expense at U.S. federal statutory rate | $41,708 | $41,530 | $36,087 |
| State income taxes, net of federal tax benefit | 841 | 757 | 711 |
| Foreign income, net of credit on foreign taxes | (245) | 501 | 48 |
| Effective tax rate differential of earnings outside of U.S. | (5,411) | (8,257) | (4,983) |
| Foreign investment tax credit | — | — | (406) |
| Research & experimentation credits | (1,150) | (2,105) | — |
| Non-deductible items | 1,947 | 865 | 2,885 |
| Change in uncertain tax positions | (52) | (347) | (394) |
| Domestic production activities deduction | (2,093) | (2,237) | (2,490) |
| Other items | 547 | 589 | (676) |
| Income tax expense | $36,092 | $31,296 | $30,782 |

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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Deferred Taxes

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

| | December 31, | |
|---|---|---|
| | 2014 | 2013 |
| Deferred tax assets: | | |
| Accruals and reserves | $23,197 | $25,478 |
| Pensions | 6,161 | 2,536 |
| Inventory | 5,176 | 4,350 |
| Share-based compensation | 7,235 | 6,107 |
| Tax credit carryforwards | 553 | — |
| Foreign net operating loss carryforwards | 1,154 | 594 |
| State net operating loss carryforward | 1,331 | 1,610 |
| Other – net | 3,230 | 844 |
| Total deferred tax assets before valuation allowance | 48,037 | 41,519 |
| Valuation allowance | (1,982) | (1,250) |
| Total deferred tax assets, net of valuation allowance | $46,055 | $40,269 |
| Deferred tax liabilities: | | |
| Property, plant and equipment | $24,063 | $17,248 |
| Intangibles | 47,771 | 53,314 |
| Convertible notes | 2,118 | 2,623 |
| Total deferred tax liabilities | $73,952 | $73,185 |
| Net deferred tax liabilities | $27,897 | $32,916 |
| The net deferred tax liability is classified as follows: | | |
| Deferred income taxes | $(17,248) | $(14,675) |
| Other assets | (1,743) | (125) |
| Long-term deferred tax liabilities | 46,888 | 47,716 |
| Net deferred tax liabilities | $27,897 | $32,916 |

Federal, State and Local Net Operating Loss Carryforwards: As a result of the Company's acquisition of SeQual in 2010, the Company has $15,955 of state net operating losses. California tax law will limit the use of these state net operating losses. The remaining state net operating losses expire between 2015 and 2031. In addition, the Company has state net operating losses in various other states which begin to expire in 2017. The gross deferred tax asset for the state net operating losses of $1,331 is partially offset by a valuation allowance of $1,068.

Foreign Net Operating Loss Carryforwards: As of December 31, 2014, cumulative foreign operating losses of $4,237 generated by the Company were available to reduce future taxable income. Approximately $2,948 of these operating losses expire between 2019 and 2023. The remaining $1,289 can be carried forward indefinitely. The deferred tax asset for the foreign operating losses of $1,154 is partially offset by a valuation allowance of $459.

Other Tax Information

The Company has not provided for income taxes on approximately $203,420 of foreign subsidiaries' undistributed earnings as of December 31, 2014, since the earnings retained have been reinvested indefinitely by the subsidiaries. It is not practicable to estimate the additional income taxes and applicable foreign withholding taxes that would be payable on the remittance of such undistributed earnings.

Cash paid for income taxes during the years ended December 31, 2014, 2013 and 2012 was $31,208, $24,977 and $19,193, respectively.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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Unrecognized Income Tax Benefits

The reconciliation of beginning to ending unrecognized tax benefits is as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Unrecognized tax benefits at beginning of the year | $941 | $3,339 | $2,440 |
| Additions for tax positions of prior years | 358 | 299 | 1,921 |
| Reductions for tax positions of prior years | (329) | (1,921) | — |
| Reductions for settlements | — | — | (905) |
| Lapse of statutes of limitation | (22) | (776) | (117) |
| Unrecognized tax benefits at end of the year | $948 | $941 | $3,339 |

Included in the balance of unrecognized tax benefits at December 31, 2014 and 2013 were $462 and $410, respectively, of income tax benefits which, if ultimately recognized, would impact the Company's annual effective tax rate.

The Company had accrued approximately $94 and $93 for the payment of interest and penalties at December 31, 2014 and 2013, respectively. The Company accrued approximately $1 and $42 during the years ended December 31, 2014 and 2012, respectively in additional interest associated with uncertain tax positions. The Company recorded a net benefit of $8 for interest expense during the year ended December 31, 2013 due to the filing of an amended tax return which offset the accrual of interest expense related to existing uncertain tax positions.

The Company is subject to income taxes in the U.S. federal jurisdiction, and various state and foreign jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. With few exceptions, the Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years prior to 2010.

Due to the potential resolution of the federal examination and the expiration of various statutes of limitation, it is reasonably possible the Company's unrecognized tax benefits at December 31, 2014 may decrease within the next twelve months by approximately $22.

NOTE 14 — Employee Benefit Plans

Defined Benefit Plan

The Company has a defined benefit pension plan which is frozen, that covers certain U.S. hourly and salary employees. The defined benefit plan provides benefits based primarily on the participants' years of service and compensation.

The components of net periodic pension (income) expense are as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Interest cost | $2,360 | $2,112 | $2,206 |
| Expected return on plan assets | (3,105) | (2,705) | (2,648) |
| Amortization of net loss | 320 | 1,348 | 974 |
| Total net periodic pension (income) expense | $(425) | $755 | $532 |

CHART INDUSTRIES, INC. AND SUBSIDIARIES
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The changes in the projected benefit obligation and plan assets, the funded status of the plans and the amounts recognized in the consolidated balance sheets are as follows:

| | December 31, 2014 | 2013 |
|---|---|---|
| Change in projected benefit obligation: | | |
| Projected benefit obligation at beginning of year | $50,684 | $57,268 |
| Interest cost | 2,360 | 2,112 |
| Benefits paid | (1,876) | (1,813) |
| Actuarial losses (gains) | 10,939 | (6,883) |
| Projected benefit obligation at year end | $62,107 | $50,684 |
| Change in plan assets: | | |
| Fair value of plan assets at beginning of year | $42,965 | $37,941 |
| Actual return | 2,160 | 6,202 |
| Employer contributions | 1,938 | 635 |
| Benefits paid | (1,876) | (1,813) |
| Fair value of plan assets at year end | $45,187 | $42,965 |
| Funded status (Accrued pension liabilities) | $(16,920) | $(7,719) |
| Unrecognized actuarial loss recognized in accumulated other comprehensive (loss) income | $19,814 | $8,250 |

The estimated net loss for the defined benefit pension plan that will be amortized from accumulated other comprehensive (loss) income into net periodic benefit cost over the next fiscal year is $1,429.

The actuarial assumptions used in determining pension plan information are as follows:

| | December 31, 2014 | 2013 | 2012 |
|---|---|---|---|
| Assumptions used to determine benefit obligation at year end: | | | |
| Discount rate | 3.75% | 4.75% | 3.75% |
| Assumptions used to determine net periodic benefit cost: | | | |
| Discount rate | 4.75% | 3.75% | 4.50% |
| Expected long-term weighted-average rate of return on plan assets | 7.25% | 7.25% | 7.75% |

The discount rate reflects the current rate at which the pension liabilities could be effectively settled at year end. In estimating this rate, the Company looks to rates of return on high quality, fixed-income investments that receive one of the two highest ratings given by a recognized rating agency and the expected timing of benefit payments under the plan.

The expected return assumptions were developed using an averaging formula based upon the plans' investment guidelines, mix of asset classes, historical returns of equities and bonds, and expected future returns. The Company employs a total return investment approach whereby a mix of equities and fixed income investments are used to maximize the long-term return of plan assets for a prudent level of risk. Risk tolerance is established through careful consideration of short and long-term plan liabilities, plan funded status and corporate financial condition. The investment portfolio contains a diversified blend of equity and fixed-income investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks, as well as growth, value, and small and large capitalizations. Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements and periodic asset/liability studies.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
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The target allocations by asset category at December 31 are as follows:

| Target Allocations by Asset Category: | 2014 | 2013 |
|---|---|---|
| Equity | 55% | 55% |
| Debt | 43% | 43% |
| Cash and cash equivalents | 2% | 2% |
| Total | 100% | 100% |

The fair values of the plan assets by asset class at December 31 are as follows:

| | Fair Value Total | | Level 2 | | Level 3 | |
|---|---|---|---|---|---|---|
| Plan Assets: | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Equity funds | $29,435 | $26,668 | $29,435 | $26,668 | $— | $— |
| Fixed income funds | 13,766 | 12,527 | 13,766 | 12,527 | — | — |
| Other investments | 1,986 | 3,770 | — | 1,609 | 1,986 | 2,161 |
| Total | $45,187 | $42,965 | $43,201 | $40,804 | $1,986 | $2,161 |

The plan assets are primarily invested in pooled separate funds. The fair values of equity securities and fixed income securities held in pooled separate funds are based on net asset value of the units of the funds as determined by the fund manager. These funds are similar in nature to retail mutual funds, but are typically more efficient for institutional investors. The fair value of pooled funds is determined by the value of the underlying assets held by the fund and the units outstanding. The value of the pooled funds is not directly observable, but is based on observable inputs. As such, these plan assets are valued using Level 2 inputs as defined in Note 10. Certain plan assets in the other investments asset category are invested in a general investment account where the fair value is derived from the liquidation value based on an actuarial formula as defined under terms of the investment contract. These plan assets were valued using unobservable inputs and, accordingly, the valuation was performed using Level 3 inputs as defined in Note 10.

The following table represents changes in the fair value of plan assets categorized as Level 3 from the preceding table:

| | |
|---|---|
| Balance at January 1, 2013 | $— |
| Return on plan assets | 30 |
| Purchases, sales and settlements, net | (1,925) |
| Transfers, net | 4,056 |
| Balance at December 31, 2013 | $2,161 |
| Return on plan assets | 34 |
| Purchases, sales and settlements, net | (1,898) |
| Transfers, net | 1,689 |
| Balance at December 31, 2014 | $1,986 |

CHART INDUSTRIES, INC. AND SUBSIDIARIES
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The Company's funding policy is to contribute at least the minimum funding amounts required by law. Based upon current actuarial estimates, the Company does not expect to contribute to its defined benefit pension plan until 2017. The following benefit payments are expected to be paid by the plan in each of the next five years and in the aggregate for the subsequent five years:

| | |
|---|---|
| 2015 | $2,100 |
| 2016 | 2,300 |
| 2017 | 2,400 |
| 2018 | 2,600 |
| 2019 | 2,800 |
| In aggregate during five years thereafter | 15,800 |

Multi-Employer Plan

The Company contributes to a multi-employer plan for certain collective bargaining U.S. employees. The risks of participating in this multi-employer plan are different from a single employer plan in the following aspects:

(a) Assets contributed to the multi-employer by one employer may be used to provide benefits to employees of other participating employers.

(b) If a participating employer ceases contributing to the plan, the unfunded obligations of the plan may be inherited by the remaining participating employers.

(c) If the Company chooses to stop participating in the multi-employer plan, the Company may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company has assessed and determined that the multi-employer plan to which it contributes is not significant to the Company's financial statements. The Company does not expect to incur a withdrawal liability or expect to significantly increase its contribution over the remainder of the current contract period which ends in February 2018. The Company made contributions to the bargaining unit supported multi-employer pension plan resulting in expense of $992, $908 and $760 for the years ended December 31, 2014, 2013 and 2012, respectively.

Defined Contribution Savings Plan

The Company has a defined contribution savings plan that covers most of its U.S. employees. Company contributions to the plan are based on employee contributions, and include a Company match and discretionary contributions. Expenses under the plan totaled $10,773, $9,814 and $8,011 for the years ended December 31, 2014, 2013 and 2012, respectively.

Voluntary Deferred Income Plan

The Company provides additional retirement plan benefits to certain members of management under the Amended and Restated Chart Industries, Inc. Voluntary Deferred Income Plan; this is an unfunded plan. The Company recorded $409, $276 and $507 of expense associated with this plan for the years ended December 31, 2014, 2013 and 2012, respectively.

NOTE 15 — Share-based Compensation

Under the Amended and Restated 2005 Stock Incentive Plan ("Stock Incentive Plan") which became effective in October 2005, the Company could grant stock options, stock appreciation rights ("SARs"), restricted stock units ("RSUs"), stock awards and performance based stock awards to employees and directors. The Stock Incentive Plan had reserved 3,421 shares of the Company's common stock for issuance. As of December 31, 2014, 138 options were outstanding under the Stock Incentive Plan. The Company no longer grants awards under this plan.

Under the Amended and Restated 2009 Omnibus Equity Plan ("Omnibus Equity Plan") which was originally approved by the shareholders in May 2009 and reapproved by shareholders in May 2012 as amended and restated, the Company may grant stock options, SARs, RSUs, restricted stock, performance shares, leveraged restricted shares, and common shares to employees and directors. The maximum number of shares available for grant is 3,350, which may be treasury shares or unissued shares. As of December 31, 2014, 414 stock options, 88 shares of restricted stock and RSUs, 51 performance units, and 59 leveraged restricted share units were outstanding under the Omnibus Equity Plan.

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The Company recognized share-based compensation expense of $9,692, $9,989 and $7,461 for the years ended December 31, 2014, 2013 and 2012, respectively. This expense is included in selling, general and administrative expenses in the consolidated statements of income. The Company also recognized related tax benefits of $1,859, $6,673 and $8,972 for the years ended December 31, 2014, 2013 and 2012, respectively. As of December 31, 2014, total share-based compensation of $8,340 is expected to be recognized over the remaining weighted-average period of approximately 1.8 years.

Stock Options

The Company uses a Black-Scholes option pricing model to estimate the fair value of stock options. The expected volatility was based on historical information. The simplified method as defined in SEC Staff Accounting Bulletin No. 107 was used to determine the expected term. The risk free rate is based on the U.S. Treasury yield in effect at the time of the grant. Weighted-average grant-date fair values of stock options and the assumptions used in estimating the fair values are as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Weighted-average grant-date fair value per share | $56.15 | $41.52 | $35.69 |
| Expected term (years) | 6.25 | 6.25 | 6.25 |
| Risk-free interest rate | 1.00 % | 1.00 % | 1.15 % |
| Expected volatility | 63.73 % | 66.80 % | 70.71 % |

Under the terms of the Omnibus Equity Plan, stock options generally have a 4 year graded vesting period, an exercise price equal to the fair market value of a share of common stock on the date of grant, and a contractual term of 10 years. The following table summarizes the Company’s stock option activity:

| | December 31, 2014 | | | |
|---|---|---|---|---|
| | Number of Shares | Weighted-average Exercise Price | Aggregate Intrinsic Value | Weighted-average Remaining Contractual Term |
| Outstanding at beginning of year | 510 | $ 35.54 | | |
| Granted | 74 | 93.34 | | |
| Exercised | (23) | 33.84 | | |
| Forfeited | (9) | 59.53 | | |
| Outstanding at end of year | 552 | $ 42.92 | $4,040 | 5.9 years |
| Vested and expected to vest at end of year | 547 | $ 42.61 | $4,040 | 5.9 years |
| Exercisable at end of year | 344 | $ 26.85 | $4,040 | 4.8 years |

As of December 31, 2014, total unrecognized compensation cost related to stock options expected to be recognized over the weighted-average period of approximately 2.3 years is $2,302.

The total intrinsic value of options exercised during the years ended December 31, 2014, 2013 and 2012 was $940, $21,199 and $18,310, respectively. The total fair value of stock options vested during the years ended December 31, 2014, 2013 and 2012 was $3,163, $2,673 and $2,216, respectively.

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Restricted Stock and RSUs

Restricted stock and RSUs generally vest ratably over a three-year period and are valued based on the Company's market price on the date of grant. The following table summarizes the Company's unvested restricted stock and RSUs activity:

| | December 31, 2014 | |
|---|---|---|
| | Number of Shares | Weighted-Average Grant-Date Fair Value |
| Unvested at beginning of year | 97 | $ 61.48 |
| Granted | 37 | 92.17 |
| Forfeited | (3) | 76.48 |
| Vested | (43) | 53.17 |
| Unvested at end of year | 88 | $ 77.94 |

As of December 31, 2014, total unrecognized compensation cost related to unvested restricted stock and RSUs expected to be recognized over the weighted-average period of approximately 1.6 years is $2,528.

The weighted-average grant-date fair value of restricted stock and RSUs granted during the years ended December 31, 2014, 2013 and 2012 was $92.17, $69.72 and $60.80, respectively. The total fair value of restricted stock and RSUs that vested during the years ended December 31, 2014, 2013 and 2012 was $3,930, $5,782 and $4,654, respectively.

Performance Units

Performance units are earned over a three-year period. Based on the attainment of pre-determined performance condition targets as determined by the Compensation Committee of the Board of Directors, performance units earned may be in the range of between 0% and 200%. The probability of performance units being earned is evaluated each reporting period, and the fair value of the performance units is adjusted accordingly. The following table summarizes the Company's performance units activity:

| | December 31, 2014 | |
|---|---|---|
| | Number of Shares | Weighted-Average Grant-Date Fair Value |
| Unvested at beginning of year | 86 | $ 46.94 |
| Granted | 16 | 93.34 |
| Vested | (51) | 36.45 |
| Unvested at end of year | 51 | $ 72.57 |

As of December 31, 2014, total unrecognized compensation cost related to performance units expected to be recognized over a weighted-average period of approximately 2.0 years is $1,095.

The weighted-average grant-date fair value of performance units granted during the years ended December 31, 2014, 2013 and 2012 was $93.34, $68.21 and $55.93, respectively. The total fair value of performance units that vested during the years ended December 31, 2014 and 2012 was $2,650 and $9,386, respectively. No performance units vested during the year ended December 31, 2013.

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Leveraged Restricted Share Units

Leveraged restricted share unit awards vest based on the attainment of pre-determined market condition targets as determined by the Compensation Committee of the Board of Directors over a three-year performance period. Units earned may be in the range of between 50% and 150%. The Company valued the leverage restricted share unit awards based on market conditions using a Monte Carlo Simulation model. The following table summarizes the Company's leveraged restricted share unit awards activity:

| | December 31, 2014 | |
|---|---|---|
| | Number of Shares | Weighted-average Grant-Date Fair Value |
| Unvested at beginning of year | 40 | $74.36 |
| Granted | 19 | 106.90 |
| Unvested at end of year | 59 | $84.85 |

As of December 31, 2014, total unrecognized compensation cost related to leveraged restricted share awards expected to be recognized over the weighted-average period of approximately 1.5 years is $2,415.

The weighted-average grant-date fair value of leveraged restricted share awards granted during the years ended December 31, 2014, 2013 and 2012 was $106.90, $80.34, and $67.05 respectively.

Directors' Stock Grants

In 2014, 2013 and 2012, the Company granted the non-employee directors stock awards covering 8, 4 and 5 shares of common stock, respectively, which had fair values of $588, $393 and $368, respectively. These stock awards were fully vested on the grant date. Likewise, the fair values were recognized immediately on the grant date.

NOTE 16 — Lease Commitments

The Company incurred $11,375, $10,581, and $9,980 of rental expense under operating leases for the years ended December 31, 2014, 2013 and 2012, respectively. Certain leases contain rent escalation clauses and lease concessions that require additional rental payments in the later years of the term. Rent expense for these types of leases is recognized on a straight-line basis over the minimum lease term. In addition, the Company has the right, but no obligation, to renew certain leases for various renewal terms.

The following table summarizes the future minimum lease payments for non-cancelable operating leases as of December 31, 2014:

| | |
|---|---|
| 2015 | $10,900 |
| 2016 | 7,500 |
| 2017 | 6,900 |
| 2018 | 5,100 |
| 2019 | 4,200 |
| Thereafter | 9,900 |
| Total future minimum lease payments | $44,500 |

NOTE 17 — Contingencies

Environmental

The Company is subject to federal, state and local environmental laws and regulations concerning, among other matters, waste water effluents, air emissions and handling and disposal of hazardous materials such as cleaning fluids. The Company is involved with environmental compliance, investigation, monitoring and remediation activities at certain of its owned and formerly owned manufacturing facilities and at one owned facility that is leased to a third party, and, except for these continuing remediation efforts, believes it is currently in substantial compliance with all known environmental regulations. At December 31, 2014 and 2013, the Company had undiscounted accrued environmental reserves of $3,587 and $3,871,

respectively, recorded in other long-term liabilities. The Company accrues for certain environmental remediation-related activities for which commitments or remediation plans have been developed and for which costs can be reasonably estimated. These estimates are determined based upon currently available facts and circumstances regarding each facility. Actual costs incurred may vary from these estimates due to the inherent uncertainties involved. Future expenditures relating to these environmental remediation efforts are expected to be made over the next 14 years as ongoing costs of remediation programs.

Although the Company believes it has adequately provided for the cost of all known environmental conditions, the applicable regulatory agencies could insist upon different and more costly remediation than those the Company believes are adequate or required by existing law or third parties may seek to impose environmental liabilities on the Company. The Company believes that any additional liability in excess of amounts accrued which may result from the resolution of such matters will not have a material adverse effect on the Company's financial position, liquidity, cash flows or results of operations.

Legal Proceedings

In November 2012, Chart Energy & Chemicals, Inc. ("CEC"), a subsidiary of the Company, filed a declaratory judgment action in the United States District Court for the Western District of Oklahoma (the "Federal Court") seeking a judgment that certain claims for damages alleged by Enogex Holdings LLC, Enogex Gathering & Processing, LLC and affiliated companies with respect to a December 2010 fire at the Enogex natural gas processing plant in Cox City, Oklahoma were barred based on multiple defenses, including Oklahoma's statute of repose. This action was precipitated by the receipt of a letter from Enogex alleging that CEC was responsible for damages in excess of $75,000 with respect to the fire as a result of the alleged failure of CEC's equipment that was a component of the unit involved in the fire. Subsequent to the filing of CEC's declaratory judgment action, in December 2012, Enogex filed suit in the District Court of Tulsa County, State of Oklahoma (the "State Court") against the Company, CEC and its predecessors, a former employee of a predecessor of CEC, as well as other entities and an individual not affiliated with the Company, formalizing the allegations and claims contained in the November demand letter. Each party filed one or more motions to dismiss the other's lawsuit. Enogex's motion to dismiss initially was denied by the Federal Court in February 2013, but Enogex moved for rehearing on its motion to dismiss, which the Federal Court granted on May 17, 2013 based on a lack of jurisdictional diversity. The Company's and CEC's motions to dismiss were denied by the State Court on April 10, 2013. Accordingly, litigation continues in the State Court, and Enogex has asserted damages of approximately $105,000, including investigation and repair costs and business interruption losses, some of which may be offset by Enogex's saved costs and mitigation efforts. A trial is expected in late 2015 or early 2016. The Company continues to believe that the allegations against the Company, CEC and their affiliates lack merit. The Company believes that it, CEC and their affiliates have strong factual and legal defenses to Enogex's claims and intends to vigorously assert such defenses. Accordingly, an accrual related to any damages that may result from the lawsuit has not been recorded because a potential loss is not currently probable. Furthermore, the Company believes that its existing product liability insurance is adequate for potential losses associated with these claims. While the Company cannot predict with certainty the ultimate result of these proceedings, the Company does not believe that the final outcome of these proceedings will have a material adverse effect on the Company's financial position, results of operations, or cash flows.

The Company is occasionally subject to various legal actions related to performance under contracts, product liability, taxes, employment matters, environmental matters, intellectual property and other matters incidental to the normal course of its business. Based on the Company's historical experience in litigating these actions, as well as the Company's current assessment of the underlying merits of the actions and applicable insurance, if any, management believes that the final resolution of these matters will not have a material adverse effect on the Company's financial position, liquidity, cash flows or results of operations. Future developments may, however, result in resolution of these legal claims in a way that could have a material adverse effect.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

NOTE 18 — Segment and Geographic Information

The structure of the Company's internal organization is divided into the following reportable segments, which are also the Company's operating segments: E&C, D&S and BioMedical. The Company's reportable segments are business units that are each managed separately because they manufacture, offer and distribute distinct products with different production processes and sales and marketing approaches. The E&C and D&S segments manufacture products used primarily in energy-related and industrial applications, such as the separation, liquefaction, distribution and storage of hydrocarbon and industrial gases. The BioMedical segment supplies cryogenic and other equipment used in the medical, biological research and animal breeding industries. Due to the nature of the products that each segment sells, intersegment sales are not material. Corporate includes operating expenses for executive management, accounting, tax, treasury, corporate development, human resources, information technology, investor relations, legal, internal audit, risk management and share-based compensation expenses that are not allocated to the reporting segments.

The Company evaluates performance and allocates resources based on operating income or loss from continuing operations before interest expense, net, financing costs amortization, foreign currency loss (gain), income tax expense, net and noncontrolling interests, net of taxes. The accounting policies of the reportable segments are the same as those described in Note 2.

Segment Financial Information

| | Year Ended December 31, 2014 | | | | |
|---|---|---|---|---|---|
| | Energy & Chemicals | Distribution & Storage | BioMedical | Corporate | Total |
| Sales to external customers | $388,018 | $578,806 | $226,128 | $— | $1,192,952 |
| Depreciation and amortization expense | 9,649 | 16,749 | 13,842 | 2,936 | 43,176 |
| Operating income (loss) [1] | 79,665 | 85,213 | 25,694 | (52,415) | 138,157 |
| Total assets [2] | 322,936 | 666,451 | 396,320 | 76,356 | 1,462,063 |
| Capital expenditures | 24,834 | 29,583 | 3,484 | 4,234 | 62,135 |

| | Year Ended December 31, 2013 | | | | |
|---|---|---|---|---|---|
| | Energy & Chemicals | Distribution & Storage | BioMedical | Corporate | Total |
| Sales to external customers | $318,510 | $592,616 | $266,312 | $— | $1,177,438 |
| Depreciation and amortization expense | 8,564 | 15,237 | 14,618 | 1,970 | 40,389 |
| Operating income (loss) | 59,671 | 93,560 | 33,039 | (50,273) | 135,997 |
| Total assets [2] | 277,760 | 676,484 | 431,763 | 75,623 | 1,461,630 |
| Capital expenditures | 34,194 | 32,039 | 3,370 | 2,982 | 72,585 |

| | Year Ended December 31, 2012 | | | | |
|---|---|---|---|---|---|
| | Energy & Chemicals | Distribution & Storage | BioMedical | Corporate | Total |
| Sales to external customers | $323,676 | $475,576 | $214,900 | $— | $1,014,152 |
| Depreciation and amortization expense | 7,877 | 12,599 | 10,204 | 1,516 | 32,196 |
| Operating income (loss) | 64,931 | 79,175 | 24,079 | (46,372) | 121,813 |
| Total assets [2] | 203,044 | 607,252 | 447,792 | 69,753 | 1,327,841 |
| Capital expenditures | 9,519 | 30,048 | 2,717 | 1,401 | 43,685 |

(1) The BioMedical segment's operating income included recovery of $5,003 increasing operating income for the year ended December 31, 2014 from an escrow settlement for alleged breaches of representations and warranties relating to warranty costs (which are in excess of the settlement amount) for certain product lines acquired from AirSep in 2012.

(2) Corporate assets consist primarily of cash, cash equivalents and deferred income taxes.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

The following table represents the changes in goodwill by segment:

| | Energy & Chemicals | Distribution & Storage | BioMedical | Total |
|---|---|---|---|---|
| Balance at January 1, 2013 | $83,215 | $158,789 | $156,937 | $398,941 |
| Foreign currency translation adjustments and other | — | 957 | (1,301) | (344) |
| Goodwill acquired during the year | — | 308 | — | 308 |
| Balance at December 31, 2013 | 83,215 | 160,054 | 155,636 | 398,905 |
| Foreign currency translation adjustments and other | 130 | (2,806) | — | (2,676) |
| Goodwill acquired during the year | 9,293 | — | — | 9,293 |
| Balance at December 31, 2014 | $92,638 | $157,248 | $155,636 | $405,522 |

Product Sales Information

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| Energy & Chemicals | | | |
| Natural gas processing (including petrochemical) applications | $208,706 | $175,397 | $236,912 |
| Liquefied natural gas applications | 143,870 | 114,567 | 55,625 |
| Industrial gas applications | 35,442 | 28,546 | 31,139 |
| Energy & Chemicals Total | 388,018 | 318,510 | 323,676 |
| Distribution & Storage | | | |
| Bulk industrial gas applications | 204,214 | 241,291 | 219,189 |
| Packaged gas industrial applications | 164,966 | 158,293 | 149,156 |
| Liquefied natural gas applications | 209,626 | 193,032 | 107,231 |
| Distribution & Storage Total | 578,806 | 592,616 | 475,576 |
| BioMedical | | | |
| Respiratory therapy | 141,273 | 175,233 | 143,878 |
| Life sciences | 65,948 | 61,493 | 64,449 |
| Commercial oxygen generation | 18,907 | 29,586 | 6,573 |
| BioMedical Total | 226,128 | 266,312 | 214,900 |
| Total | $1,192,952 | $1,177,438 | $1,014,152 |

Geographic Information

Net sales by geographic area are reported by the destination of sales. Net property, plant and equipment by geographic area are reported by country of domicile.

| | Sales for the Year Ended December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| United States | $560,846 | $479,067 | $438,294 |
| Foreign | | | |
| China | 188,047 | 231,143 | 149,010 |
| Other foreign countries | 444,059 | 467,228 | 426,848 |
| Total Foreign | $632,106 | $698,371 | $575,858 |
| Total | $1,192,952 | $1,177,438 | $1,014,152 |

CHART INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(Dollars and shares in thousands, except per share amounts)

| | Property, plant and equipment, net as of December 31, | | |
|---|---|---|---|
| | 2014 | 2013 | 2012 |
| United States | $163,425 | $146,610 | $98,425 |
| Foreign | | | |
| Czech Republic | 22,511 | 23,623 | 21,559 |
| China | 57,580 | 38,569 | 34,158 |
| Germany | 13,495 | 14,618 | 14,402 |
| Other foreign countries | 634 | 785 | 1,232 |
| Total Foreign | $94,220 | $77,595 | $71,351 |
| Total | $257,645 | $224,205 | $169,776 |

NOTE 19 — Quarterly Data (Unaudited)

Selected quarterly data for the years ended December 31, 2014 and 2013 are as follows:

| | Year Ended December 31, 2014 | | | | |
|---|---|---|---|---|---|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| Sales | $266,240 | $306,810 | $293,841 | $326,061 | $1,192,952 |
| Gross profit | 77,546 | 92,181 | 91,233 | 96,894 | 357,854 |
| Operating income [1] | 22,146 | 34,044 | 40,355 | 41,612 | 138,157 |
| Net income | 12,339 | 20,371 | 23,152 | 27,210 | 83,072 |
| Net income attributable to Chart Industries, Inc. | 11,997 | 20,069 | 22,851 | 26,947 | 81,864 |
| Net income attributable to Chart Industries, Inc. per share—basic [2] | $0.40 | $0.66 | $0.75 | $0.89 | $2.69 |
| Net income attributable to Chart Industries, Inc. per share—diluted [2] | $0.38 | $0.65 | $0.74 | $0.88 | $2.67 |

| | Year Ended December 31, 2013 | | | | |
|---|---|---|---|---|---|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| Sales [3] | $273,648 | $298,266 | $301,757 | $303,767 | $1,177,438 |
| Gross profit | 79,450 | 89,806 | 88,645 | 93,822 | 351,723 |
| Operating income | 27,351 | 32,979 | 35,886 | 39,781 | 135,997 |
| Net income | 16,108 | 20,603 | 24,847 | 25,804 | 87,362 |
| Net income attributable to Chart Industries, Inc. | 15,535 | 20,000 | 24,445 | 23,196 | 83,176 |
| Net income attributable to Chart Industries, Inc. per share—basic | $0.52 | $0.66 | $0.81 | $0.76 | $2.75 |
| Net income attributable to Chart Industries, Inc. per share—diluted | $0.51 | $0.64 | $0.74 | $0.71 | $2.60 |

(1) Includes recovery of $5,003 increasing operating income during the fourth quarter of 2014 from an escrow settlement for alleged breaches of representations and warranties relating to warranty costs (which are in excess of the settlement amount) for certain product lines acquired from AirSep in 2012.

(2) Basic and diluted earnings per share are computed independently for each of the quarters presented. As such, the sum of quarterly basic and diluted earnings per share may not equal reported annual basic and diluted earnings per share.

(3) During the first and second quarters of 2013, AirSep added sales of $27,014 and $29,855, respectively. During the third quarter of 2013, incremental sales related to AirSep were $14,174.

CHART INDUSTRIES, INC. AND SUBSIDIARIES
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS
(Dollars in thousands)

| | Balance at beginning of period | Additions Charged to costs and expenses | Additions Charged to other accounts | | Deductions | | Translations | Balance at end of period |
|---|---|---|---|---|---|---|---|---|
| Year Ended December 31, 2014: | | | | | | | | |
| Allowance for doubtful accounts | $5,654 | $1,505 | $— | (1) | $(633) | (2) | $(51) | $6,475 |
| Allowance for obsolete and excess inventory | 6,556 | 4,087 | — | (1) | (5,158) | (3) | (252) | 5,233 |
| Deferred tax assets valuation allowance | 1,250 | 1,089 | — | | (290) | (4) | (67) | 1,982 |
| Year Ended December 31, 2013: | | | | | | | | |
| Allowance for doubtful accounts | $4,080 | $2,447 | $199 | (1) | $(1,149) | (2) | $77 | $5,654 |
| Allowance for obsolete and excess inventory | 4,078 | 2,010 | 675 | (1) | (313) | (3) | 106 | 6,556 |
| Deferred tax assets valuation allowance | 1,766 | 339 | — | | (879) | (4) | 24 | 1,250 |
| Year Ended December 31, 2012: | | | | | | | | |
| Allowance for doubtful accounts | $2,360 | $3,067 | $930 | (1) | $(2,289) | (2) | $12 | $4,080 |
| Allowance for obsolete and excess inventory | 3,191 | 2,507 | 1,085 | | (2,732) | (3) | 27 | 4,078 |
| Deferred tax assets valuation allowance | 1,869 | 1,251 | — | | (1,362) | (4) | 8 | 1,766 |

(1) Reserves at date of acquisition of subsidiary or subsidiaries.
(2) Reversal of amounts previously recorded as bad debt and uncollectible accounts written off.
(3) Inventory items written off against the allowance.
(4) Deductions to the deferred tax assets valuation allowance relate to decreased deferred tax assets and the release of the valuation allowance.

INDEX TO EXHIBITS

| Exhibit No. | Description |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Amendment No. 5 to the Registrant's Registration Statement on Form S-1 (File No. 333-133254)). |
| 3.2 | Amended and Restated By-Laws, as amended (incorporated by reference to Exhibit 3.1 to the Registrant's current report on Form 8-K, filed with the SEC on December 19, 2008 (File No. 001-11442)). |
| 4.1 | Form of Certificate (incorporated by reference to Exhibit 4.1 to Amendment No. 4 to the Registrant's Registration Statement on Form S-1 (File No. 333-133254)). |
| 4.2 | Indenture, dated August 3, 2011 by and between Chart Industries, Inc. and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 5, 2011 (File No. 001-11442)). |
| 4.3 | Supplemental Indenture, dated August 3, 2011 by and between Chart Industries, Inc. and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the SEC on August 5, 2011(File No. 001-11442)). |
| 4.4 | Form of 2.00% Convertible Senior Subordinated Notes due 2018 (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed with the SEC on August 5, 2011 (File No. 001-11442)). |
| 10.1 | Form of Amended and Restated Management Stockholders Agreement (incorporated by reference to Exhibit 10.10 to Amendment No. 3 to the Registrant's Registration Statement on Form S-1 (File No. 333-133254)). |
| 10.2 | Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.2.1 | Form of Restricted Stock Unit Agreement (for non-employee directors) under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.22 to Amendment No. 4 to the Registrant's Registration Statement on Form S-1 (File No. 333-133254)).* |
| 10.2.2 | Form of 2009 Performance Unit Agreement under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.3.5 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.2.3 | Form of Nonqualified Stock Option Agreement (2007 and 2008 grants) under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant's current report on Form 8-K, filed with the SEC on August 7, 2007 (File No. 001-11442)).* |
| 10.2.4 | Form of Nonqualified Stock Option Agreement (2009 grants) under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.3.7 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |

| | |
|---|---|
| 10.2.5 | Forms of Stock Award Agreement and Deferral Election Form (for non-employee directors) (2008 grants) under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.4.6 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2007 (File No. 001-11442)).* |
| 10.2.6 | Forms of Stock Award Agreement and Deferral Election Form (for non-employee directors) (2009 grants) under the Amended and Restated Chart Industries, Inc. 2005 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (File No. 001-11442)).* |
| 10.3 | Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Appendix A to the Registrant's definitive proxy statement filed with the Securities and Exchange Commission on April 10, 2012 (File No. 001-11442)).* |
| 10.3.1 | Amendment No. 1 to the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 (File No. 001-11442)).* |
| 10.3.2 | Form of Nonqualified Stock Option Agreement (2010 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.4.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2009 (File No. 001-11442)).* |

| | |
|---|---|
| 10.3.3 | Form of Restricted Stock Agreement (2010 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.4.2 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2009 (File No. 001-11442)).* |
| 10.3.4 | Forms of Stock Award Agreement and Deferral Election Form (for eligible directors) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.4.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2009 (File No. 001-11442)).* |
| 10.3.5 | Form of Nonqualified Stock Option Agreement (2011 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.4 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 (File No. 001-11442)).* |
| 10.3.6 | Form of Restricted Stock Agreement (2011 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.5 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 (File No. 001-11442)).* |
| 10.3.7 | Form of Performance Unit Agreement (2011 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.6 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 (File No. 001-11442)).* |
| 10.3.8 | Form of Leveraged Restricted Share Unit Agreement (2012 and 2013 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2012 (File No. 001-11442)).* |
| 10.3.9 | Form of Nonqualified Stock Option Agreement (2012 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.8 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 (File No. 001-11442)).* |
| 10.3.10 | Form of Performance Unit Agreement (2012 grants) under the Chart Industries, Inc. 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.9 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 (File No. 001-11442)).* |
| 10.3.11 | Form of Nonqualified Stock Option Agreement (2013 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.11 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 001-11442)).* |
| 10.3.12 | Form of Performance Unit Agreement (2013 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.12 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 001-11442)).* |
| 10.3.13 | Form of Nonqualified Stock Option Agreement (2014 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.13 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-11442)).* |
| 10.3.14 | Form of Performance Unit Agreement (2014 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.14 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-11442)).* |
| 10.3.15 | |

| | |
|---|---|
| | Form of Leveraged Restricted Share Unit Agreement (2014 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan (incorporated by reference to Exhibit 10.3.15 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-11442)).* |
| 10.3.16 | Form of Nonqualified Stock Option Agreement (2015 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan.* (x) |
| 10.3.17 | Form of Performance Unit Agreement (2015 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan.* (x) |
| 10.3.18 | Form of Restricted Stock Unit Agreement (2015 grants) under the Chart Industries, Inc. Amended and Restated 2009 Omnibus Equity Plan.* (x) |
| 10.4 | Amended and Restated Chart Industries, Inc. Voluntary Deferred Income Plan (incorporated by reference to Exhibit 10.1 to the Registrant's current report on Form 8-K, filed with the SEC on June 28, 2010 (File No. 001-11442)).* |
| 10.5 | Chart Industries, Inc. 2009 Incentive Compensation Plan (incorporated by reference to Appendix B to the Registrant's definitive proxy statement filed with the Securities and Exchange Commission on April 7, 2009 (File No. 001-11442)).* |

| | |
|---|---|
| 10.6 | Second Amended and Restated Credit Agreement, dated October 29, 2014, among Chart Industries, Inc., Chart Industries Luxembourg S.à r.l., Chart Asia Investment Company Limited, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A. as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on November 3, 2014 (File No. 001-11442)). |
| 10.7 | Employment Agreement, dated February 26, 2008, by and between Registrant and Samuel F. Thomas (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-11442)).* |
| 10.7.1 | Amendment No. 1, effective January 1, 2009, to the Employment Agreement dated February 26, 2008 by and between Registrant and Samuel F. Thomas (incorporated by reference to Exhibit 10.9.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.7.2 | Amendment No. 2, effective January 1, 2010, to the Employment Agreement dated February 26, 2008 by and between Registrant and Samuel F. Thomas (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (File No. 001-11442)).* |
| 10.7.3 | Amendment No. 3, dated January 1, 2012, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Samuel F. Thomas (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2012 (File No. 001-11442)). * |
| 10.7.4 | Amendment No. 4, dated January 1, 2013, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Samuel F. Thomas (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 4, 2013 (File No. 001-11442)). * |
| 10.7.5 | Amendment No. 5, dated January 1, 2014, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Samuel F. Thomas (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 6, 2014 (File No. 001-11442)). * |
| 10.8 | Employment Agreement, dated February 26, 2008, by and between Registrant and Michael F. Biehl (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-11442)).* |
| 10.8.1 | Amendment No. 1, effective January 1, 2009, to the Employment Agreement dated February 26, 2008 by and between Registrant and Michael F. Biehl (incorporated by reference to Exhibit 10.10.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.8.2 | Amendment No. 2, dated January 1, 2012, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Michael F. Biehl (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2012 (File No. 001-11442)).* |
| 10.8.3 | Amendment No. 3, dated January 1, 2013, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Michael F. Biehl (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on January 4, 2013 (File No. 001-11442)).* |
| 10.8.4 | Amendment No. 4, dated January 1, 2014, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Michael F. Biehl (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on January 6, 2014 (File No. 001-11442)).* |
| 10.9 | |

| | |
|---|---|
| | Employment Agreement, dated February 26, 2008, by and between Registrant and Matthew J. Klaben (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-11442)).* |
| 10.9.1 | Amendment No. 1, effective January 1, 2009, to the Employment Agreement dated February 26, 2008 by and between Registrant and Matthew J. Klaben (incorporated by reference to Exhibit 10.11.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.9.2 | Amendment No. 2, dated January 1, 2012, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Matthew J. Klaben (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2012 (File No. 001-11442)).* |
| 10.9.3 | Amendment No. 3, dated January 1, 2013, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Matthew J. Klaben (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on January 4, 2013 (File No. 001-11442)).* |
| 10.9.4 | Amendment No. 4, dated January 1, 2014, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Matthew J. Klaben (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on January 6, 2014 (File No. 001-11442)).* |
| 10.10 | Employment Agreement, dated February 26, 2008, by and between Registrant and Kenneth J. Webster (incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-11442)).* |

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| 10.10.1 | Amendment No. 1, effective January 1, 2009, to the Employment Agreement dated February 26, 2008 by and between Registrant and Kenneth J. Webster (incorporated by reference to Exhibit 10.13.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-11442)).* |
| 10.10.2 | Amendment No. 2, effective January 1, 2010, to the Employment Agreement dated February 26, 2008 by and between Registrant and Kenneth J. Webster (incorporated by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 (File No. 001-11442)).* |
| 10.10.3 | Amendment No. 3, dated January 1, 2012, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Kenneth J. Webster (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on January 5, 2012 (File No. 001-11442)).* |
| 10.10.4 | Amendment No. 4, dated January 1, 2013, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Kenneth J. Webster (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on January 4, 2013 (File No. 001-11442)).* |
| 10.10.5 | Amendment No. 5, dated January 1, 2014, to the Employment Agreement dated February 26, 2008 by and between Chart Industries, Inc. and Kenneth J. Webster (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on January 6, 2014 (File No. 001-11442)).* |
| 10.11 | Form of Indemnification Agreement (incorporated by reference to Exhibit 10.20 to the Registrant's Registration Statement on Form S-1 (File No. 333-133254)). |
| 10.12 | IAM Agreement 2013-2018, effective February 3, 2013, by and between Chart Energy & Chemicals, Inc. and Local Lodge 2191 of District Lodge 66 of the International Association of Machinists and Aerospace Workers, AFL-CIO (incorporated by reference to Exhibit 10.14 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-11442)). |
| 10.13 | Base Call Option Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, 2011(File No. 001-11442)). |
| 10.13.1 | Base Call Option Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and Morgan Stanley & Co. International plc (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, 2011(File No. 001-11442)). |
| 10.13.2 | Base Warrants Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, 2011 (File No. 001-11442)). |
| 10.13.3 | Base Warrants Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and Morgan Stanley & Co. International plc (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, 2011(File No. 001-11442)). |
| 10.13.4 | Base Capped Call Option Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and JPMorgan Chase Bank, National Association, London Branch (incorporated by reference to Exhibit 10.5 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, |

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| | 2011(File No. 001-11442)). |
| 10.13.5 | Base Capped Call Option Transaction Confirmation, dated as of July 28, 2011, by and between Chart Industries, Inc. and Morgan Stanley & Co. International plc (incorporated by reference to Exhibit 10.6 to the Registrant's Current Report on Form 8-K filed with the SEC on August 3, 2011(File No. 001-11442)). |
| 10.14 | Agreement and Plan of Merger, dated as of July 23, 2012 by and among Chart Inc., Bison Corp., AirSep Corporation, Joseph L. Priest, as Representative, for purposes of Section 4.10 only, Joseph L. Priest and Ravinder K. Bansal, and for purposes of Section 9.14 only, Chart Industries, Inc. (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on 8-K filed with the SEC on July 23, 2012 (File No. 001-11442)). |
| 10.14.1 | Amendment No. 1 to Agreement and Plan of Merger, dated as of August 30, 2012 by and among Chart Inc., Bison Corp., AirSep Corporation, Joseph L. Priest, as Representative, for purposes of Section 4.10 only, Joseph L. Priest and Ravinder K. Bansal, and for purposes of Section 9.14 only, Chart Industries, Inc. (incorporated by reference to Exhibit 2.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 (File No. 001-11442)). |
| 10.15 | Chart Industries, Inc. Cash Incentive Plan (incorporated by reference to Appendix A to the Registrant's definitive proxy statement filed with the SEC on April 8, 2014 (File No. 001-11442)).* |
| 21.1 | List of Subsidiaries. (x) |
| 23.1 | Consent of Independent Registered Public Accounting Firm. (x) |

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| 31.1 | Rule 13a-14(a) Certification of the Company's Chief Financial Officer. (x) |
| 31.2 | Rule 13a-14(a) Certification of the Company's Chief Executive Officer. (x) |
| 32.1 | Section 1350 Certification of the Company's Chief Financial Officer. (xx) |
| 32.2 | Section 1350 Certification of the Company's Chief Executive Officer. (xx) |
| 101.INS | XBRL Instance Document (xxx) |
| 101.SCH | XBRL Taxonomy Extension Schema Document (xxx) |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document (xxx) |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document (xxx) |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document (xxx) |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document (xxx) |

(x) Filed herewith.

(xx) Furnished herewith.

(xxx) In accordance with Rule 406T of Regulation S-T, the XBRL related information in Exhibit 101 to this Form 10-K shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, and shall not be part of any registration statement or other document filed under the Securities Act of 1933 or Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

* Management contract or compensatory plan or arrangement.