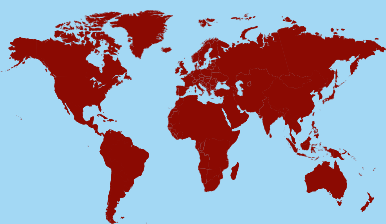


ENERFLEX

QUARTERLY REPORT FOR
FIRST THREE MONTHS
ENDED MARCH 31, 2014



snapshot

First Quarter Highlights:

- Generated revenue of \$332.4 million in the first quarter of 2014 compared to \$353.3 million in 2013;
- In the first quarter of 2014, recorded net earnings from continuing operations of \$8.9 million, compared to \$15.4 million in 2013, a decrease of \$6.5 million compared to the first quarter of 2013;
- Generated cash from operations totalling \$46.6 million in the first quarter of 2014 compared to \$9.2 million in cash used in operations in the prior year; and
- Exited the quarter with a backlog of \$801.9 million, which was \$198.7 million or 32.9% higher than the first quarter 2013. Sequentially, backlog has increased by \$7.9 million since December 31, 2013 year-end.

fast facts

Year established
1980

Business
Oil and Gas Service

Head Office
Calgary

Employees
2,900

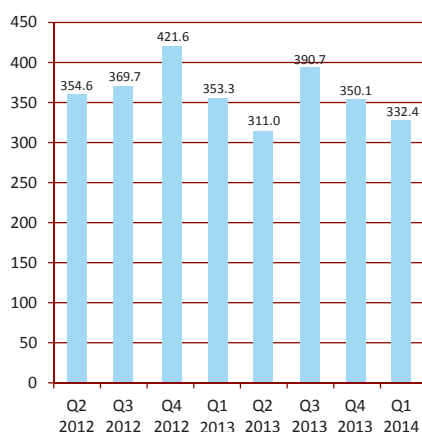
TSX
EFX

Enerflex is a single-source supplier for natural gas compression, oil and gas processing, refrigeration systems and electric power equipment – plus in-house engineering and mechanical services expertise. The Company's broad in-house resources provide the capability to engineer, design, manufacture, construct, commission and service hydrocarbon handling systems. Enerflex's expertise encompasses field production facilities, compression and natural gas processing plants, CO₂ processing plants, refrigeration systems and electric power serving the natural gas production industry.

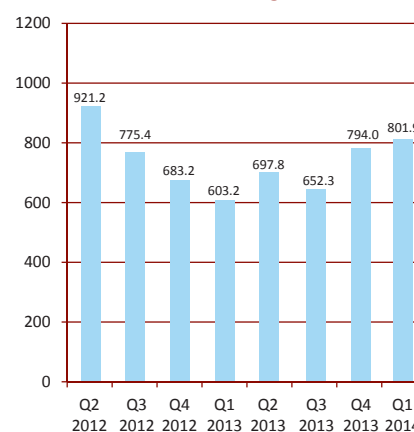
Three Month Highlight Table

\$ million, except per share amounts and percentages (unaudited)	Three Months Ended March 31,		
	2014	2013	% change
Revenue			
Canada and Northern U.S.	\$ 142.0	\$ 120.0	18.3
Southern U.S. and Latin America	118.7	115.4	2.9
International	71.7	117.9	(39.1)
Total revenue	332.4	353.3	(5.9)
Gross margin	51.3	61.0	(15.9)
Gross margin %	15.4	17.3	—
EBIT	10.1	22.8	(55.7)
EBITDA ⁽¹⁾	20.0	32.6	(38.7)
Net earnings (loss)			
Continuing	4.0	15.4	(74.0)
Discontinued	—	(0.5)	100.0
Earnings per share			
Continuing	0.05	0.20	(75.0)
Discontinued	—	(0.01)	100.0
Cash from operations	46.6	(9.2)	606.5

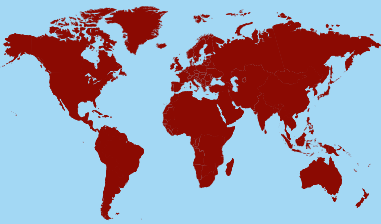
Revenue



Backlog ⁽¹⁾



⁽¹⁾ Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA"), and Backlog are non-GAAP measures that do not have a standardized meaning and therefore are unlikely to be comparable to similar measures presented by other issuers.



ENERFLEX

QUARTERLY REPORT FOR
FIRST THREE MONTHS
ENDED MARCH 31, 2014



officers

J. Blair Goertzen

Director
Officer of the Corporation
President and Chief Executive Officer
Calgary, AB

D. James Harbilas

Officer of the Corporation
Executive Vice President and
Chief Financial Officer
Calgary, AB

Jerauld Fraelic

Officer of the Corporation
President, Americas
Houston, TX

Bradley Beebe

Officer of the Corporation
President, Canada
Calgary, AB

William Moore

Officer of the Corporation
President, International
Calgary, AB

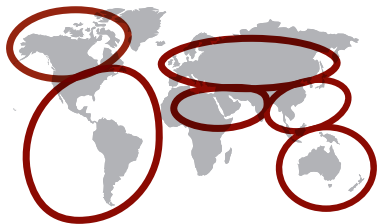
Greg Stewart

Officer of the Corporation
Senior Vice President Corporate Services
and Chief Information Officer
Calgary, AB

Carol Ionel

Officer of the Corporation
Vice President, Human Resources
Calgary, AB

operations



Canada
United States
Colombia
Australia
United Kingdom
Russia
United Arab Emirates
Oman
Bahrain
Indonesia
Singapore
Malaysia

Business Segment Review

Engineered Systems – Engineers, fabricates and assembles standard and custom-designed compression packages, production and processing equipment and facilities, and electric power systems.

Service – Provides a complete line of mechanical services to the oil and gas industry through an extensive branch network in Canada, the United States, Australia, Indonesia and MENA.

Rentals – Provides a variety of rental and leasing alternatives for natural gas compression and electric power equipment.

Canada and Northern U.S.

Three Months Ended March 31,

(Unaudited)(\$Millions, except percentages)

	2014	2013	% change
Revenue	\$ 142.0	\$ 120.0	18.3
Engineered Systems	82.7	64.4	28.4
Service	45.2	40.4	11.9
Rental	14.1	15.2	(7.2)
EBIT	\$ 3.7	\$ 3.5	5.7
EBIT %	2.6	2.9	-

Southern U.S. and Latin America

Three Months Ended March 31,

(Unaudited)(\$Millions, except percentages)

	2014	2013	% change
Revenue	\$ 118.7	\$ 115.4	2.9
Engineered Systems	100.2	103.4	(3.1)
Service	18.5	12.0	54.2
EBIT	\$ 14.0	\$ 13.2	6.1
EBIT %	11.8	11.5	-

International

Three Months Ended March 31,

(Unaudited)(\$Millions, except percentages)

	2014	2013	% change
Revenue	\$ 71.7	\$ 117.9	(39.2)
Engineered Systems	47.1	101.6	(53.6)
Service	24.2	15.4	57.1
Rental	0.4	0.9	(55.6)
EBIT	\$ (7.7)	\$ 6.1	(226.2)
EBIT %	(10.7)	5.2	-

Regional Update

Canada and Northern U.S.

- Bookings in the first quarter of 2014 increased due to improving market fundamentals and increased domestic demand.
- Expansion into the Alberta oil sands and the electric power market have translated into increased bookings in this segment compared to the same period of 2013.

Southern U.S. and Latin America

- Market fundamentals in the Southern U.S. have remained steady despite weak NGL prices, resulting in higher domestic bookings in the first quarter of 2014 compared to the same period in 2013.
- Service revenue increased by 54.2% compared to the first quarter of 2013 as a result of increased service calls and part sales in 2014.

International

- Increased activity in the AustralAsia region has led to a \$33.9 million increase in bookings in the first quarter of 2014 compared to the first quarter of 2013.
- Continued to build on a sales presence in Southeast Asia through our offices in Singapore and Malaysia.

Quarterly Graph

Earnings Per Share

** EPS amounts are on a continuing basis.

