
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 3, 2016**

SPX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-6948
(Commission
File Number)

38-1016240
(IRS Employer
Identification No.)

13320-A Ballantyne Corporate Place
Charlotte, North Carolina 28277
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(980) 474-3700**

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On November 3, 2016, SPX Corporation (the “Company”) issued the press release attached as Exhibit 99.1 hereto and incorporated herein by reference.

The press release incorporated by reference into this Item 2.02 contains disclosure regarding Core revenue and Core segment income (loss), defined as consolidated revenue and total segment income (loss) for the Company excluding the results of the South African projects. The Company’s South African projects have a finite life and, thus, are expected to have a diminishing impact on the Company’s operating results over the long-term. The Company’s management believes it is useful to disclose consolidated revenue and total segment income (loss) without the results of its South African projects to provide investors with metrics that the Company’s management uses to measure the overall performance of its businesses. Core revenue and Core segment income (loss) do not provide investors with an accurate measure of, and should not be used as substitutes for, the Company’s consolidated revenue, total operating income (loss), and total segment income (loss), as determined in accordance with accounting principles generally accepted in the United States (“GAAP”), and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding Base Power revenue and Base Power income (loss), defined as revenue and segment income (loss) for the Company’s Power reportable segment excluding the results of the South African projects. The Company’s South African projects have a finite life and, thus, are expected to have a diminishing impact on the Company’s Power reportable segment operating results over the long-term. The Company’s management believes it is useful to disclose revenues and income (loss) for the Company’s Power reportable segment without the results of its South African projects to provide investors with metrics that the Company’s management uses to measure performance of the Power reportable segment. Base Power revenue and Base Power income (loss) do not provide investors with an accurate measure of, and should not be used as substitutes for, revenue and segment income (loss) of the Company’s Power reportable segment.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding adjusted operating income (loss) and adjusted earnings (loss) per share, defined as operating income (loss) and diluted net income (loss) per share from continuing operations excluding the following items: (a) results of the South African projects, (b) non-service pension and postretirement expense (income), (c) certain corporate expenses related to the spin-off of SPX FLOW, Inc., (d) gain (loss) related to acquisitions/divestitures, and (e) non-cash intangible impairment charges, as applicable, (f) non-cash charges associated with early extinguishment of debt and (g) the income tax impact of items (a) through (f). In addition to the Company’s South African projects, the Company’s management views the impact related to each of the other items as not indicative of the Company’s ongoing performance. The Company believes that inclusion of only the service cost and prior service cost components of pension and postretirement expense better reflects the ongoing costs of providing pension and postretirement benefits to its employees. Other components of GAAP pension and postretirement expense (income) are mainly driven by market performance, and the Company manages these separately from the operational performance of its business. The Company believes adjusted operating income (loss) and adjusted earnings (loss) per share, when read in conjunction with operating income (loss) and diluted net income (loss) per share from continuing operations, gives investors a useful tool to assess and understand the Company’s overall financial performance, because they exclude items of income or expense that the Company believes are not reflective of its ongoing operating performance, allowing for a better period-to-period comparison of operations of the Company. Additionally, the Company’s management uses adjusted operating income (loss) and adjusted earnings (loss) per share as measures of the Company’s performance. The adjusted operating income (loss) and adjusted earnings (loss) per share measures do not provide investors with an accurate measure of the actual operating income (loss) and diluted net income (loss) per share from continuing operations reported by the Company and should not be considered as substitutes for operating income (loss) and diluted net income (loss) per share from continuing operations, as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding organic revenue growth (decline) and Base Power organic revenue growth (decline), defined as revenue growth (decline)

excluding the effects of foreign currency fluctuations and acquisitions/divestitures, as applicable. The Company's management believes that organic revenue growth (decline) is a useful financial measure for investors in evaluating operating performance for the periods presented, because excluding the effect of currency fluctuations and acquisitions/divestitures, when read in conjunction with the Company's revenues, presents a useful tool to evaluate the Company's ongoing operations and provides investors with a tool they can use to evaluate the Company's management of assets held from period to period. In addition, organic revenue growth (decline) is one of the factors the Company's management uses in internal evaluations of the overall performance of its business. This metric, however, should not be considered a substitute for revenue growth (decline), as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding free cash flow from (used in) continuing operations, defined as net cash from (used in) continuing operations less capital expenditures of continuing operations. The Company's management believes that free cash flow from (used in) continuing operations is a useful financial measure for investors in evaluating the cash flow performance of multi-industrial companies, since it provides insight into the cash flow available to fund such things as mandatory and discretionary debt reduction, equity repurchases, and acquisitions or other strategic investments. Free cash flow from (used in) continuing operations is not a measure of financial performance under GAAP. This measure should not be considered a substitute for net cash flow from (used in) continuing operations, as determined in accordance with GAAP, but rather should be used in combination with cash flows from (used in) operating activities, as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

Refer to the tables included in the press release for the components of each of the Company's non-GAAP numbers referred to above, and for the reconciliations of these numbers to their respective comparable GAAP measures.

The information in this Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Report shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release issued November 3, 2016, furnished solely pursuant to Item 2.02 of Form 8-K

SIGNATURES

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

SPX CORPORATION

(Registrant)

Date: November 3, 2016

By: /s/ Scott W. Sproule

Scott W. Sproule

Vice President, Chief Financial Officer and

Treasurer

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EXHIBIT INDEX

Exhibit Number

Description

99.1

Press Release issued November 3, 2016, furnished solely pursuant to Item 2.02 of Form 8-K

SPX Reports Third Quarter 2016 Results**Q3 GAAP EPS of \$0.06; Adjusted EPS* of \$0.14
Transformer Strength Offset by Headwinds in Power Generation and HVAC Heating
Narrowing Full-Year Adjusted EPS* Range to \$1.00-\$1.20**

CHARLOTTE, N.C., November 3, 2016 /Globe Newswire/ -- SPX Corporation (NYSE:SPXC) today reported results for the quarter ended October 1, 2016.

To provide clarity to its operating results, the company reports “Core” and “Base Power” results, which exclude the effect of the South African projects, and separately reports on the progress and results associated with the South African projects. Additionally, as they are either non-recurring or non-cash in nature, an adjustment to the gain on the sale of the company’s Dry Cooling business, and non-service pension items have been adjusted out of operating income and earnings per share. A loss on early extinguishment of debt has also been excluded in calculating adjusted earnings per share.

Gene Lowe, President and CEO, remarked, “Overall, I’m proud of our company’s execution for the quarter in the face of headwinds in certain end markets. Our strategic platforms continued to perform well and the operational initiatives we have been implementing across our company have helped to drive structural improvements in the margin profile of our businesses. While HVAC heating orders were softer than anticipated, our net profit for the third quarter was roughly in-line with our internal forecast.”

Third Quarter 2016 Overview:

For the third quarter of 2016 the company reported revenue of \$385.2 million and operating income of \$7.1 million, compared with \$374.1 million and a \$113.6 million operating loss, respectively, in the third quarter of 2015. Net earnings per share from continuing operations were \$0.06.

SPX Core revenue* was \$359.8 million and adjusted operating income* was \$10.0 million, compared with \$410.5 million and \$14.2 million, respectively, in the third quarter of 2015. Adjusted earnings per share* for the third quarter of 2016 were \$0.14.

Third Quarter Financial Comparisons:

GAAP Results†:

(\$ millions)	Q3 2016	Q3 2015	2016 YTD	2015 YTD
Revenue	\$385.2	\$374.1	\$1,187.4	\$1,209.8
Segment Income (Loss)	21.2	(64.7)	70.0	(29.5)
Operating Income (Loss)	7.1	(113.6)	37.1	(166.9)

Adjusted Results†:

(\$ millions)	Q3 2016	Q3 2015	2016 YTD	2015 YTD
Core Revenue*	\$359.8	\$410.5	\$1,121.9	\$1,205.8
Core Segment Income*	24.7	33.5	79.8	85.4
Adjusted Operating Income*	10.0	14.2	37.6	30.5

†The results of SPX FLOW, Inc. are recorded in discontinued operations for 2015.

*Non-GAAP number. See attached schedules for reconciliation to most comparable GAAP number.

HVAC

Revenue for Q3 2016 was \$116.9 million, compared with \$142.7 million in Q3 2015, a decrease of 18.1%. Excluding the effect of currency fluctuations, organic revenue* decreased 16.8%, due primarily to lower heating sales and the absence of a high value cooling project completed in the prior-year period.

Segment income was \$15.6 million, or 13.3% of revenue, in Q3 2016, compared with \$23.5 million, or 16.5% of revenue, in Q3 2015. The decrease in Segment income margins of approximately 320 basis points was driven by the high value cooling project in the prior-year period and the operating leverage effect of lower revenues, partially offset by operational efficiencies within the heating and cooling product lines. Segment income margins declined only 70 basis points excluding the effect of the Q3 2015 high value project.

Detection & Measurement

Revenue for Q3 2016 was \$52.3 million, compared with \$55.9 million in Q3 2015, a decrease of 6.4%. Excluding the effect of currency fluctuations, organic revenue* decreased 3.5% primarily reflecting a decrease in sales of communication technologies products, partially offset by an increase in sales of bus fare collection systems and specialty lighting products.

Segment income was \$7.8 million in Q3 2016, compared with \$8.3 million in Q3 2015. Segment income margins of 14.9% were similar to the prior year period.

Power

Revenue for Q3 2016 was \$216.0 million, compared with \$175.5 million in Q3 2015, an increase of 23.1%. The increase was driven primarily by the fact that Q3 2015 includes the impact of a revision to expected revenues and profits of the large South African projects. The effect of the revenue revision was partially offset by the sale of our Dry Cooling business in Q1 2016 as well as the impact of a stronger U.S. dollar during Q3 2016.

Segment loss was \$2.2 million, or (1.0%) of revenue, in Q3 2016, compared with a segment loss of \$96.5 million, or (55.0%) of revenue, in Q3 2015. Losses for the segment in the year-ago period include a \$95.0 million effect from the aforementioned revision to expected revenues and profits of the large South African projects.

Base Power

Base Power, which excluded the results of the South African projects, recorded revenue* for Q3 2016 of \$190.6 million, compared with \$211.9 million in Q3 2015, a decrease of 10.1%. Excluding the effect of currency fluctuations and the disposition of the Dry Cooling business, organic revenue* was similar to the prior-year period, with increased sales of Transformer products offset by declines in Power Generation sales.

Base Power income* was \$1.3 million, or 0.7% of revenue, in Q3 2016, compared with \$1.7 million, or 0.8% of revenue, in Q3 2015, with losses in our Power Generation businesses offsetting stronger profit performance in our Transformer business.

South African Projects

Revenue attributable to the large South African projects for Q3 2016 was \$25.4 million, compared with \$(36.4) million in Q3 2015. Losses for these projects recorded in our Power segment in Q3 2016 were \$3.5 million, compared with a loss of \$98.2 million in Q3 2015.

Financial Update:

As of October 1, 2016, SPX had total outstanding debt of \$364.0 million and total cash and equivalents of \$83.4 million. During the third quarter of 2016, free cash flow used in continuing operations* totaled \$10.1 million and included cash used for the South African projects of \$9.8 million. Net leverage as calculated under the company's bank credit agreement was 2.6x.

Adjusting 2016 Guidance:

SPX is adjusting its 2016 guidance for Core revenue* to a range of \$1.5 billion to \$1.6 billion from the previous range of \$1.5 billion to \$1.7 billion. We expect Core segment income margin* to be towards the lower end of the previously provided range of 9% to 10%. We also expect adjusted operating income* to be towards the lower end of the previously provided range of \$80 to \$100 million. SPX is narrowing its adjusted earnings per share* range to \$1.00 to \$1.20 from \$0.95 to \$1.25.

Segment performance on a year-over-year basis is expected to be as follows:

	Revenue Growth	Segment Income Margin %
HVAC	Flattish organic revenue with variability based on winter heating demand	Approaching 16%
Detection & Measurement	Organic growth rate at lower end of long term target of 2-6%; variability driven by project-related revenue	20-21%
Base Power	Modest increase in Transformer business more than offset by decline in Power Generation, including the effect of the sale of Dry Cooling	At least 200 bps improvement in Transformer business margin; Continued challenges in Power Generation operating environment

Note: Changes in guidance highlighted in **bold**

Mr. Lowe commented further, "We are pleased with the operational efficiencies and solid margin performance we have been driving throughout the company. Our year-to-date net profit result is within the expectations we laid out

early in the year, with improvement in our strategic platforms offset by challenging conditions in power generation markets. While winter demand for heating products and the timing of certain project-related revenues will influence our full-year segment results, the strong performance of our Transformer business, traction related to cost-reductions in Power Generation and a lower expected tax rate leave us confident in our full-year midpoint adjusted EPS guidance of \$1.10, as well as our leverage and liquidity targets for 2016.”

Form 10-Q: The company expects to file its quarterly report on Form 10-Q for the quarter ended October 1, 2016 with the Securities and Exchange Commission on or before November 10, 2016. This press release should be read in conjunction with that filing, which will be available on the company's website at www.spx.com, in the Investor Relations section.

Conference Call: SPX will host a conference call at 4:45 p.m. (EDT) today to discuss third quarter results and 2016 financial guidance. The call will be simultaneously webcast via the company's website at www.spx.com and the slide presentation will be available in the Investor Relations section of the site.

Conference call

Dial in: 877-341-7727

From outside the United States: +1 262-558-6098

Participant code: 98490756

A replay of the call will be available by telephone through Thursday, November 10th.

To listen to a replay of the call

Dial in: 855-859-2056

From outside the United States: +1 404-537-3406

Participant code: 98490756

Upcoming Investor Events: SPX plans to meet with investors in November during roadshows and will participate in the Credit Suisse Annual Industrials Conference in Palm Beach, Florida on December 1st.

About SPX Corporation: Based in Charlotte, North Carolina, SPX Corporation is a leading supplier of highly engineered HVAC products, detection and measurement technologies and power equipment. With operations in about 20 countries, SPX Corporation had approximately \$1.7 billion in annual revenue in 2015 and approximately 6,000 employees worldwide. SPX Corporation is listed on the New York Stock Exchange under the ticker symbol "SPXC." For more information, please visit www.spx.com.

*Non-GAAP number. See attached schedules for reconciliation to most comparable GAAP number.

Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Please read these results in conjunction with the company's documents filed with the Securities and Exchange Commission, including the company's annual reports on Form 10-K, and any amendments thereto, and quarterly reports on Form 10-Q. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements. Actual results may differ materially from these statements. The words "believe", "expect," "anticipate," "project" and similar expressions identify forward-looking statements. Although the company believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. In addition, estimates of future operating results are based on the company's existing operations and complement of businesses, which are subject to change.

Statements in this press release speak only as of the date of this press release, and SPX disclaims any responsibility to update or revise such statements.

SOURCE SPX Corporation.

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SPX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

	Three months ended		Nine months ended	
	October 1, 2016	September 26, 2015	October 1, 2016	September 26, 2015
Revenues	\$ 385.2	\$ 374.1	\$ 1,187.4	\$ 1,209.8
Costs and expenses:				
Cost of products sold	301.2	371.2	918.8	1,036.4
Selling, general and administrative	76.3	106.8	239.5	322.4
Intangible amortization	0.8	1.3	2.6	3.9
Special charges, net	1.5	8.4	3.8	14.0
Impairment of intangible assets	—	—	4.0	—
Gain on sale of dry cooling business	1.7	—	18.4	—
Operating income (loss)	7.1	(113.6)	37.1	(166.9)
Other income (expense), net	0.3	(4.6)	0.6	(7.5)
Interest expense	(3.8)	(6.3)	(11.1)	(18.5)
Interest income	—	0.4	0.4	1.3
Loss on early extinguishment of debt	(1.3)	(1.4)	(1.3)	(1.4)
Equity earnings in joint ventures	0.3	0.3	1.1	0.8
Income (loss) from continuing operations before income taxes	2.6	(125.2)	26.8	(192.2)
Income tax (provision) benefit	—	(5.5)	(6.1)	8.6
Income (loss) from continuing operations	2.6	(130.7)	20.7	(183.6)
Income from discontinued operations, net of tax	—	0.7	—	80.8
Loss on disposition of discontinued operations, net of tax	(0.7)	(0.6)	(2.2)	(1.5)
Income (loss) from discontinued operations, net of tax	(0.7)	0.1	(2.2)	79.3
Net income (loss)	1.9	(130.6)	18.5	(104.3)
Less: Net loss attributable to redeemable noncontrolling interests	—	(25.6)	(0.4)	(31.1)
Net income (loss) attributable to SPX Corporation common shareholders	\$ 1.9	\$ (105.0)	\$ 18.9	\$ (73.2)
Adjustment related to redeemable noncontrolling interest	—	—	(18.1)	—
Net income (loss) attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	\$ 1.9	\$ (105.0)	\$ 0.8	\$ (73.2)
Amounts attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest:				
Income (loss) from continuing operations, net of tax	\$ 2.6	\$ (105.1)	\$ 3.0	\$ (153.4)
Income (loss) from discontinued operations, net of tax	(0.7)	0.1	(2.2)	80.2
Net income (loss)	\$ 1.9	\$ (105.0)	\$ 0.8	\$ (73.2)
Basic income (loss) per share of common stock:				
Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	\$ 0.06	\$ (2.58)	\$ 0.07	\$ (3.78)
Income (loss) from discontinued operations attributable to SPX Corporation common shareholders	(0.02)	—	(0.05)	1.98
Net income (loss) per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	\$ 0.04	\$ (2.58)	\$ 0.02	\$ (1.80)
Weighted-average number of common shares outstanding — basic	41.721	40.663	41.537	40.590
Diluted income (loss) per share of common stock:				
Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	\$ 0.06	\$ (2.58)	\$ 0.07	\$ (3.78)
Income (loss) from discontinued operations attributable to SPX Corporation common shareholders	(0.02)	—	(0.05)	1.98
Net income (loss) per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest	\$ 0.04	\$ (2.58)	\$ 0.02	\$ (1.80)
Weighted-average number of common shares outstanding — diluted	42.475	40.663	41.884	40.590

SPX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions)

	October 1, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and equivalents	\$ 83.4	\$ 101.4
Accounts receivable, net	318.0	367.0
Inventories, net	176.7	170.7
Other current assets	50.7	36.1
Assets held for sale	—	107.1
Total current assets	628.8	782.3
Property, plant and equipment:		
Land	16.4	16.3
Buildings and leasehold improvements	125.2	120.4
Machinery and equipment	359.8	357.2
	501.4	493.9
Accumulated depreciation	(291.3)	(274.4)
Property, plant and equipment, net	210.1	219.5
Goodwill	343.7	342.8
Intangibles, net	145.1	154.2
Other assets	45.9	629.6
Deferred income taxes	615.9	50.9
TOTAL ASSETS	\$ 1,989.5	\$ 2,179.3
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 143.3	\$ 176.9
Accrued expenses	356.4	403.7
Income taxes payable	2.0	1.7
Short-term debt	14.9	22.1
Current maturities of long-term debt	17.9	9.1
Liabilities held for sale	—	41.3
Total current liabilities	534.5	654.8
Long-term debt	331.2	340.6
Deferred and other income taxes	46.4	55.2
Other long-term liabilities	804.0	820.4
Total long-term liabilities	1,181.6	1,216.2
Equity:		
SPX Corporation shareholders' equity:		
Common stock	1.0	1.0
Paid-in capital	2,588.0	2,649.6
Retained earnings	916.7	897.8
Accumulated other comprehensive income	235.4	283.3
Common stock in treasury	(3,467.7)	(3,486.3)
Total SPX Corporation shareholders' equity	273.4	345.4
Noncontrolling interests	—	(37.1)
Total equity	273.4	308.3
TOTAL LIABILITIES AND EQUITY	\$ 1,989.5	\$ 2,179.3

SPX CORPORATION AND SUBSIDIARIES
RESULTS OF REPORTABLE SEGMENTS
(Unaudited; in millions)

	Three months ended				Nine months ended			
	October 1, 2016	September 26, 2015	Δ	%/bps	October 1, 2016	September 26, 2015	Δ	%/bps
HVAC reportable segment								
Revenues	\$ 116.9	\$ 142.7	\$ (25.8)	(18.1)%	\$ 350.4	\$ 368.7	\$ (18.3)	(5.0)%
Gross profit	37.6	45.6	(8.0)		118.1	112.7	5.4	
Selling, general and administrative expense	21.9	22.0	(0.1)		69.2	63.0	6.2	
Intangible amortization expense	0.1	0.1	—		0.3	0.3	—	
Income	\$ 15.6	\$ 23.5	\$ (7.9)	(33.6)%	\$ 48.6	\$ 49.4	\$ (0.8)	(1.6)%
as a percent of revenues	13.3 %	16.5 %		-320 bps	13.9 %	13.4 %		50 bps
Detection & Measurement reportable segment								
Revenues	\$ 52.3	\$ 55.9	\$ (3.6)	(6.4)%	\$ 167.8	\$ 166.0	\$ 1.8	1.1 %
Gross profit	22.4	23.3	(0.9)		76.6	71.0	5.6	
Selling, general and administrative expense	14.5	14.8	(0.3)		45.2	43.0	2.2	
Intangible amortization expense	0.1	0.2	(0.1)		0.5	0.6	(0.1)	
Income	\$ 7.8	\$ 8.3	\$ (0.5)	(6.0)%	\$ 30.9	\$ 27.4	\$ 3.5	12.8 %
as a percent of revenues	14.9 %	14.8 %		10 bps	18.4 %	16.5 %		190 bps
Power reportable segment								
Revenues	\$ 216.0	\$ 175.5	\$ 40.5	23.1 %	\$ 669.2	\$ 675.1	\$ (5.9)	(0.9)%
Gross profit (loss)	24.0	(65.5)	89.5		73.7	(10.3)	84.0	
Selling, general and administrative expense	25.6	30.0	(4.4)		81.4	93.0	(11.6)	
Intangible amortization expense	0.6	1.0	(0.4)		1.8	3.0	(1.2)	
Loss	\$ (2.2)	\$ (96.5)	\$ 94.3	97.7 %	\$ (9.5)	\$ (106.3)	\$ 96.8	91.1 %
as a percent of revenues	(1.0)%	(55.0)%		5400 bps	(1.4)%	(15.7)%		1430 bps
Consolidated Revenues	\$ 385.2	\$ 374.1	\$ 11.1	3.0 %	\$ 1,187.4	\$ 1,209.8	\$ (22.4)	(1.9)%
Consolidated Segment Income (Loss)	21.2	(64.7)	85.9	132.8 %	70.0	(29.5)	99.5	337.3 %
as a percent of revenues	5.5 %	(17.3)%		2280 bps	5.9 %	(2.4)%		830 bps
Total income (loss) for reportable segments	\$ 21.2	\$ (64.7)	\$ 85.9		\$ 70.0	\$ (29.5)	\$ 99.5	
Corporate expense	9.2	27.6	(18.4)		28.3	84.5	(56.2)	
Pension and postretirement expense	0.9	7.4	(6.5)		4.7	8.4	(3.7)	
Long-term incentive compensation expense	4.2	5.5	(1.3)		10.5	30.5	(20.0)	
Impairment of intangible assets	—	—	—		4.0	—	4.0	
Special charges, net	1.5	8.4	(6.9)		3.8	14.0	(10.2)	
Gain on sale of dry cooling business	1.7	—	1.7		18.4	—	18.4	
Consolidated operating income (loss)	\$ 7.1	\$ (113.6)	\$ 120.7	106.3 %	\$ 37.1	\$ (166.9)	\$ 204.0	122.2 %
as a percent of revenues	1.8 %	(30.4)%		3220 bps	3.1 %	(13.8)%		1690 bps

SPX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Three months ended		Nine months ended	
	October 1, 2016	September 26, 2015	October 1, 2016	September 26, 2015
Cash flows used in operating activities:				
Net income (loss)	\$ 1.9	\$ (130.6)	\$ 18.5	\$ (104.3)
Less: Income (loss) from discontinued operations, net of tax	(0.7)	0.1	(2.2)	79.3
Income (loss) from continuing operations	2.6	(130.7)	20.7	(183.6)
Adjustments to reconcile income (loss) from continuing operations to net cash used in operating activities:				
Special charges, net	1.5	8.4	3.8	14.0
Gain on asset sales	—	—	—	(1.2)
Gain on sale of dry cooling business	(1.7)	—	(18.4)	—
Impairment of intangible assets	—	—	4.0	—
Loss on early extinguishment of debt	1.3	1.4	1.3	1.4
Deferred and other income taxes	5.1	(7.4)	6.8	(1.8)
Depreciation and amortization	7.5	10.2	21.7	31.2
Pension and other employee benefits	3.3	11.6	12.0	22.9
Long-term incentive compensation	4.2	5.5	10.5	30.5
Other, net	(1.2)	(2.4)	0.2	—
Changes in operating assets and liabilities, net of effects from divestiture:				
Accounts receivable and other assets	19.3	36.0	45.9	(55.3)
Inventories	5.5	(13.4)	(11.9)	(47.4)
Accounts payable, accrued expenses and other	(51.6)	57.3	(133.9)	27.0
Cash spending on restructuring actions	(1.8)	(2.2)	(6.7)	(6.0)
Net cash used in continuing operations	(6.0)	(25.7)	(44.0)	(168.3)
Net cash from (used in) discontinued operations	(0.2)	11.3	(1.6)	54.3
Net cash used in operating activities	(6.2)	(14.4)	(45.6)	(114.0)
Cash flows from (used in) investing activities:				
Net proceeds from sale of dry cooling business	1.7	—	47.6	—
Proceeds from asset sales	—	—	0.1	2.0
Increase in restricted cash	—	—	(1.7)	—
Capital expenditures	(4.1)	(6.0)	(8.4)	(12.8)
Net cash from (used in) continuing operations	(2.4)	(6.0)	37.6	(10.8)
Net cash used in discontinued operations	—	(17.2)	—	(38.3)
Net cash from (used in) investing activities	(2.4)	(23.2)	37.6	(49.1)
Cash flows used in financing activities:				
Borrowings under senior credit facilities	—	910.0	56.2	1,235.0
Repayments under senior credit facilities	(4.4)	(913.8)	(60.6)	(1,138.0)
Borrowings under trade receivables financing arrangement	15.2	59.0	44.0	154.0
Repayments under trade receivables financing arrangement	(15.2)	(34.0)	(44.0)	(122.0)
Net borrowings (repayments) under other financing arrangements	(6.5)	6.5	(7.1)	4.5
Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options and other	—	(0.6)	(1.6)	(5.9)
Financing fees paid	—	(12.2)	—	(12.2)
Dividends paid	—	—	—	(30.6)
Cash divested in connection with spin-off of FLOW Business	—	(207.1)	—	(207.1)
Net cash used in continuing operations	(10.9)	(192.2)	(13.1)	(122.3)
Net cash used in discontinued operations	—	(1.6)	—	(1.9)
Net cash used in financing activities	(10.9)	(193.8)	(13.1)	(124.2)
Change in cash and equivalents due to changes in foreign	0.9	(15.0)	3.1	(57.8)

currency exchange rates

Net change in cash and equivalents	(18.6)	(246.4)	(18.0)	(345.1)
Consolidated cash and equivalents, beginning of period	102.0	328.9	101.4	427.6
Consolidated cash and equivalents, end of period	\$ 83.4	\$ 82.5	\$ 83.4	\$ 82.5

SPX CORPORATION AND SUBSIDIARIES
CASH AND DEBT RECONCILIATION
(Unaudited; in millions)

	Nine months ended	
	October 1, 2016	
Beginning cash and equivalents	\$	101.4
Cash used in continuing operations		(44.0)
Net proceeds from sale of dry cooling business and other		47.7
Increase in restricted cash		(1.7)
Capital expenditures		(8.4)
Borrowings under senior credit facilities		56.2
Repayments under senior credit facilities		(60.6)
Net borrowings under other financing arrangements		(7.1)
Minimum withholdings paid on behalf of employees for net share settlements and other		(1.6)
Cash used in discontinued operations		(1.6)
Change in cash due to changes in foreign currency exchange rates		3.1
Ending cash and equivalents	\$	83.4

	Debt at					Debt at	
	December 31, 2015		Borrowings	Repayments	Other	October 1, 2016	
Domestic revolving loan facility	\$	—	\$ 56.2	\$ (56.2)	\$ —	\$	—
Term loan		350.0	—	(4.4)	—		345.6
Trade receivables financing arrangement		—	44.0	(44.0)	—		—
Other indebtedness		23.8	19.5	(26.6)	3.4		20.1
Less: Deferred financing costs associated with the Term loan		(2.0)	—	—	0.3		(1.7)
Totals	\$	371.8	\$ 119.7	\$ (131.2)	\$ 3.7	\$	364.0

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - ORGANIC REVENUE
HVAC AND DETECTION & MEASUREMENT SEGMENTS
(Unaudited)

	Three months ended October 1, 2016	
	HVAC	Detection & Measurement
Net Revenue Decline	(18.1) %	(6.4) %
Exclude: Foreign Currency	(1.3) %	(2.9) %
Organic Revenue Decline	(16.8) %	(3.5) %

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - BASE POWER ORGANIC REVENUE
(Unaudited)

	<u>Three months ended October 1, 2016</u>
Net Revenue Growth Power Segment	23.1 %
Adjustment to Exclude South African projects	33.2 %
Base Power Revenue Decline	<u>(10.1) %</u>
Exclude: Foreign Currency	(0.6) %
Exclude: Effects of Disposition of Dry Cooling Business	(9.5) %
Base Power Organic Revenue Increase	<u>— %</u>

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - REVENUE AND SEGMENT INCOME
(Unaudited; in millions)

CONSOLIDATED SPX:	Three months ended		Nine months ended	
	October 1, 2016	September 26, 2015	October 1, 2016	September 26, 2015
Consolidated revenue	\$ 385.2	\$ 374.1	\$ 1,187.4	\$ 1,209.8
Exclude: South African projects	25.4	(36.4)	65.5	4.0
Core revenue	\$ 359.8	\$ 410.5	\$ 1,121.9	\$ 1,205.8
Total segment income (loss)	\$ 21.2	\$ (64.7)	\$ 70.0	\$ (29.5)
Exclude: South African projects	(3.5)	(98.2)	(9.8)	(114.9)
Core segment income	\$ 24.7	\$ 33.5	\$ 79.8	\$ 85.4
as a percent of Core revenues ⁽¹⁾	6.9%	8.2%	7.1%	7.1%
POWER SEGMENT:	Three months ended			
	October 1, 2016	September 26, 2015		
Power revenue	\$ 216.0	\$ 175.5		
Exclude: South African projects	25.4	(36.4)		
Base Power revenue	\$ 190.6	\$ 211.9		
Power Segment loss	\$ (2.2)	\$ (96.5)		
Exclude: South African projects	(3.5)	(98.2)		
Base Power income	\$ 1.3	\$ 1.7		
as a percent of Base Power revenues ⁽¹⁾	0.7%	0.8%		

⁽¹⁾ See "Results of Reportable Segments" for applicable percentages based on GAAP results.

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - OPERATING INCOME
(Unaudited; in millions)

	Three months ended		Nine months ended	
	October 1, 2016	September 26, 2015	October 1, 2016	September 26, 2015
Operating income (loss)	\$ 7.1	\$ (113.6)	\$ 37.1	\$ (166.9)
Adjustments:				
South African projects	3.5	98.2	9.8	114.9
Non-service pension and postretirement items	1.1	6.4	5.1	4.0
Certain corporate expenses ⁽¹⁾	—	20.9	—	76.2
Spin-related costs ⁽²⁾	—	2.3	—	2.3
Gain on sale of Dry Cooling	(1.7)	—	(18.4)	—
Non-cash impairment of intangible assets	—	—	4.0	—
Adjusted operating income	<u>\$ 10.0</u>	<u>\$ 14.2</u>	<u>\$ 37.6</u>	<u>\$ 30.5</u>
as a percent of Core revenues ⁽³⁾	<u>2.8%</u>	<u>3.5%</u>	<u>3.4%</u>	<u>2.5%</u>

⁽¹⁾ Represents an estimate of the corporate costs related to the support provided to SPX Flow. These costs were eliminated in connection with the spin-off.

⁽²⁾ Represents non-recurring charges incurred in connection with the spin-off.

⁽³⁾ See "Results of Reportable Segments" for applicable percentages based on GAAP results.

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - EARNINGS PER SHARE
Three Months Ended October 1, 2016
(Unaudited; in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 21.2	\$ 3.5	\$ 24.7
Corporate expense	(9.2)	—	(9.2)
Pension and postretirement income (expense)	(0.9)	1.1	0.2
Long-term incentive compensation expense	(4.2)	—	(4.2)
Special charges, net	(1.5)	—	(1.5)
Gain on sale of dry cooling business	1.7	(1.7)	—
Operating income	7.1	2.9	10.0
Other income, net ⁽¹⁾	0.3	0.5	0.8
Interest expense, net	(3.8)	—	(3.8)
Loss on early extinguishment of debt	(1.3)	1.3	—
Equity earnings in joint ventures	0.3	—	0.3
Income from continuing operations before income taxes	2.6	4.7	7.3
Income tax provision	—	(1.5)	(1.5)
Income from continuing operations	2.6	3.2	5.8
Dilutive shares outstanding	42.475		42.475
Earnings per share from continuing operations	\$ 0.06		\$ 0.14

⁽¹⁾ Adjustment represents removal of foreign currency losses associated with the South African projects.

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - FREE CASH FLOW
(Unaudited; in millions)

Three months ended
October 1, 2016

Net cash used in continuing operations	\$	(6.0)
Capital expenditures - continuing operations		(4.1)
Free cash flow used in continuing operations	\$	(10.1)