

## **SPX Reports First Quarter 2009 Results**

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### **Earnings per Share from Continuing Operations of \$0.76**

**CHARLOTTE, NC - April 29, 2009** - SPX Corporation (NYSE:SPW) today reported results for the first quarter ended March 28, 2009:

- Revenues decreased 13.9% to \$1.16 billion from \$1.35 billion in the year-ago quarter. Organic revenues\* declined 7.5%, completed acquisitions increased reported revenues by 0.2%, and the impact of currency fluctuations decreased reported revenues by 6.6%.
- Segment income and margins were \$125.8 million and 10.8%, compared with \$160.4 million and 11.9% in the year-ago quarter.
- Diluted net income per share from continuing operations was \$0.76, compared with \$1.15 in the year-ago quarter. The current year quarter included the following notable items:
  - Special charges of \$11.9 million, or \$0.15 per share, related to restructuring actions,
  - Other expense of \$12.3 million, or \$0.16 per share, related primarily to foreign currency fluctuations, and
  - A tax benefit of \$5.2 million, or \$0.10 per share, related to the finalization of certain tax matters.
- Net cash used in continuing operations was \$35.3 million, compared with net cash from continuing operations of \$1.0 million in the year-ago quarter. The decrease in cash flow was due primarily to decreased operating income and increased cash restructuring spend.
- Free cash flow from continuing operations\* during the quarter was a negative \$50.6 million, compared with a negative \$18.9 million in the year-ago quarter. The decrease was due primarily to the items noted above, offset partially by lower capital expenditures in 2009.

Chris Kearney, Chairman, President and CEO said, "We continue to face very difficult conditions in many of our key end markets, as our customers deal with the economic recession and its impact on their businesses. While the current environment remains challenging, our cost control activities are taking hold, and we continue to execute on strategic restructuring actions to improve SPX for the future.

"We believe we are well-positioned to execute on the long-term growth opportunities in our three core end markets, global infrastructure, process equipment and diagnostic tools, and our financial strength provides us the flexibility to weather this economic downturn," Kearney concluded.

### **FINANCIAL HIGHLIGHTS - CONTINUING OPERATIONS**

#### **Flow Technology**

Revenues for the first quarter of 2009 were \$394.0 million compared to \$492.1 million in the first quarter of 2008, a decrease of \$98.1 million, or 19.9%. Organic revenues declined 9.8% in the quarter, driven primarily by softness in the dehydration, industrial and food and beverage markets. The impact of currency fluctuations decreased revenues by 10.1% from the year-ago quarter.

Segment income was \$50.1 million, or 12.7% of revenues, in the first quarter of 2009 compared to \$46.7 million, or 9.5% of revenues, in the first quarter of 2008. Segment income and margins were favorably impacted by improvement from the APV acquisition and the oil and gas end markets, offset by the softness noted above. In addition, the 2008 results included a charge of \$7.5 million representing the excess fair value of inventory acquired in the APV acquisition.

#### **Test and Measurement**

Revenues for the first quarter of 2009 were \$196.0 million compared to \$270.0 million in the first quarter of 2008, a decrease of \$74.0 million, or 27.4%. Organic revenues declined 21.3% in the quarter, driven primarily by the continued difficulties being experienced by global vehicle manufacturers and their dealer service networks. The impact of currency fluctuations decreased revenues by 6.9% from the year-ago quarter, while acquisitions contributed 0.8% to reported revenues.

Segment income was \$5.8 million, or 3.0% of revenues, in the first quarter of 2009 compared to \$23.9 million, or 8.9% of revenues, in the first quarter of 2008. Segment income and margins declined due to the organic and currency related declines noted above.

### **Thermal Equipment and Services**

Revenues for the first quarter of 2009 were \$342.2 million compared to \$346.8 million in the first quarter of 2008, a decrease of \$4.6 million, or 1.3%. Organic revenue growth was 4.2% in the quarter, driven primarily by increased sales of thermal equipment into the power generation market. The impact of currency fluctuations decreased reported revenues by 5.5% from the year-ago quarter.

Segment income was \$21.4 million, or 6.3% of revenues, in the first quarter of 2009 compared to \$36.4 million, or 10.5% of revenues, in the first quarter of 2008. The decrease in segment income and margins was due primarily to unfavorable product mix as compared to the year-ago quarter. The decline in revenues attributable to currency fluctuations also contributed to the lower segment income.

### **Industrial Products and Services**

Revenues for the first quarter of 2009 were \$229.8 million compared to \$241.0 million in the first quarter of 2008, a decrease of \$11.2 million, or 4.6%. Organic revenues declined 3.5% in the quarter, driven primarily by softness in the hydraulic tools product line. The impact of currency fluctuations decreased revenues by 1.1% from the year-ago quarter.

Segment income was \$48.5 million, or 21.1% of revenues, in the first quarter of 2009 compared to \$53.4 million, or 22.2% of revenues, in the first quarter of 2008. The decrease in segment income and margins was driven largely by the organic decline in the hydraulic tools product line noted above.

### **OTHER ITEMS**

**Share Repurchase Plan:** On September 19, 2008, the company announced that it had adopted a written trading plan under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, to facilitate the repurchase of up to 3.0 million shares of its common stock on or before October 30, 2009, in accordance with a share repurchase program authorized by its Board of Directors.

On December 18, 2008, the company announced that the repurchases under that plan had been completed, and that it had adopted an additional written trading plan under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, to facilitate the repurchase of up to 3.0 million additional shares of its common stock on or before December 31, 2009, in accordance with a share repurchase program authorized by its Board of Directors.

During the first quarter, the company repurchased 2.4 million shares of its common stock for \$105.4 million, completing this latest share repurchase plan.

**Dividend:** On February 23, 2009, the Board of Directors announced a quarterly dividend of \$0.25 per common share payable on April 2, 2009, to shareholders of record on March 13, 2009. The fourth quarter 2008 dividend of \$0.25 per common share was paid on January 2, 2009.

**Discontinued Operations:** During the third quarter of 2008, the company committed to a plan to divest a product line, previously reported in its Flow Technology segment. The sale of this product line was completed in the first quarter of 2009.

During the fourth quarter of 2008, the company committed to a plan to divest a product line which was previously reported in its Industrial Products and Services segment. This sale is expected to be completed in 2009.

The financial condition, results of operations, cash flows and any gain realized or loss anticipated or realized from the sale of the product lines discussed above have been reported as discontinued operations in the attached condensed consolidated financial statements.

**Form 10-Q:** The company expects to file its quarterly report on Form 10-Q for the quarter ended March 28, 2009 with the Securities and Exchange Commission by May 1, 2009. This press release should be read in conjunction with that filing, which will be available on the company's website at [www.spx.com](http://www.spx.com), in the Investor Relations section.

SPX Corporation is a Fortune 500 multi-industry manufacturing leader. The company offers highly-specialized engineered solutions to solve critical problems for customers.

SPX is focused on providing solutions that support the expansion of global infrastructure, with particular emphasis on the growing worldwide demand for energy and power. Its innovative product portfolio, containing many energy efficient products, includes cooling systems for power plants throughout the world; custom engineered process equipment that assists a variety of flow processes including food and beverage manufacturing, oil and gas exploration, distribution and refinement and power generation; handheld diagnostic tools that aid in vehicle maintenance and repair; and power transformers that regulate voltage for electrical transmission and distribution by utility companies.

SPX is headquartered in Charlotte, North Carolina and employs more than 17,000 people worldwide in over 40 countries. Visit [www.spx.com](http://www.spx.com). (NYSE: SPW)

\* Non-GAAP number. See attached financial 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 report on Form 10-K for the year ended December 31, 2008. 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," "estimate," "guidance," "target" 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 current complement of businesses, which is 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.

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