Q4 2017
Earnings Presentation

SPX

February 15, 2018

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- Statements in this presentation are only as of the time made, and SPX disclaims any responsibility to update or revise such statements except as required by regulatory authorities.
- This presentation includes non-GAAP financial measures. A reconciliation of the non-GAAP financial measures with the most comparable measures calculated and presented in accordance with GAAP is available in the appendices of this presentation and our applicable SEC fillings. We believe that these non-GAAP measures are useful to investors in evaluating our operating performance and our management of business from period to period.
- "Core" and "Engineered Solutions (Core)" results in this presentation are non-GAAP financial measures that exclude the results of the South African projects. Additionally, YTD 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.

Introductory Comments

Gene Lowe

February 15, 2018

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Performance Highlights

Full-Year 2017

- Overall solid execution drove strong full-year results
  - Adjusted segment income growth* of ~16%
  - Core Free cash flow* conversion of ~118% of adjusted net income*
- Strongest financial condition since spin
  - Strong balance sheet positions company for sustainable growth
  - Net leverage at low end of long-term target range
  - Substantially increasing estimate of capital available for value creation initiatives
- South African project timing on track
  - Lowering overall projected cash usage

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, YTD 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.

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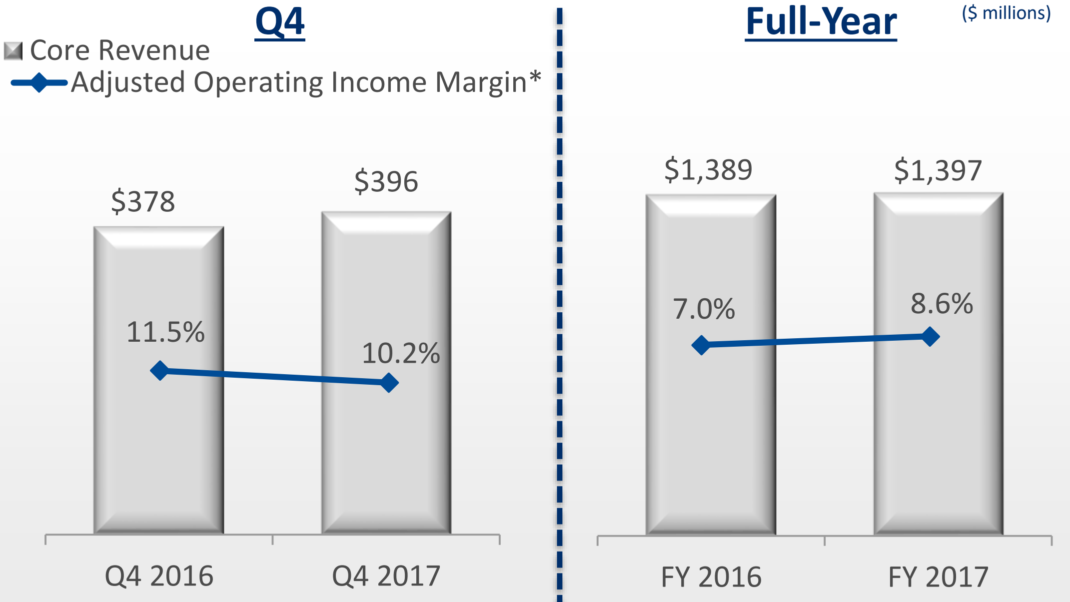
Introducing Full-Year 2018 Adjusted EPS* Guidance in a Range of $2.03-$2.18;
Raising 2020 Adjusted EPS* Target to a Range of $2.65-$2.90

Core Results Q4 2017 and Full-Year 2017

Year-over-Year Analysis

- Overall full-year results towards upper end of 2017 guidance range
  - Adjusted operating income* growth of ~24%
- Strong Detection & Measurement performance, partially offset by softer HVAC results
- Engineered Solutions business model shift continues to drive margin expansion



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Q4 Adjusted EPS* of $0.60; Full-Year Adjusted EPS* of $1.78

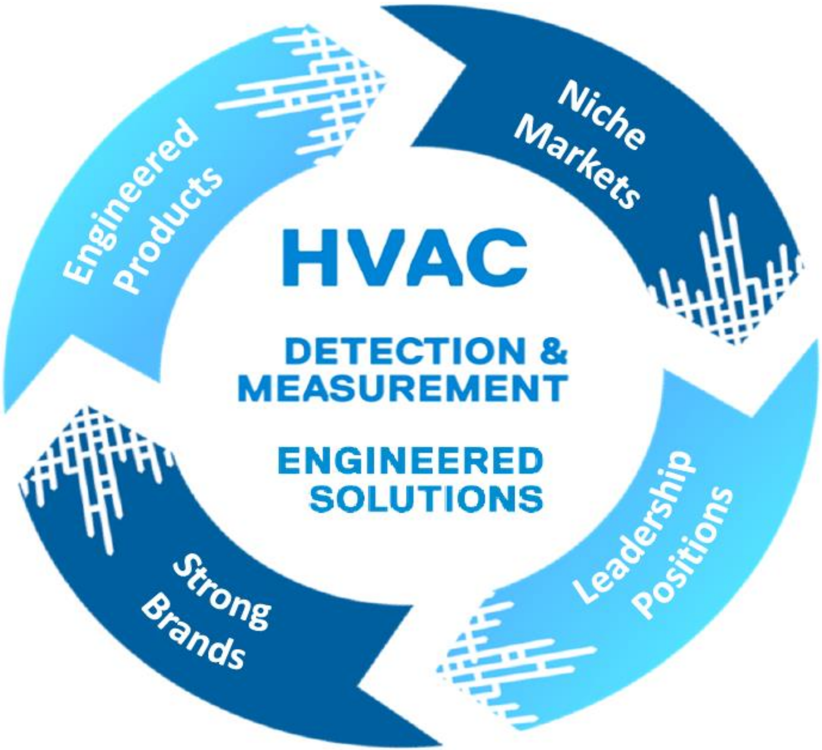
Value Creation Roadmap

Organic Growth

- New products
- New channels
- Adjacent markets

Inorganic Growth

- Focus in HVAC and D&M
- Significant capital to deploy
- Large target pipeline



SPX Business System

- Policy deployment
- Operational excellence
- Due diligence/integration

Culture & Values

- Leadership development
- Results/accountability
- Integrity

New Product Initiatives

HVAC

New Marley® MD Everest™ Cooling Tower

New Aquabalance™ Boiler

Detection & Measurement

New gCAT4 Plus Underground Cable Locator

New Drone Detection System

Engineered Solutions

New Marley M Series Gear Reducer

New Ultraquiet Fan

Q4 Financial Review

Scott Sproule

February 15, 2018

Earnings Per Share

Q4 and Full-Year 2017 Adjusted EPS

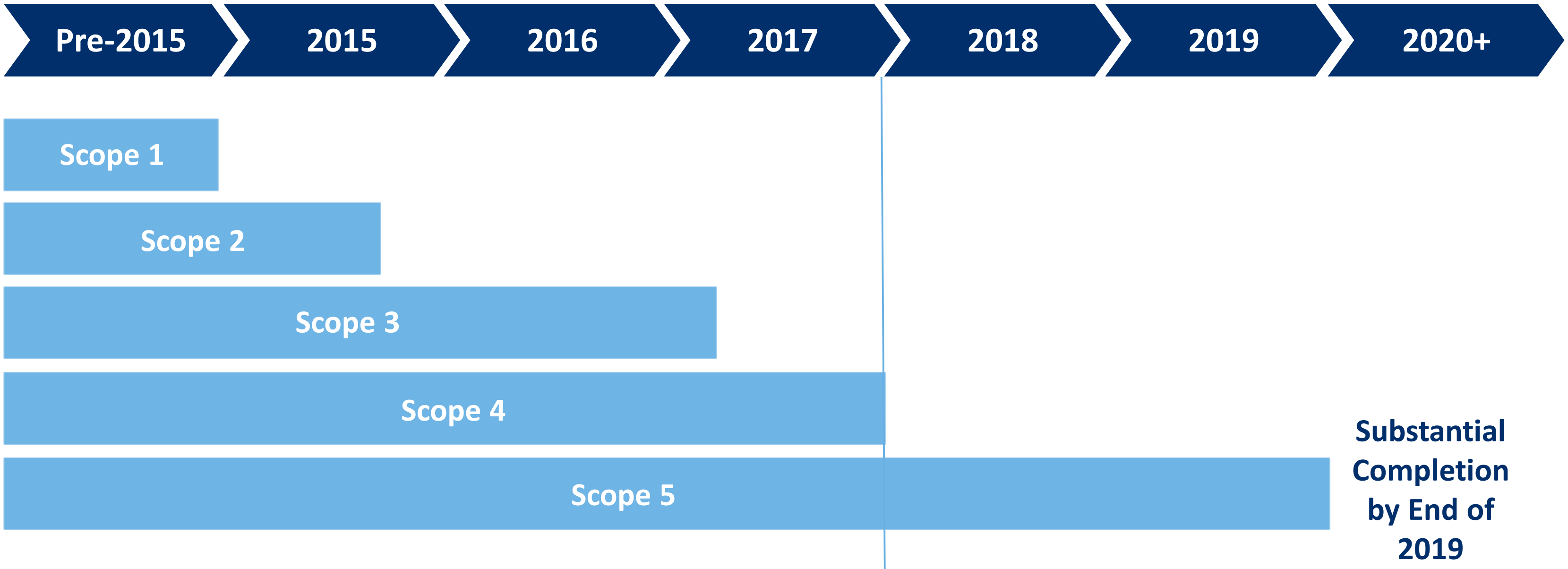
	Q4 2017	FY 2017	FY 2016
GAAP EPS from continuing operations	**$1.35**	**$1.91**	**$0.30**
South African projects related	($0.75)	$0.06	$0.34
Gain related to contract settlement	NA	($0.17)	NA
Non-service pension items & other**	$0.00	($0.03)	$0.83
Adjusted EPS from continuing operations	**$0.60**	**$1.78**	**$1.47**

*Non-GAAP financial measure. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.

**Other includes discrete tax items, loss on refinancing of senior credit agreement, net gain on sale of Dry Cooling business, non-cash intangible impairment, gain on interest rate swaps, adjustment to redeemable non-controlling interest, loss on early extinguishment of debt, non actuarial gain on post-retirement plans, adjustment for foreign currency losses associated with South African projects, and tax effects associated with adjustments.

Full-Year 2017 Adjusted EPS* growth of 21%

South African Projects Update



Cash Usage*: $33M 2016 | $49M 2017 | **$25-$30M** 2018 through Completion

*Net of U.S. tax benefits related to South Africa for 2017 forward

Reducing Estimate of Cash Usage Through Completion to $25-$30 Million

Core Results Q4 2017 and Full-Year 2017

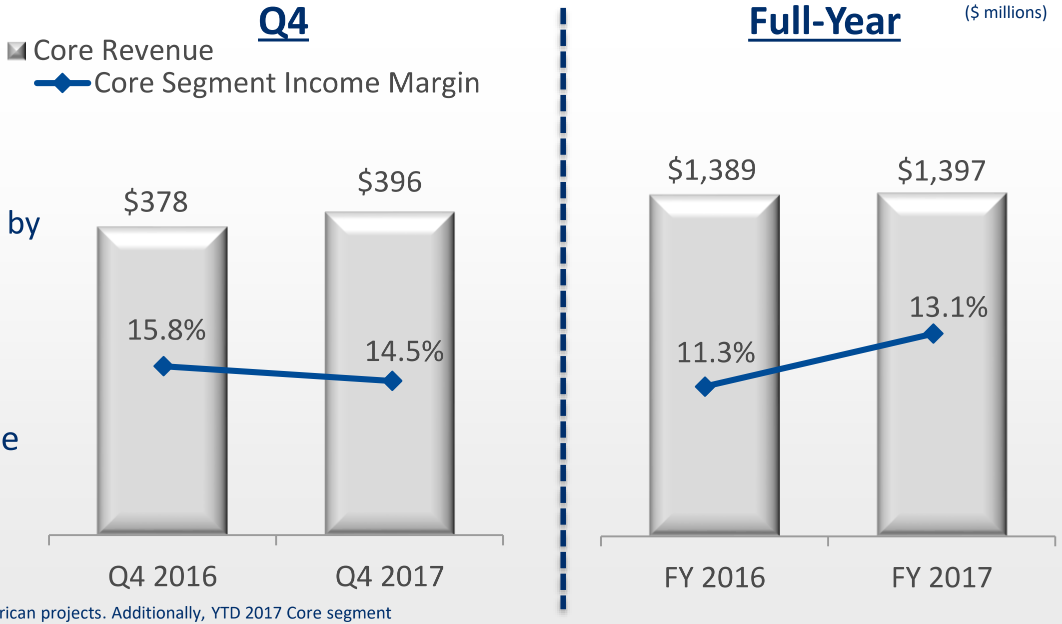
Year-over-Year Analysis

Q4 Core Revenue:

- 4.8% year-over-year increase:
  - 4.1% organic increase* from strong performance in Detection & Measurement segment, partially offset by business model shift in Process Cooling
  - 0.7% currency impact

Q4 Core Segment Income and Margin:

- $2.2M decrease in Core segment income
- 130 basis points of Core margin decline due primarily to softer HVAC heating results



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2017 Full-Year Results Towards Upper-End of Guidance

HVAC Results Q4 2017 and Full-Year 2017

Year-over-Year Analysis

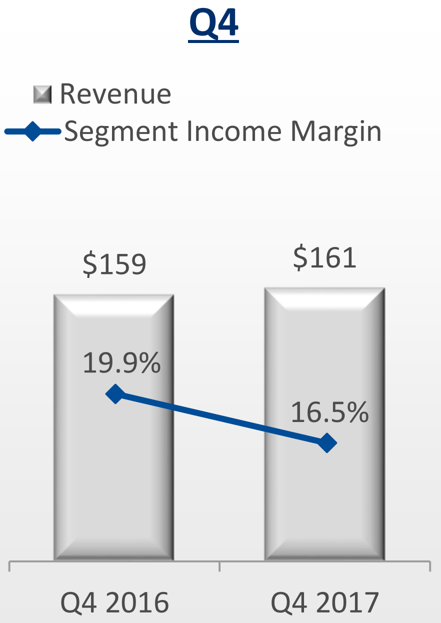
Q4 Revenue:

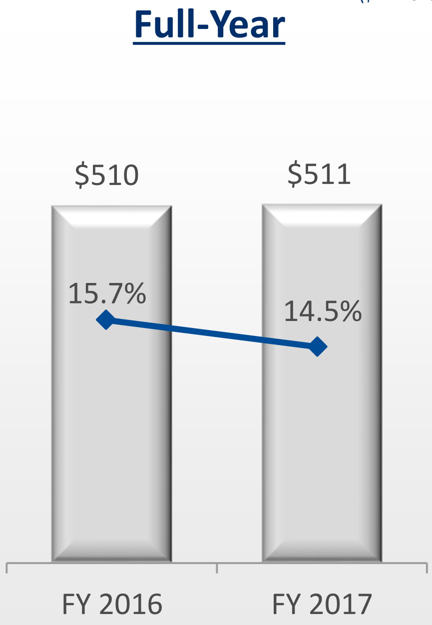
- 1.3% year-over-year increase
  - 0.5% organic growth*, with solid increase in Cooling partially offset by decline in Heating sales volumes
  - 0.8% currency impact

Q4 Segment Income and Margin:

- $5.0M decrease in segment income; 340 basis points margin decline
  - Lower Heating volumes
  - Actions taken to address execution issues. Anticipate margin recovery in 2018.

($ millions)





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Expect Margin Recovery in 2018

Detection & Measurement Results Q4 2017 and Full-Year 2017

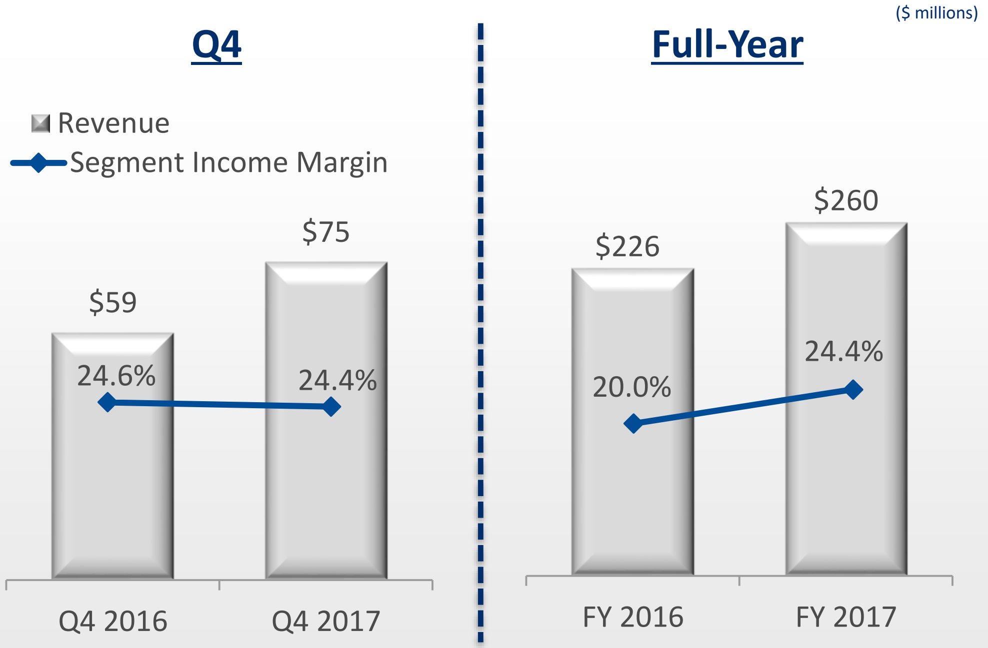
Year-over-Year Analysis

Q4 Revenue:

- 28.5% year-over-year increase:
  - 26.8% organic increase* due to higher sales across all businesses, with particular strength in fare collection and Communicaton Technologies
  - 1.7% currency impact

Q4 Segment Income and Margin:

- $4.0M increase in segment income
- Similar margins to 2016



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440 Basis Points of Full-Year Segment Margin Improvement

Engineered Solutions (Core) Q4 2017 and Full-Year 2017 Results

Year-over-Year Analysis

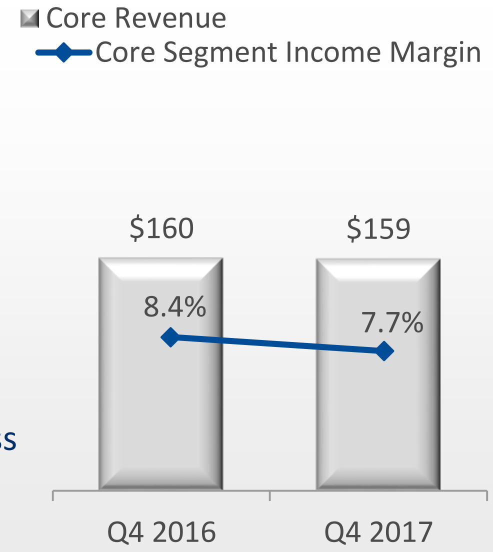
Q4 Core Revenue:

- (0.3%) year-over-year decline:
  - (0.6%) organic decline* primarily due to business model shift in Process Cooling
  - 0.3% currency impact

Q4 Core Segment Income and Margin:

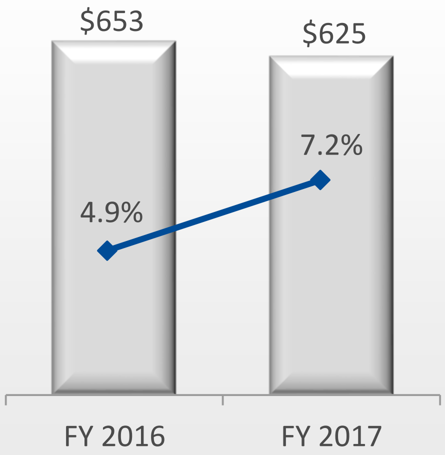
- $1.2M decrease in Core segment income
- 70 basis points of margin decline due to less favorable product mix

Q4



Full-Year

($ millions)



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230 Basis Points of Full-Year Segment Margin Improvement

Financial Position and Liquidity Review

Scott Sproule

February 15, 2018

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Financial Position

Cash Flow & Liquidity

($ in millions)

- 2017 Core Free Cash Flow* generation of $93M during 2017 reflecting 118% conversion of Adjusted Net Income*
- Targeting 110% Core Free Cash Flow* Conversion
- Active M&A Pipeline

Term Debt Repayment Schedule
(New Credit Agreement)

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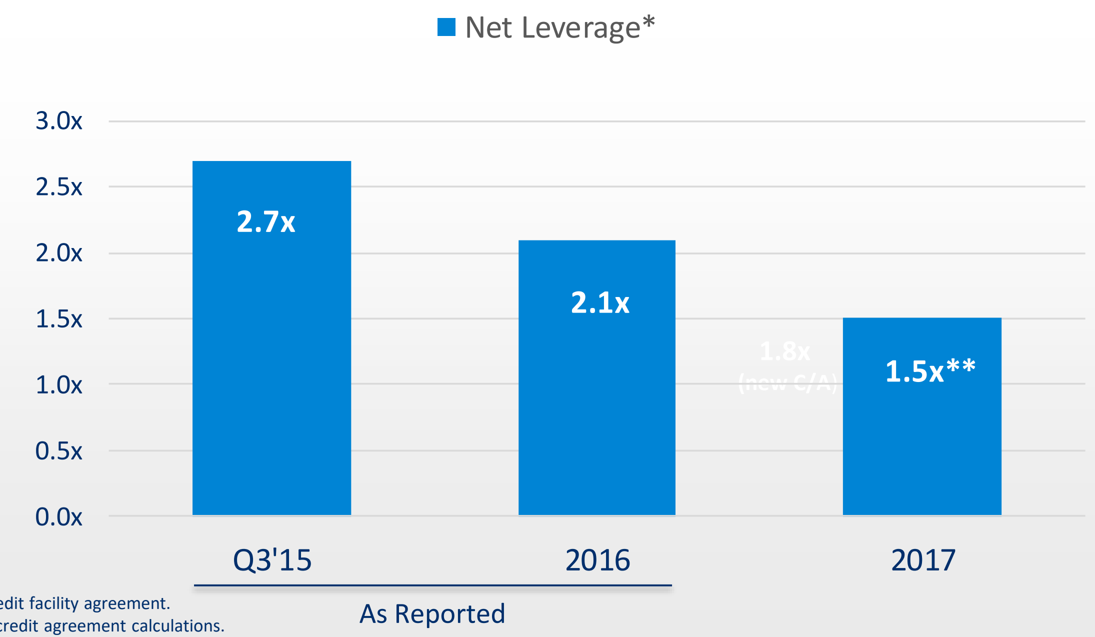
Net Leverage At Low End of Target Range

Financial Position - Increasing Estimate of Available Capital Through 2020

Capital Structure Update



- Calculated as defined by SPX's credit facility agreement.

** Net leverage of 1.8x under prior credit agreement calculations.

>$600M Available Through 2020, An <u>Increase of 50%</u> from Prior Expectations

2018 Guidance Executive Summary

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Market Commentary

Market	Comments
HVAC	➢ Cooling: Commercial market trends continue to be favorable ➢ Heating: Demand improving with colder winter weather
Detection & Measurement	➢ Steady demand in run-rate ➢ Continued solid project frontlog and order conversion
Transformers	➢ Steady lead times and pricing for medium power transformers ➢ Tariffs on Korean EHV transformers may benefit U.S. manufacturers
Process Cooling	➢ Strong component demand – shifting to broader participation in markets ➢ Organizational alignment with new operating model continues

Core Markets Continue to Perform Well

Transformation of SPX (Core) – 2015 Through 2017

$ Ms (except per share data)	2015 [1]	2017
Core revenue	$1,692	$1,397
% Power generation end markets	>30%	<10%
Core segment income %	8.0%	13.1%
Adjusted operating income [2] %	3.7%	8.6%
South African projects (Status)	3 of 5 scopes remaining	1 of 5 scopes remaining
FCF conversion	Nominal	118%
Debt/EBITDA [3]	2.5x	1.5x
Expected liquidity to deploy	$200 by 2018	>$600 through 2020
Stock price (end of year)	$9.33	$31.39

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, YTD 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.
1) As reported including effect of subsequently discontinued operations.
2) Non-GAAP financial measure. Reconciliation to its nearest US GAAP financial measure is available in the Appendix of the presentation.
3) Calculated as defined by SPX's credit facility agreement.

2018 Core Guidance

	Revenue	Segment Income Margin
HVAC	▪ Organic growth* within LT range of 2.0-4.0%	▪ 100 basis points increase (~15.5%)
Detection & Measurement	▪ Organic growth* within LT range of 2.0-6.0%	▪ 50-100 basis points increase (~25.0-25.5%)
Engineered Solutions (Core)*	▪ Segment revenue decline* in high-single digits % ▪ Modest growth in Transformer revenue; organic decline* in Process Cooling resulting from operating model changes	▪ 80-130 basis points increase (~8.0-8.5%)
Total SPX Core*	▪ $1.35-1.40 billion	▪ 80-130 basis points increase (~14.0-14.5%)

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects.

*Non-GAAP financial measure.

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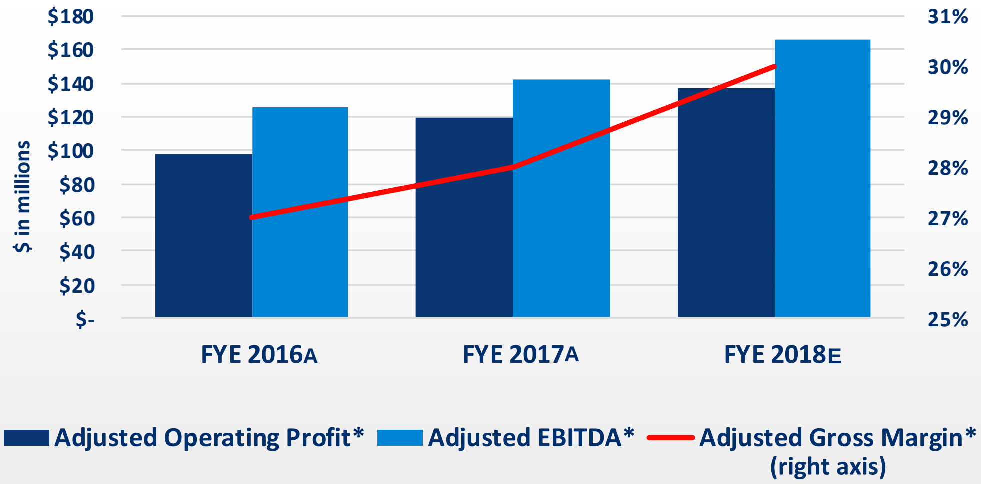
Adjusted Operating Income Margin* Up Year-over-Year ~150 Basis Points to ~10.0%; Adjusted EPS* Guidance $2.03-$2.18

2016-2018 Core Performance



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Significant Financial Improvements Since Spin

Updating Long-Term Financial Targets

2020 (Prior)	2020 (New)
$1.5 - $1.7B Core Revenue*	$1.7 - $1.8B Core Revenue*
10.0-11.0% Adjusted Operating Income Margin*	10.5-11.5% Adjusted Operating Income Margin*
$2.25 - $2.50 Adjusted EPS*	$2.65 - $2.90 Adjusted EPS*
>100% FCF* Conversion of Adjusted Net Income*	100-110% FCF* Conversion of Adjusted Net Income*

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Clear Line of Sight to Sustainable Double Digit Adjusted EPS* Growth

Executive Summary

- Strong operational and cash flow performance
- Well-positioned to invest for sustainable double digit earnings growth
- 50% increase in available capital to deploy by end of 2020
- Continue working attractive M&A pipeline and anticipate results in 2018

Continuing to Execute on Plan for Significant Value Creation

Questions

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Appendix

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2018 Modeling Considerations

Metric	Commentary/Assumptions
Corporate costs	Low $40Ms
Long-term incentive comp	$16-17M
Restructuring costs	$1-2M
Interest cost	$17M
Tax rate	Approximately 23% due to new tax laws
Capex	$12-14M
Cash cost of pension + OPEB	Approximately $18M: ongoing cash cost approximately $16M
D&A	Approximately $26M, mostly in COGS
Share count	Approximately 45M
FCF Conversion	Targeting 110% of Adjusted Net Income (i.e., ex South African projects)
Currency effect	Topline sensitivity to USD-GBP rate

2018 Adjusted EPS* Guidance - Key Drivers

- Favorable Economic Policy/Infrastructure Stimulus

$2.18

High Case

- Lower Interest Rates
- Colder Winter Weather
- Commercial Growth Accelerates

$2.11

Base Case

Low Case

- Commercial Growth Decelerates
- Commodity Inflation/Pass-Throughs
- Warmer Winter Weather

$2.03

- Unfavorable Political Events/Economic Instability

*Non-GAAP financial measure.

Organic Segment Financial Targets (Core)

($ millions)	HVAC	Detection & Measurement	Engineered Solutions (Core)*	SPX Total (Core)*
2017 Revenue	$511	$260	$625	$1,397
Long-term Modeling Target				
Organic Revenue* CAGR	**+2% to +4%**	**+2% to +6%**	**+2% to +3%**	**+2% to +3%**
Business Model Change	**-**	**-**	**~(5%)**	**~(2%)**
Total Revenue Growth	**+2% to +4%**	**+2% to +6%**	**(2%) to (3%)**	**Flat to +1%**
2017 Segment Income %	14.5%	24.4%	7.2%	13.1%
Long-term Modeling Target **Segment Income %**	**15% to 16%**	**24% to 26%**	**9% to 10%**	**~15%**

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South African Projects Results and Financial Update

(in millions)	Q4 2017	FY 2017
Revenues**	($8.8)	$29.1
Operating losses**	($32.8)	($68.0)
Net cash used in operations	($12.6)	($56.5)
Tax benefit, cash	$7.0	$7.0
Net South African cash usage	($5.6)	($49.5)

**Includes impact of charges of $29.9 million and $52.8 million for Q4 and 2017 respectively, including reductions in revenue of $23.4 million and $36.9 million, respectively.

Core Revenue & Segment Income U.S. GAAP Reconciliation

($ millions)

	Q4 2016			Q4 2017		
	GAAP	SA Projects	Core	GAAP	SA Projects	Core
Revenue						
HVAC	159.1		159.1	161.2		161.2
D&M	58.6		58.6	75.3		75.3
Engineered Solutions	177.6	(17.8)	159.8	150.5	8.8	159.3
Total SPX	**$395.3**	**($17.8)**	**$377.5**	**$387.0**	**$8.8**	**$395.8**
Segment Income						
HVAC	31.6		31.6	26.6		26.6
D&M	14.4		14.4	18.4		18.4
Engineered Solutions	8.8	4.7	13.5	(20.5)	32.8	12.3
Total SPX	**$54.8**	**$4.7**	**$59.5**	**$24.5**	**$32.8**	**$57.3**

	FY 2016			FY 2017		
	GAAP	SA Projects	Core	GAAP	SA Projects	Core
Revenue						
HVAC	509.5		509.5	511.0		511.0
D&M	226.4		226.4	260.3		260.3
Engineered Solutions	736.4	(83.3)	653.1	654.5	(29.1)	625.4
Total SPX	**$1,472.3**	**($83.3)**	**$1,389.0**	**$1,425.8**	**($29.1)**	**$1,396.7**
Segment Income						
HVAC	80.2		80.2	74.1		74.1
D&M	45.3		45.3	63.4		63.4
Engineered Solutions	17.3	14.5	31.8	(12.6)	57.8	45.2
Total SPX	**$142.8**	**$14.5**	**$157.3**	**$124.9**	**$57.8**	**$182.7**

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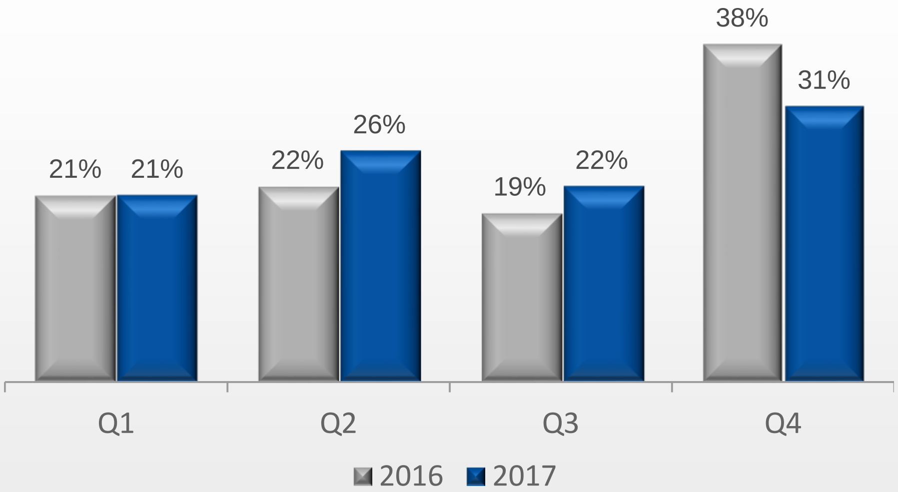
Core Segment Income Phasing

($ millions)



	Q1 2017	Q2 2017	Q3 2017	Q4 2017
GAAP	34.3	20.7	45.4	24.5
Exclude: South African Projects	4.4	26.6	4.2	32.8
Exclude: Contract Settlement	-	-	(10.2)	-
Core	**$38.7**	**$47.3**	**$39.4**	**$57.3**
% of full-year	*21%*	*26%*	*22%*	*31%*

	Q1 2016	Q2 2016	Q3 2016	Q4 2016
GAAP	29.8	32.2	26.0	54.8
Exclude: South African Projects	3.4	2.9	3.5	4.7
Core	**$33.2**	**$35.1**	**$29.5**	**$59.5**
% of full-year	*21%*	*22%*	*19%*	*38%*

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, YTD 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.

Q4 2017 U.S. GAAP to Adjusted Earnings Per Share Reconciliation

($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income [1]	$ 24.5	$ 32.8	$ 57.3
Corporate expense	(12.5)	—	(12.5)
Pension and postretirement income (expense) [2]	(4.2)	5.2	1.0
Long-term incentive compensation expense	(5.4)	—	(5.4)
Special charges, net [3]	(0.7)	0.6	(0.1)
Operating income	1.7	38.6	40.3
Other income (expense), net [4]	1.1	(2.3)	(1.2)
Interest expense, net [5]	(3.8)	0.1	(3.7)
Loss on amendment/refinancing of senior credit agreement [6]	(0.9)	0.9	—
Income (loss) from continuing operations before income taxes	(1.9)	37.3	35.4
Income tax (provision) benefit [7]	61.9	(70.6)	(8.7)
Income from continuing operations	60.0	(33.3)	26.7
Dilutive shares outstanding	44.401		44.401
Earnings per share from continuing operations	$ 1.35		$ 0.60

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

(2) Adjustment represents the removal of non-service pension and postretirement items.

(3) Adjustment represents removal of restructuring charges associated with the South African projects.

(4) Adjustment represents removal of a gain on interest rate swaps as these swaps no longer qualified for hedge accounting in connection with an amendment to our senior credit agreement, partially offset by foreign currency losses associated with the South African projects.

(5) Adjustment relates to the removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

(6) Adjustment represents the removal of a non-cash charge associated with an amendment to our senior credit agreement.

(7) Adjustment represents the tax impact of items (1) through (6) above, tax benefit associated with worthless stock deduction related to South Africa, net tax charges associated with the impact of U.S. tax reform, and the removal of certain favorable discrete tax items.

Full-Year 2017 U.S. GAAP to Adjusted Earnings Per Share Reconciliation

SPX

($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income [1]	$ 124.9	$ 57.8	$ 182.7
Corporate expense	(46.2)	—	(46.2)
Pension and postretirement income (expense) [2]	(5.4)	6.8	1.4
Long-term incentive compensation expense	(15.8)	—	(15.8)
Special charges, net [3]	(2.7)	1.4	(1.3)
Operating income	54.8	66.0	120.8
Other expense, net [4]	(2.0)	(1.4)	(3.4)
Interest expense, net [5]	(15.8)	0.6	(15.2)
Loss on amendment/refinancing of senior credit agreement [6]	(0.9)	0.9	—
Income from continuing operations before income taxes	36.1	66.1	102.2
Income tax benefit (provision) [7]	47.9	(71.8)	(23.9)
Income from continuing operations	84.0	(5.7)	78.3
Dilutive shares outstanding	43.905		43.905
Earnings per share from continuing operations	$ 1.91		$ 1.78

[1] Adjustment represents the removal of operating losses associated with the South African projects, and a gain on a contract settlement within our Engineered Solutions reportable segment.

[2] Adjustment represents the removal of non-service pension and postretirement items.

[3] Adjustment represents removal of restructuring charges associated with the South African projects.

[4] Adjustment represents removal of a gain on interest rate swaps, as these swaps no longer qualified for hedge accounting in connection with an amendment to our senior credit agreement, partially offset by foreign currency losses associated with the South African projects.

[5] Adjustment relates to the removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

[6] Adjustment represents the removal of a non-cash charge associated with an amendment to our senior credit agreement.

[7] Adjustment represents the tax impact of items (1) through (6) above, tax benefit associated with worthless stock deduction related to South Africa, net tax charges associated with the impact of U.S. tax reform, and the removal of certain favorable discrete tax items.

Q4 2016 U.S. GAAP to Adjusted Earnings Per Share Reconciliation

($ millions)

	GAAP	Adjustments	Adjusted
Segment income [1]	$ 54.8	$ 4.7	$ 59.5
Corporate expense	(12.1)	—	(12.1)
Pension and postretirement income (expense) [2]	(10.8)	11.0	0.2
Long-term incentive compensation expense	(3.5)	—	(3.5)
Impairment of intangible assets [3]	(26.1)	26.1	—
Special charges, net	(0.5)	—	(0.5)
Operating income	1.8	41.8	43.6
Other expense, net	(2.5)	—	(2.5)
Interest expense, net [4]	(3.3)	0.2	(3.1)
Income (loss) from continuing operations before income taxes	(4.0)	42.0	38.0
Income tax (provision) benefit [5]	1.0	(9.5)	(8.5)
Income (loss) from continuing operations	(3.0)	32.5	29.5
Dilutive shares outstanding [6]	41.828		42.950
Earnings (loss) per share from continuing operations	$ (0.07)		$ 0.69

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

(2) Adjustment represents the removal of non-service pension and postretirement items.

(3) Adjustment represents the removal of a non-cash impairment charge associated with our Heat Transfer business.

(4) Adjustment relates to the removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

(5) Adjustment represents the tax impact of the items noted in (1) through (4) above.

(6) Dilutive shares outstanding used to calculate adjusted earnings per share reflect the dilutive impact of the adjustments.

Full-Year 2016 U.S. GAAP to Adjusted Earnings Per Share Reconciliation

SPX

($ millions)

	GAAP	Adjustments	Adjusted
Segment income [1]	$ 142.8	$ 14.5	$ 157.3
Corporate expense	(41.7)	—	(41.7)
Pension and postretirement income (expense) [2]	(15.4)	16.0	0.6
Long-term incentive compensation expense	(13.7)	—	(13.7)
Special charges, net	(5.3)	—	(5.3)
Impairment of intangible assets [3]	(30.1)	30.1	—
Gain on sale of dry cooling business [4]	18.4	(18.4)	—
Operating income	55.0	42.2	97.2
Other income (expense), net [5]	(0.3)	2.1	1.8
Interest expense, net [6]	(14.0)	0.2	(13.8)
Loss on amendment/refinancing of senior credit agreement [7]	(1.3)	1.3	—
Income from continuing operations before income taxes	39.4	45.8	85.2
Income tax provision [8]	(9.1)	(14.1)	(23.2)
Income from continuing operations	30.3	31.7	62.0
Less: Net loss attributable to redeemable noncontrolling interest [9]	(0.4)	0.3	(0.1)
Net income from continuing operations attributable to SPX Corporation common shareholders	30.7	31.4	62.1
Adjustment related to redeemable noncontrolling interest [9]	(18.1)	18.1	—
Net income from continuing operations attributable to SPX Corporation common shareholders after adjustment to redeemable noncontrolling interest	12.6	49.5	62.1
Dilutive shares outstanding	42.161		42.161
Earnings per share from continuing operations	$ 0.30		$ 1.47

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

(2) Adjustment represents the removal of non-service pension and postretirement items.

(3) Adjustment represents the removal of a non-cash impairment charge associated with our Heat Transfer business.

(4) Adjustment represents removal of gain on sale of dry cooling business.

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

(6) Adjustment relates to the removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

(7) Adjustment represents the removal of a non-cash charge associated with an amendment to the senior credit agreement.

(8) Adjustment represents the tax impact of the items noted in (1) through (7) above.

(9) Adjustment represents removal of noncontrolling interest amounts associated with the South Africa projects.

Q4 and Full-Year Adjusted Operating Income U.S. GAAP Reconciliation

($ millions)

	Three months ended		Twelve months ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Operating income	$ 1.7	$ 1.8	$ 54.8	$ 55.0
Adjustments:				
South African projects [1]	33.4	4.7	69.4	14.5
Non-service pension and postretirement items	5.2	11.0	6.8	16.0
Contract settlement gain	—	—	(10.2)	—
Gain on sale of Dry Cooling	—	—	—	(18.4)
Non-cash impairment of intangible assets	—	26.1	—	30.1
Adjusted operating income	$ 40.3	$ 43.6	$ 120.8	$ 97.2
as a percent of Core revenues [2]	10.2 %	11.5 %	8.6 %	7.0 %

[1] For the three and twelve months ended December 31, 2017, we made revisions to our estimates of expected revenues and costs on our large power projects in South Africa. As a result of these revisions, we reduced revenues for the projects during the three and twelve months ended December 31, 2017 by $23.4 and $36.9, respectively, and increased the loss on the projects by $29.9 and

[2] See "Results of Reportable Segments" for applicable percentages based on GAAP results.

Full-Year Adjusted EBITDA to U.S. GAAP Reconciliation

SPX

($ millions)

	FY 2017		FY 2016	
Operating income	$	54.8	$	55.0
Adjustments:				
South African projects [1]		69.4		14.5
Non-service pension and postretirement items		6.8		16.0
Contract settlement gain		(10.2)		—
Gain on sale of Dry Cooling		—		(18.4)
Non-cash impairment of intangible assets		—		30.1
Depreciation & amortization		25.2		26.5
Equity earnings in Joint Venture		0.7		1.5
Other income/(expense)		(4.1)		0.3
Adjusted EBITDA	$	142.6	$	125.5

[1] For the three and twelve months ended December 31, 2017, we made revisions to our estimates of expected revenues and costs on our large power projects in South Africa. As a result of these revisions, we reduced revenues for the projects during the three and twelve months ended December 31, 2017 by $23.4 and $36.9, respectively, and increased the loss on the projects by $29.9 and $52.8, respectively.

Full-Year Adjusted Gross Margin to U.S. GAAP Reconciliation

($ millions)

	FY 2017	FY 2016
Gross profit (loss)	330.2	375.6
as a percent of revenues	23%	26%
Exclude: South African Projects [1]	59.1	5.8
Adjusted Gross profit (loss)	389.3	381.4
as a percent of Core revenues	28%	27%

[1] For the three and twelve months ended December 31, 2017, we made revisions to our estimates of expected revenues and costs on our large power projects in South Africa. As a result of these revisions, we reduced revenues for the projects during the three and twelve months ended December 31, 2017 by $23.4 and $36.9, respectively, and increased the loss on the projects by $29.9 and $52.8, respectively.

Q4 2017 Organic Revenue U.S. GAAP Reconciliation

	HVAC	Detection & Measurement	Engineered Solutions	Consolidated
Net Revenue Growth (Decline)	1.3 %	28.5 %	(15.3) %	(2.1) %
Adjustment to Exclude South African projects	- %	- %	(15.0) %	(6.9) %
Core Revenue Growth (Decline)	1.3 %	28.5 %	(0.3) %	4.8 %
Exclude: Foreign Currency	0.8 %	1.7 %	0.3 %	0.7 %
Core Organic Revenue Growth (Decline)	0.5 %	26.8 %	(0.6) %	4.1 %

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects.

Debt Reconciliation

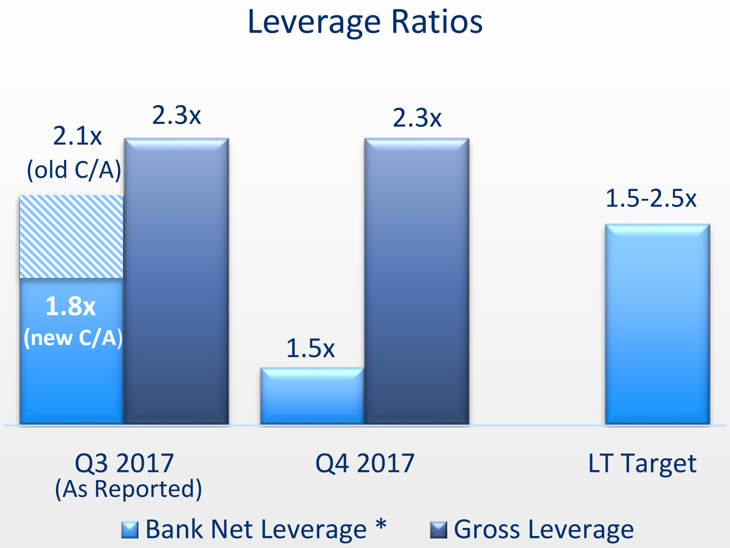
($ millions)

		Q4 2017
Short-term debt	$	7.0
Current maturities of long-term debt		0.5
Long-term debt[1]		351.6
Gross debt		359.1
Less: Purchase card program and extended payables		(2.8)
Adjusted gross debt		356.3
Less: Cash not in excess of $150.0		(124.3)
Adjusted net debt	$	232.0

(1) Excludes unamortized debt issuance costs associated with term loan of $2.3m.
Note: Adjusted net debt as defined by SPX's current credit facility agreement.

Capital Structure

($millions)	Q3 2017	Q4 2017
Short-term debt	$39.0	$7.0
Current maturities of long-term debt	18.0	0.5
Long-term debt	311.0	349.3
Total Debt	$368.0	$356.8
Less: Cash on hand	(87.2)	(124.3)
Net Debt	$280.8	$232.5



* Calculated as defined by SPX's credit facility agreement. The lighter blue lower portion of the bar reflects treatment under the new credit agreement.

Consolidated EBITDA Reconciliation

($ millions)

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	LTM
Net income (loss) from continuing operations attributable to SPX Corporation common shareholders	$ 10.3	$ (8.3)	$ 22.0	$ 60.0	
Income tax provision (benefit)	3.2	6.0	4.8	(61.9)	
Interest expense	4.0	4.6	4.3	4.2	
Income (loss) from continuing operations before interest and taxes	17.5	2.3	31.1	2.3	
Depreciation and amortization	6.3	6.3	6.3	6.3	
EBITDA	23.8	8.6	37.4	8.6	
Adjustments:					
Non-cash compensation	5.5	5.0	5.1	5.1	
Pension adjustments	1.5	1.3	(1.2)	5.3	
Extraordinary non-cash charges	-	22.9	(1.2)	10.4	
Extraordinary non-recurring cash charges	0.5	3.5	(8.0)	23.6	
Net (gains) and losses on disposition of assets outside of the ordinary course of business	-	-	-	-	
Pro forma effect of acquisitions and divestitures, and other	-	-	-	-	
Consolidated EBITDA	$ 31.3	$ 41.3	$ 32.1	$ 53.0	$ 157.7

Note: Consolidated EBITDA as defined by SPX's current credit facility agreement.

U.S. GAAP to Core Free Cash Flow from Continuing Operations

($ millions)

	FY 2017
Net operating cash flow from continuing operations	$ 54.2
Capital expenditures - continuing operations	(11.0)
Free cash flow used in continuing operations	43.2
Adjustment for South African projects	49.5
Core free cash flow from continuing operations	$ 92.7

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, YTD 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.