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

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 1, 2011

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 number 1-6948

SPX CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**38-1016240**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

13515 Ballantyne Corporate Place, Charlotte, North Carolina 28277
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code **(704) 752-4400**

(Former Name, Former Address, and Former Fiscal Year, if Changed Since Last Report)

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. x Yes o No

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 be 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). x Yes o No

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 Exchange Act). o Yes x No

Common shares outstanding October 31, 2011 51,018,416

PART I—FINANCIAL INFORMATION

ITEM 1. Financial Statements

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

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Revenues	$ 1,387.2	$ 1,288.4	$ 3,970.2	$ 3,561.8
Costs and expenses:				
Cost of products sold	996.1	910.4	2,846.5	2,517.6
Selling, general and administrative	268.0	253.7	837.1	756.5
Intangible amortization	8.3	6.8	24.8	19.4
Impairment of goodwill and other intangible assets	—	—	24.7	—
Special charges, net	7.7	8.9	19.7	20.1
Operating income	107.1	108.6	217.4	248.2
Other expense, net	(34.6)	(6.8)	(33.7)	(20.7)
Interest expense	(23.7)	(22.4)	(71.5)	(63.5)
Interest income	1.4	1.0	4.2	3.9
Loss on early extinguishment of interest rate protection agreements and term loan	—	(25.6)	—	(25.6)
Equity earnings in joint ventures	6.9	6.4	20.7	22.3
Income from continuing operations before income taxes	57.1	61.2	137.1	164.6
Income tax benefit (provision)	4.8	(21.5)	(16.2)	(37.4)
Income from continuing operations	61.9	39.7	120.9	127.2
Income (loss) from discontinued operations, net of tax	—	0.1	—	(0.3)
Gain (loss) on disposition of discontinued operations, net of tax	0.4	(0.1)	1.2	12.1
Income from discontinued operations, net of tax	0.4	—	1.2	11.8
Net income	62.3	39.7	122.1	139.0
Less: Net income (loss) attributable to noncontrolling interests	1.6	0.3	4.0	(1.3)
Net income attributable to SPX Corporation common shareholders	$ 60.7	$ 39.4	$ 118.1	$ 140.3
Amounts attributable to SPX Corporation common shareholders:				
Income from continuing operations, net of tax	$ 60.3	$ 39.4	$ 116.9	$ 128.5
Income from discontinued operations, net of tax	0.4	—	1.2	11.8
Net income	$ 60.7	$ 39.4	$ 118.1	$ 140.3
Basic income per share of common stock:				
Income from continuing operations attributable to SPX Corporation common shareholders	$ 1.19	$ 0.79	$ 2.32	$ 2.59
Income from discontinued operations attributable to SPX Corporation common shareholders	0.01	—	0.02	0.24
Net income per share attributable to SPX Corporation common shareholders	$ 1.20	$ 0.79	$ 2.34	$ 2.83
Weighted-average number of common shares outstanding — basic	50.618	49.740	50.480	49.643
Diluted income per share of common stock:				
Income from continuing operations attributable to SPX Corporation common shareholders	$ 1.19	$ 0.78	$ 2.29	$ 2.56
Income from discontinued operations attributable to SPX Corporation common shareholders	0.01	—	0.02	0.23
Net income per share attributable to SPX Corporation common shareholders	$ 1.20	$ 0.78	$ 2.31	$ 2.79
Weighted-average number of common shares outstanding — diluted	50.804	50.445	51.039	50.222

The accompanying notes are an integral part of these statements.

SPX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except share data)

	October 1, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and equivalents	$ 396.2	$ 455.4
Accounts receivable, net	1,276.3	1,164.8
Inventories	695.4	564.3
Other current assets	127.7	176.1
Deferred income taxes	65.6	67.9

Total current assets	2,561.2	2,428.5
Property, plant and equipment:		
Land	39.1	40.8
Buildings and leasehold improvements	269.9	264.1
Machinery and equipment	852.9	767.1
	1,161.9	1,072.0
Accumulated depreciation	(572.1)	(526.8)
Property, plant and equipment, net	589.8	545.2
Goodwill	1,645.8	1,634.6
Intangibles, net	715.6	719.5
Deferred income taxes	11.1	—
Other assets	662.3	665.5
TOTAL ASSETS	$ 6,185.8	$ 5,993.3
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 664.1	$ 538.8
Accrued expenses	1,024.8	1,080.1
Income taxes payable	16.7	16.3
Short-term debt	85.5	36.3
Current maturities of long-term debt	1.3	50.8
Total current liabilities	1,792.4	1,722.3
Long-term debt	1,114.8	1,110.5
Deferred and other income taxes	71.0	86.9
Other long-term liabilities	943.8	969.6
Total long-term liabilities	2,129.6	2,167.0
Commitments and contingent liabilities (Note 13)		
Equity:		
SPX Corporation shareholders' equity:		
Common stock (98,618,253 and 50,990,882 issued and outstanding at October 1, 2011, respectively, and 98,068,416 and 50,294,261 issued and outstanding at December 31, 2010, respectively)	992.8	986.7
Paid-in capital	1,496.6	1,461.1
Retained earnings	2,438.5	2,358.6
Accumulated other comprehensive loss	(160.9)	(192.6)
Common stock in treasury (47,627,371 and 47,774,155 shares at October 1, 2011 and December 31, 2010, respectively)	(2,510.4)	(2,516.1)
Total SPX Corporation shareholders' equity	2,256.6	2,097.7
Noncontrolling interests	7.2	6.3
Total equity	2,263.8	2,104.0
TOTAL LIABILITIES AND EQUITY	$ 6,185.8	$ 5,993.3

The accompanying notes are an integral part of these statements.

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

	Nine months ended	
	October 1, 2011	October 2, 2010
Cash flows from (used in) operating activities:		
Net income	$ 122.1	$ 139.0
Less: Income from discontinued operations, net of tax	1.2	11.8
Income from continuing operations	120.9	127.2
Adjustments to reconcile income from continuing operations to net cash from operating activities:		
Special charges, net	19.7	20.1
Impairment of goodwill and other intangible assets	24.7	—
Loss on early extinguishment of interest rate protection agreements and term loan	—	25.6
Deferred and other income taxes	(29.3)	15.9
Depreciation and amortization	89.1	82.9
Pension and other employee benefits	43.2	50.6
Stock-based compensation	34.5	25.4
Loss on FX forward contracts and FX embedded derivatives, net	32.8	20.5
Other, net	5.2	3.5
Changes in operating assets and liabilities, net of effects from acquisitions and divestitures:		
Accounts receivable and other assets	(60.0)	(230.3)
Inventories	(134.0)	1.6
Accounts payable, accrued expenses, and other	(1.6)	(76.8)
Cash spending on restructuring actions	(21.2)	(22.5)

Net cash from continuing operations	124.0	43.7
Net cash used in discontinued operations	(2.8)	(3.2)
Net cash from operating activities	121.2	40.5
Cash flows from (used in) investing activities:		
Proceeds from asset sales and other	0.3	2.3
(Increase) decrease in restricted cash	(2.8)	2.5
Business acquisitions and other investments, net of cash acquired	(53.1)	(122.1)
Capital expenditures	(77.9)	(35.7)
Net cash used in continuing operations	(133.5)	(153.0)
Net cash from discontinued operations (includes net cash proceeds from dispositions of $7.4 for the nine months ended October 2, 2010)	0.5	7.4
Net cash used in investing activities	(133.0)	(145.6)
Cash flows used in financing activities:		
Borrowings under senior credit facilities	660.0	174.0
Repayments under senior credit facilities	(660.0)	(739.5)
Borrowings under senior notes	—	600.0
Repayments of senior notes	(49.5)	—
Borrowings under trade receivables agreement	96.0	35.0
Repayments under trade receivables agreement	(50.0)	(41.0)
Net borrowings (repayments) under other financing arrangements	1.5	(1.0)
Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options and other	—	(5.5)
Financing fees paid	(11.7)	(12.6)
Dividends paid (includes noncontrolling interest distributions of $2.9 and $0.5 for the nine months ended October 1, 2011 and October 2, 2010, respectively)	(40.7)	(37.7)
Net cash used in continuing operations	(54.4)	(28.3)
Net cash from discontinued operations	—	—
Net cash used in financing activities	(54.4)	(28.3)
Change in cash and equivalents due to changes in foreign currency exchange rates	7.0	1.5
Net change in cash and equivalents	(59.2)	(131.9)
Consolidated cash and equivalents, beginning of period	455.4	522.9
Consolidated cash and equivalents, end of period	$ 396.2	$ 391.0

The accompanying notes are an integral part of these statements.

SPX CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited; in millions, except per share data)

(1) BASIS OF PRESENTATION

We prepared the condensed consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for interim reporting. As permitted under those rules and regulations, certain footnotes or other financial information that are normally required by accounting principles generally accepted in the United States ("GAAP") can be condensed or omitted. The financial statements represent our accounts after the elimination of intercompany transactions and, in our opinion, include the adjustments (consisting only of normal and recurring items) necessary for their fair presentation.

We account for investments in unconsolidated companies where we exercise significant influence but do not have control using the equity method. In determining whether we are the primary beneficiary of a variable interest entity ("VIE"), we perform a qualitative analysis that considers the design of the VIE, the nature of our involvement and the variable interests held by other parties to determine which party has the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and the obligation to absorb losses or the right to receive benefits of the entity that could potentially be significant to the VIE. We do have interests in VIEs, primarily joint ventures, in which we are the primary beneficiary and others in which we are not. All our VIEs are considered immaterial, individually and in aggregate, to our consolidated financial statements.

Our only significant investment reported under the equity method is our 44.5% interest in the EGS Electrical Group, LLC and subsidiaries ("EGS") joint venture, which we account for on a three-month lag. EGS's revenues and our equity earnings from our investment in EGS, as included in our condensed consolidated statements of operations, totaled $121.8 and $6.7 and $110.5 and $6.2 for the three months ended October 1, 2011 and October 2, 2010, respectively. For the nine months ended October 1, 2011 and October 2, 2010, EGS's revenues and our equity earnings from our investment in EGS, as included in our condensed consolidated statements of operations, totaled $355.1 and $20.0 and $326.6 and $21.3, respectively. During the second quarter of 2010, EGS acquired Nutsteel Industria Metalurgica Ltda for $35.4. We contributed $15.8 to EGS to fund our portion of the acquisition price.

Preparing financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from these estimates. The unaudited information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements contained in our 2010 Annual Report on Form 10-K. Interim results may not be indicative of full year results. We have reclassified certain prior year amounts, including the results of discontinued operations, to conform to the current year presentation. Unless otherwise indicated, amounts provided in these Notes pertain to continuing operations (see Note 3 for information on discontinued operations).

We establish actual interim closing dates using a "fiscal" calendar, which requires our businesses to close their books on the Saturday closest to the end of the calendar quarter for the first quarter, with the second and third quarters being 91 days in length. Our fourth quarter ends on December 31. The interim closing dates for the first, second and third quarters of 2011 are April 2, July 2 and October 1, compared to the respective April 3, July 3 and

October 2, 2010 dates. This practice only affects the quarterly reporting periods and not the annual reporting period. We had one fewer day in the first quarter of 2011 and will have one more day in the fourth quarter of 2011 than in the respective 2010 periods.

(2) NEW ACCOUNTING PRONOUNCEMENTS

The following is a summary of new accounting pronouncements that apply or may apply to our business.

In September 2009, the Financial Accounting Standards Board ("FASB") issued guidance with the objective of amending revenue recognition for arrangements with multiple deliverables. The guidance eliminates one previous revenue recognition criterion so that objective and reliable evidence of fair value for undelivered item(s), in a multiple element deliverable arrangement in which the delivered item or items are considered a separate unit or units, is no longer required. The guidance also determines a hierarchy for an entity to use when estimating the selling price of deliverables that meet the other two conditions for separation as follows: (1) vendor-specific objective evidence of the selling price, (2) third-party evidence of the selling price, or (3) an estimate of the selling price. In addition, the term "selling price" replaces all references to fair value in the guidance. The guidance also has eliminated the residual allocation method and requires an entity to apply the relative selling price allocation method in all circumstances where there is an absence of objective and reliable evidence for the delivered item(s) in an arrangement. Lastly, the guidance requires enhanced disclosures about the judgments and assumptions used in evaluating arrangements. Entities may elect to apply this guidance (1) prospectively to new or materially modified arrangements after the effective date or (2) retrospectively for all periods presented. The guidance is effective for fiscal years beginning on or after June 15, 2010. We adopted this guidance on January 1, 2011 with no material impact on our consolidated financial statements.

In September 2009, the FASB issued an amendment to guidance related to revenue recognition for certain revenue arrangements that include software elements. The amendment was to the scope of prior guidance, such that all tangible products containing both software and non-software components that function together to deliver the product's essential functionality will no longer be within the scope of the Software Revenue Recognition Topic of the Accounting Standard Codification ("Codification"). That is, the entire product (including the software deliverables and non-software deliverables) would be outside the scope of revenue recognition guidance specific to software and would be accounted for under other accounting literature. Lastly, the guidance requires enhanced disclosures about the judgments and assumptions used in evaluating arrangements. Entities may elect to apply this guidance (1) prospectively to new or materially modified arrangements after the effective date or (2) retrospectively for all periods presented. The guidance is effective for fiscal years beginning on or after June 15, 2010. We adopted this guidance on January 1, 2011 with no material impact on our consolidated financial statements.

In December 2010, the FASB issued guidance to modify the goodwill impairment test by eliminating an entity's ability to assert that a reporting unit is not required to perform Step 2 of the goodwill impairment test if the carrying amount of the reporting unit is zero or negative, despite the existence of qualitative factors that indicate that the goodwill is more likely than not impaired. For such reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. In determining whether it is more likely than not that a goodwill impairment exists, an entity should consider whether there are any adverse qualitative factors indicating that impairment may exist. The qualitative factors are consistent with the existing guidance, which require that goodwill of a reporting unit be tested for impairment between interim or annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The guidance is effective for the first reporting period beginning after December 15, 2010. We adopted the guidance on January 1, 2011 with no material impact on our consolidated financial statements.

In December 2010, the FASB issued guidance to clarify that if a public entity presents comparative financial statements for business combinations that are material on an individual or aggregate basis, the entity should disclose revenues and earnings of the combined entity as though the business combination had occurred as of the beginning of the comparable prior annual reporting period only. Additionally, the guidance expands the supplemental pro forma disclosures to include a description of the nature and amount of material, nonrecurring, adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The guidance is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. We adopted the guidance on January 1, 2011 with no material impact on our consolidated financial statements; however, the guidance will have an impact on our consolidated financial statements for material acquisitions consummated after January 1, 2011.

In June 2011, the FASB issued guidance to revise the presentation of comprehensive income by requiring entities to report components of comprehensive income in either a single continuous statement of comprehensive income or two separate but consecutive statements. The single continuous statement of comprehensive income must include the components of net income, a total for net income, the components of other comprehensive income ("OCI"), a total for OCI, and a total for comprehensive income. The separate but consecutive statements must report components of net income and total net income in the statement of net income, which must be immediately followed by a statement of OCI that must include the components of OCI, a total for OCI, and a total for comprehensive income. Each method requires entities to display adjustments for items that are reclassified from OCI to net income in both net income and OCI. The guidance is effective for the first reporting period beginning after December 15, 2011 and must be applied retrospectively for all periods presented in the financial statements. Early adoption is permitted. We have not yet adopted this guidance and do not expect the adoption to have a material impact on our consolidated financial statements.

In September 2011, the FASB issued an amendment to guidance related to testing goodwill for impairment. Under the revised guidance, entities testing goodwill for impairment have the option of performing a qualitative assessment 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 under Topic 350 of the Codification. If an entity determines, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not less than the carrying amount, the two-step impairment test would be required. The amendment is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted, including for annual and interim goodwill impairment tests performed as of a date before September 15, 2011. We have not yet adopted this guidance and do not expect the adoption to have a material impact on our consolidated financial statements.

(3) ACQUISITIONS AND DISCONTINUED OPERATIONS

Acquisitions

In March 2011, our Flow Technology segment completed the acquisition of B.W. Murdoch Ltd. ("Murdoch"), an engineering company supplying processing solutions for the food and beverage industry, for a purchase price of $8.1, after payment of a working capital settlement of $0.7 during the third quarter of 2011. Murdoch had revenues of approximately $13.0 in the twelve months prior to the date of acquisition.

In March 2011, our Test and Measurement segment completed the acquisition of substantially all of the assets of Teradyne Inc.'s Diagnostic Solutions business ("DS"), a global supplier of diagnostic solutions for transportation OEMs and automotive dealerships, for a purchase price of $40.2. DS had revenues of approximately $42.0 in the twelve months prior to the date of acquisition.

In July 2010, our Flow Technology segment completed the acquisition of the Anhydro business ("Anhydro"), a global supplier of liquid concentration equipment, powder processing solutions, and dewatering plants and equipment, for a purchase price of $59.1, net of cash acquired of $10.9. Anhydro had revenues of approximately $71.0 in the twelve months prior to the date of acquisition.

In April 2010, our Industrial Products and Services segment completed the acquisition of Torque Tension Systems Ltd. ("TTS"), a global supplier of hydraulic torque wrench and tensioner tool products, for a purchase price of $15.7, net of cash acquired of $2.4. TTS had revenues of approximately $9.0 in the twelve months prior to the date of acquisition.

In February 2010, our Flow Technology segment completed the acquisition of Gerstenberg Schröder A/S ("Gerstenberg"), a designer, manufacturer, installer and servicer of processing systems and components serving the global food industry, for a purchase price of $30.9, net of cash acquired of $3.5 and including debt assumed of $3.9. Gerstenberg had revenues of approximately $57.0 in the twelve months prior to the date of acquisition.

The pro forma effects of the completed acquisitions were not material, individually or in the aggregate, to our results of operations.

The assets acquired and liabilities assumed were recorded at preliminary estimates of fair value as determined by management, based on information available at the acquisition date and on current assumptions as to future operations, and are subject to change during the measurement period upon the completion of acquisition accounting, including the finalization of asset valuations and any working capital settlements.

On August 24, 2011, we entered into an agreement to purchase Clyde Union (Holdings) S.A.R.L ("Clyde Union"), a global supplier of pump technologies that are utilized in oil and gas processing, power generation and other industrial applications. On November 1, 2011, we executed an amendment to that agreement. Under the amended agreement, the purchase price (payable in cash) is equal to the sum of (i) an initial payment of 565.0 British Pounds ("GBP") plus (ii) an earn-out payment equal to 11.8 times the amount by which the March 31, 2012 Group Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") for the trailing twelve months (Group EBITDA terms are as defined in the related share purchase agreement) is greater than 47.881 GBP, if any, and (iii) a separate earn-out payment equal to:

$$\frac{\text{Annual 2012 Group EBITDA less Earn-Out Threshold}}{\text{10.0 GBP}} \quad \text{x} \quad \text{(185.0 GBP less any payment made under (ii) above).}$$

The Earn-Out Threshold is 65.0 GBP unless March 31, 2012 Group EBITDA for the trailing twelve months is less than 47.881 GBP, in which case it is 112.881 GBP less the amount of the trailing twelve month March 31, 2012 Group EBITDA.

In no event shall either earn-out payment be less than zero nor shall the aggregate earn-out payments exceed 185.0 GBP.

Consummation of the transaction is subject to certain closing conditions, including the receipt of required regulatory approvals, with the closing targeted to occur by December 22, 2011.

Clyde Union has approximately 2,000 employees, is based in Glasgow, United Kingdom, and operates eight manufacturing facilities and 25 service centers around the world. We expect that the acquisition of Clyde Union will expand our market position within, and create a global power and energy platform for, our Flow Technology segment.

We plan to finance the acquisition with available cash and committed senior secured financing. See Note 10 for further details on the senior secured financing.

On October 31, 2011, our Flow Technology segment completed the acquisition of e&e Verfahrenstechnik GmbH, a supplier of extraction, evaporation, vacuum and freeze drying technologies to the global food and beverage, pharmaceutical and bioenergy industries for a purchase price of approximately 12.3 Euros, net of cash assumed of 2.2 Euros, with an additional potential earn-out of 3.5 Euros.

Discontinued Operations

As part of our operating strategy, we regularly review and negotiate potential divestitures, some of which are or may be material. As a result of this continual review, we determined that certain of our businesses would be better strategic fits with other companies or investors.

We report businesses or asset groups as discontinued operations when, among other things, we commit to a plan to divest the business or asset group, actively begin marketing the business or asset group, and when the sale of the business or asset group is deemed probable within the next twelve months. The following businesses, which have been sold, met these requirements, and therefore have been reported as discontinued operations for the periods presented:

Business	Quarter Discontinued	Quarter Sale Closed
Cooling Spain Packaging business ("Cooling Spain")	Q4 2010	Q4 2010
P.S.D., Inc. ("PSD")	Q2 2009	Q1 2010

Cooling Spain — Sold for cash consideration of one Euro (exclusive of cash transferred with the business of $2.3), resulting in a loss, net of taxes, of $1.9 during the fourth quarter of 2010. During the first quarter of 2011, we recorded a net charge of $0.1 to "Gain (loss) on disposition of discontinued operations, net of tax" within our condensed consolidated statements of operations in connection with adjustments to certain liabilities that we retained.

PSD — Sold for cash consideration of $3.0, resulting in a gain, net of taxes, of $3.6 during the first quarter of 2010.

In addition to the businesses discussed above, we recognized a net gain of $0.4 and $1.3 during the three and nine months ended October 1, 2011, respectively, a net loss of $0.1 and a net gain of $1.2 during the three and nine months ended October 2, 2010, respectively, resulting from adjustments to gains/losses on sales from previously discontinued businesses. Refer to the consolidated financial statements contained in our 2010 Annual Report on Form 10-K for the disclosure of all discontinued businesses during the 2008 through 2010 period.

During the second quarter of 2010, the field examinations of our 2006 and 2007 federal income tax returns were completed by the Internal Revenue Service ("IRS"). In connection with the completion of these examinations, we reduced our liability for uncertain tax positions and recognized an income tax benefit of $7.3 to "Gain (loss) on disposition of discontinued operations, net of tax" associated with a business previously disposed of and reported as a discontinued operation.

The final sales price for certain of the divested businesses is subject to adjustment based on working capital existing at the respective closing dates. The working capital figures are subject to agreement with the buyers, or if we cannot come to agreement, an arbitration process. Final agreement of the working capital figures for certain of these transactions has yet to occur. In addition, changes in estimates associated with liabilities retained in connection with a business divestiture (e.g., income taxes) may occur. It is possible that the sales price and resulting gains/losses on these, and other previous divestitures, will be materially adjusted in subsequent periods.

For the three and nine months ended October 1, 2011 and October 2, 2010, income (loss) from discontinued operations and the related income taxes are shown below:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Income (loss) from discontinued operations	$ 0.7	$ (0.1)	$ (2.0)	$ 1.9
Income tax (provision) benefit	(0.3)	0.1	3.2	9.9
Income from discontinued operations, net	$ 0.4	$ —	$ 1.2	$ 11.8

For the three and nine months ended October 1, 2011 and October 2, 2010, results of operations for our businesses reported as discontinued operations were as follows:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Revenues	$ —	$ 1.4	$ —	$ 5.2
Pre-tax income (loss)	—	0.1	—	(0.3)

There were no assets or liabilities attributable to discontinued operations at October 1, 2011 and December 31, 2010.

(4) BUSINESS SEGMENT INFORMATION

We are a global provider of flow technology, test and measurement products and services, thermal equipment and services, and industrial products and services with operations in over 35 countries. We offer a diverse collection of products, such as valves,

fluid handling equipment, metering and mixing solutions, specialty service tools, diagnostic systems, service equipment and technical information services, cooling, heating and ventilation products, power transformers, and TV and radio broadcast antennas. Our products are used by a broad array of customers in various industries, including food and beverage processing, power generation, chemical processing, pharmaceuticals, infrastructure, mineral processing, petrochemical, automotive service, telecommunications and transportation.

We aggregate our operating segments into four reportable segments: Flow Technology, Test and Measurement, Thermal Equipment and Services and Industrial Products and Services. The factors considered in determining our aggregated segments are the economic similarity of the businesses, the nature of products sold or services provided, production processes, types of customers and distribution methods. In determining our segments, we apply the threshold criteria of the Segment Reporting Topic of the Codification to operating income or loss of each segment before considering impairment and special charges, pensions and postretirement expense, stock-based compensation and other indirect corporate expenses ("Segment income"). This is consistent with the way our chief operating decision maker evaluates the results of each segment.

Flow Technology

Our Flow Technology segment designs, manufactures and markets products and solutions that are used to process, blend, filter, dry, meter and transport fluids with a focus on creating innovative new products and systems and also provides comprehensive aftermarket support services. Primary offerings include engineered pumps, mixers, process systems, heat exchangers, valves, and dehydration and drying technologies. The segment continues to focus on optimizing its global footprint while taking advantage of cross-product integration opportunities and increasing its competitive position in global end markets. Flow Technology's solutions focus on key business drivers, such as product flexibility, process optimization, sustainability and safety.

Test and Measurement

Our Test and Measurement segment engineers and manufactures branded, technologically advanced test and measurement products used on a global basis across the transportation, telecommunications and utility industries. Our technology supports the introduction of new systems, expanded services and

sophisticated testing and validation. Primary offerings include specialty automotive diagnostic service tools, fare-collection systems and portable cable and pipe locators. The segment continues to focus on global expansion, with a specific focus on China and India.

Thermal Equipment and Services

Our Thermal Equipment and Services segment engineers, manufactures and services cooling, heating and ventilation products for markets throughout the world. Primary offerings include dry, wet and hybrid cooling systems for the power generation, refrigeration, HVAC and industrial markets, as well as boilers, heating and ventilation products for the commercial and residential markets. This segment also provides thermal components for power generation plants and engineered services to maintain, refurbish, upgrade and modernize power stations. The segment continues to focus on expanding its global reach, including increasing its dry cooling, heating and ventilation presence in Asia, as well as its thermal components and service offerings. The segment's South African subsidiary has a Black Economic Empowerment noncontrolling interest shareholder, which holds a 25.1% interest.

Industrial Products and Services

Our Industrial Products and Services segment comprises businesses that design, manufacture and market power systems, industrial tools and hydraulic units, precision machine components for the aerospace industry, crystal growing machines for the solar power generation market, television, radio and cell phone and data transmission broadcast antenna systems, communications and signal monitoring systems, and precision controlled industrial ovens and chambers. This segment continues to focus on global expansion opportunities.

Corporate Expense

Corporate expense generally relates to the cost of our Charlotte, NC corporate headquarters and our Asia Pacific center in Shanghai, China.

Financial data for our business segments, including the results of businesses acquired from the respective dates of acquisition, were as follows:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Revenues (1):				
Flow Technology	$ 527.9	$ 438.6	$ 1,476.6	$ 1,176.0
Test and Measurement	255.6	227.6	792.6	671.9
Thermal Equipment and Services	433.9	438.7	1,191.1	1,183.3
Industrial Products and Services	169.8	183.5	509.9	530.6
Total revenues	$ 1,387.2	$ 1,288.4	$ 3,970.2	$ 3,561.8
Segment income:				
Flow Technology	$ 70.1	$ 58.2	$ 183.1	$ 144.7
Test and Measurement	29.4	17.8	78.0	54.9
Thermal Equipment and Services	40.8	60.1	97.9	140.9
Industrial Products and Services	16.1	21.6	44.2	59.4
Total segment income	156.4	157.7	403.2	399.9
Corporate expense	(25.1)	(21.5)	(79.9)	(66.7)
Pension and postretirement expense	(8.7)	(13.4)	(27.0)	(39.5)
Stock-based compensation expense	(7.8)	(5.3)	(34.5)	(25.4)
Impairment of goodwill and other intangible assets	—	—	(24.7)	—
Special charges, net	(7.7)	(8.9)	(19.7)	(20.1)
Consolidated operating income	$ 107.1	$ 108.6	$ 217.4	$ 248.2

(1) Under the percentage of completion method, we recognized revenues of $375.9 and $362.7 in the three months ended October 1, 2011 and October 2, 2010, respectively. For the nine months ended October 1, 2011 and October 2, 2010, revenues under the percentage of completion method were $1,074.8 and $978.5, respectively. Costs and estimated earnings in excess of billings on contracts accounted for under the percentage of completion method were $277.0 and $228.1 as of October 1, 2011 and December 31, 2010, respectively. The October 1, 2011 balance includes $275.2 reported as a component of "Accounts receivable, net" and $1.8 as a component of "Other assets" in the condensed consolidated balance sheet. The December 31, 2010 balance includes $226.3 reported as a component of "Accounts receivable, net" and $1.8 as a component of "Other assets" in the condensed consolidated balance sheet. Billings in excess of costs and estimated earnings on uncompleted contracts accounted for under the percentage of completion method were $236.7 and $373.9 as of October 1, 2011 and December 31, 2010, respectively. The October 1, 2011 balance was reported as a component of "Accrued expenses". The December 31, 2010 balance includes $364.5 reported as a component of "Accrued expenses" and $9.4 as a component of "Other long-term liabilities" in the condensed consolidated balance sheet.

(5) SPECIAL CHARGES

Special charges, net, for the three and nine months ended October 1, 2011 and October 2, 2010, are summarized and described in more detail below:

Three months ended	Nine months ended

	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Flow Technology	$ 5.6	$ 2.0	$ 9.4	$ 8.5
Test and Measurement	0.5	2.7	6.0	6.0
Thermal Equipment and Services	—	3.6	1.8	4.8
Industrial Products and Services	1.5	—	2.3	—
Corporate	0.1	0.6	0.2	0.8
Total	$ 7.7	$ 8.9	$ 19.7	$ 20.1

Flow Technology segment — Charges for the three months ended October 1, 2011 related primarily to headcount reductions at facilities in Germany and China, and lease exit costs for a facility in Denmark. In addition, charges for the nine months ended October 1, 2011 included charges related to the integration of Anhydro and Gerstenberg, the reorganization of the segment's systems business, the transition of certain European back-office positions to the shared service center in Manchester, United Kingdom, and additional costs associated with restructuring activities initiated in 2010. Charges for the three and nine months ended October 2, 2010 related primarily to headcount reduction costs at various facilities in Europe, lease exit costs for one facility in Australia and two facilities in New Zealand, additional costs associated with restructuring activities initiated in 2009, and impairment charges associated with an idle facility in Lake Mills, WI ($0.1 and $1.1 for the three and nine months ended October 2, 2010, respectively), as well as costs associated with the segment's regional reorganization and the movement of certain functions to the new European shared service center in Manchester, United Kingdom.

Test and Measurement segment — Charges for the three and nine months ended October 1, 2011 and October 2, 2010 related primarily to costs associated with headcount reductions and consolidation activities for a number of domestic and foreign facilities. In addition, during the nine months ended October 1, 2011, the segment recorded an impairment charge of $3.7 associated with the rationalization of certain software assets that occurred as a result of the integration of the DS acquisition. Lastly, charges for the three and nine months ended October 2, 2010 included facility impairment charges of $1.6.

Thermal Equipment and Services segment — Charges for the nine months ended October 1, 2011 related primarily to costs associated with headcount reductions at facilities in Germany and Italy and lease exit costs associated with two facilities in Germany. Charges for the three and nine months ended October 2, 2010 related primarily to costs associated with headcount reductions at facilities in China, Europe and Tulsa, OK. Additionally, charges for the nine months ended October 2, 2010 included fixed asset impairment charges of $1.0.

Industrial Products and Services segment — Charges for the three months ended October 1, 2011 related primarily to costs associated with headcount reductions at a facility in Raymond, ME. Charges for the nine months ended October 1, 2011 also included an impairment charge of $0.8.

Corporate — Charges for the three and nine months ended October 1, 2011 related primarily to our legal entity reduction initiative. Charges for the three and nine months ended October 2, 2010 related primarily to asset impairment charges of $0.6 and our legal entity reduction initiative.

The following is an analysis of our restructuring and integration liabilities for the nine months ended October 1, 2011 and October 2, 2010:

	Nine months ended	
	October 1, 2011	October 2, 2010
Beginning balance	$ 20.7	$ 26.0
Special charges (1)	15.1	15.8
Adjustments related to acquisition accounting	—	0.4
Utilization — cash	(21.2)	(22.5)
Currency translation adjustment and other	0.6	(0.1)
Ending balance	$ 15.2	$ 19.6

(1) The nine months ended October 1, 2011 and October 2, 2010 exclude $4.6 and $4.3, respectively, of non-cash special charges that impact special charges but not the restructuring and integration related liabilities.

(6) INVENTORIES

Inventories comprised the following amounts:

	October 1, 2011	December 31, 2010
Finished goods	$ 252.0	$ 190.3
Work in process	161.5	113.9
Raw material and purchased parts	314.3	292.5
Total FIFO cost	727.8	596.7
Excess of FIFO cost over LIFO inventory value	(32.4)	(32.4)
Total inventories	$ 695.4	$ 564.3

Inventories include material, labor and factory overhead costs and are reduced, when necessary, to estimated realizable values. Certain domestic inventories are valued using the last-in, first-out ("LIFO") method. These inventories were approximately 26% and 29% of the total inventory at October 1, 2011 and December 31, 2010, respectively. Other inventories are valued using the first-in, first-out ("FIFO") method. Progress payments, which are netted against work in process, were $5.0 and $5.9 at October 1, 2011 and December 31, 2010, respectively.

(7) GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill, by segment, were as follows:

	December 31, 2010	Goodwill resulting from business combinations	Impairments	Foreign Currency Translation and other (1)	October 1, 2011
Flow Technology					
Gross goodwill	$ 702.7	$ 3.2	$ —	$ 3.6	$ 709.5
Accumulated impairments	—	—	—	—	—
Goodwill	702.7	3.2	—	3.6	709.5
Test & Measurement					
Gross goodwill	434.5	16.9	—	3.3	454.7
Accumulated impairments	(257.0)	—	—	(1.7)	(258.7)
Goodwill	177.5	16.9	—	1.6	196.0
Thermal Equipment and Services					
Gross goodwill	602.6	—	—	4.0	606.6
Accumulated impairments	(114.1)	—	(17.2)	—	(131.3)
Goodwill	488.5	—	(17.2)	4.0	475.3
Industrial Products and Services					
Gross goodwill	351.8	—	—	(0.9)	350.9
Accumulated impairments	(85.9)	—	—	—	(85.9)
Goodwill	265.9	—	—	(0.9)	265.0
Total					
Gross goodwill	2,091.6	20.1	—	10.0	2,121.7
Accumulated impairments	(457.0)	—	(17.2)	(1.7)	(475.9)
Goodwill	$ 1,634.6	$ 20.1	$ (17.2)	$ 8.3	$ 1,645.8

(1) Includes adjustments resulting from recent acquisitions not consummated during the nine months ended October 1, 2011 of ($4.8) and foreign currency translation adjustments totaling $13.1.

Other Intangibles

Identifiable intangible assets comprised the following:

	October 1, 2011			December 31, 2010		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Intangible assets with determinable lives:						
Patents	$ 19.3	$ (17.3)	$ 2.0	$ 24.6	$ (21.6)	$ 3.0
Technology	118.0	(29.8)	88.2	116.7	(23.3)	93.4
Customer relationships	261.8	(64.4)	197.4	239.7	(51.6)	188.1
Other	38.5	(18.0)	20.5	35.4	(13.5)	21.9
	437.6	(129.5)	308.1	416.4	(110.0)	306.4
Trademarks with indefinite lives (1)	407.5	—	407.5	413.1	—	413.1
Total	$ 845.1	$ (129.5)	$ 715.6	$ 829.5	$ (110.0)	$ 719.5

(1) Balance at October 1, 2011 reflects impairment charges recorded during the second quarter of 2011 associated with businesses within our Thermal Equipment and Services and Industrial Products and Services segments of $7.5 and $0.8, respectively.

Estimated annual amortization expense related to these intangible assets is $32.6 in 2011, $28.5 in 2012, $26.5 in 2013, $25.8 in 2014 and $23.9 in 2015.

At October 1, 2011, the net carrying value of intangible assets with determinable lives consisted of $161.4 in the Flow Technology segment, $75.9 in the Test and Measurement segment, $59.5 in the Thermal Equipment and Services segment, and $11.3 in the Industrial Products and Services segment. Trademarks with indefinite lives consisted of $208.3 in the Flow Technology segment, $54.3 in the Test and Measurement segment, $130.7 in the Thermal Equipment and Services segment, and $14.2 in the Industrial Products and Services segment.

We annually test the recoverability of our goodwill and indefinite-lived intangible assets during the fourth quarter based on a measurement date as of the end of the third quarter. In addition, we test such assets for impairment on a more frequent basis if there are indications of potential impairment. Based on our annual impairment testing during the fourth quarter of 2010, our SPX Heat Transfer Inc. reporting unit had an estimated fair value that was comparable to the carrying value of its net assets. In the second quarter of 2011, SPX Heat Transfer Inc. experienced an additional decline in its revenues and profitability, furthering a trend that began late in the first quarter of 2011, in comparison to (i) recent historical results and (ii) expected results for the period, due to the challenging conditions within the U.S. power market. Although we expect financial results for the reporting unit to rebound, the projections of future discounted cash flows as of the end of the second quarter of 2011 indicated that the reporting unit's fair value was less than the carrying value of its net assets. Accordingly, we recorded an impairment charge of $24.7 during the second quarter of 2011 associated with SPX Heat Transfer Inc.'s goodwill ($17.2) and indefinite-lived intangible assets ($7.5). After the $24.7 impairment charge, SPX Heat Transfer Inc. had goodwill and indefinite-lived intangible assets of $3.6 and $22.6, respectively.

(8) WARRANTY

The following is an analysis of our product warranty accrual for the nine months ended October 1, 2011 and October 2, 2010:

	Nine months ended	
	October 1, 2011	October 2, 2010
Balance at beginning of period	$ 55.8	$ 56.7
Acquisitions	1.1	2.1
Provisions	18.7	19.7
Usage	(18.7)	(22.6)
Balance at end of period	56.9	55.9
Less: Current portion of warranty	47.2	45.1
Non-current portion of warranty	$ 9.7	$ 10.8

(9) EMPLOYEE BENEFIT PLANS

Net periodic benefit expense for our pension and postretirement plans includes the following components:

Domestic Pension Plans

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Service cost	$ 2.5	$ 2.3	$ 7.5	$ 7.0
Interest cost	14.4	15.2	43.1	45.8
Expected return on plan assets	(16.6)	(17.1)	(49.3)	(51.3)
Amortization of unrecognized losses	5.8	9.1	17.4	27.4
Amortization of unrecognized prior service credits	(0.3)	(0.2)	(0.7)	(0.6)
Total net periodic benefit expense	5.8	9.3	18.0	28.3
Less: Net periodic benefit expense of discontinued operations	—	—	—	—
Net periodic benefit expense of continuing operations	$ 5.8	$ 9.3	$ 18.0	$ 28.3

Foreign Pension Plans

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Service cost	$ 0.6	$ 0.6	$ 1.9	$ 1.7
Interest cost	3.8	3.6	11.0	10.5
Expected return on plan assets	(4.1)	(3.7)	(12.4)	(10.7)
Amortization of unrecognized losses	0.3	0.5	0.8	1.3
Total net periodic benefit expense	0.6	1.0	1.3	2.8
Less: Net periodic benefit expense of discontinued operations	(0.3)	—	(0.3)	—
Net periodic benefit expense of continuing operations	$ 0.3	$ 1.0	$ 1.0	$ 2.8

Postretirement Plans

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Service cost	$ 0.1	$ 0.1	$ 0.3	$ 0.2
Interest cost	1.7	2.0	5.3	6.0
Amortization of unrecognized losses	1.2	1.3	3.5	3.2
Amortization of unrecognized prior service credits	(0.4)	(0.3)	(1.1)	(1.0)
Net periodic postretirement benefit expense of continuing operations	$ 2.6	$ 3.1	$ 8.0	$ 8.4

During the first nine months of 2011, we made contributions of approximately $10.6 to our foreign and qualified domestic pension plans, of which $1.4 related to businesses classified as discontinued operations.

An increase in the number of inactive participants in one of our domestic pension plans resulted in almost all of the plan participants being inactive. Accordingly, in the first quarter of 2011, we began amortizing the unrecognized gains/losses over the average remaining life expectancy of the inactive participants as opposed to the average remaining service period of the active participants. This change resulted in a reduction to pension expense of approximately $5.0 and $15.0 during the three and nine months ended October 1, 2011, respectively.

(10) INDEBTEDNESS

The following summarizes our debt activity (both current and non-current) for the nine months ended October 1, 2011:

	December 31, 2010	Borrowings	Repayments	Other (6)	October 1, 2011
Domestic revolving loan facility	$ —	$ 660.0	$ (660.0)	$ —	$ —
6.875% senior notes (1)	600.0	—	—	—	600.0
7.625% senior notes	500.0	—	—	—	500.0
7.50% senior notes (2)	28.2	—	(28.2)	—	—
6.25% senior notes (3)	21.3	—	(21.3)	—	—
Trade receivables financing arrangement (4)	—	96.0	(50.0)	—	46.0
Other indebtedness (5)	48.1	3.8	(2.3)	6.0	55.6
Total debt	1,197.6	$ 759.8	$ (761.8)	$ 6.0	1,201.6
Less: short-term debt	36.3				85.5
Less: current maturities of long-term debt	50.8				1.3
Total long-term debt	$ 1,110.5				$ 1,114.8

(1) In August 2010, we issued $600.0 of 6.875% senior notes that mature in 2017. The proceeds from the issuance were used to repay the remaining balance ($562.5) under the term loan of our then-existing senior credit facilities. In connection with the early repayment of the term loan, we also terminated the related interest rate protection agreements. Cost associated with the early repayment of the term loan and the termination of the interest rate protection agreements totaled $25.6, including $1.1 for the write-off of deferred financing costs, $0.2 for fees related to the early repayment of the term loan, and $24.3 to settle the interest rate protection agreements.
(2) These notes were redeemed in full in January 2011.
(3) These notes were redeemed in full in June 2011.
(4) Under this arrangement, we can borrow, on a continuous basis, up to $130.0, as available.
(5) Includes balances under a purchase card program of $38.8 and $36.1 at October 1, 2011 and December 31, 2010, respectively.
(6) "Other" includes debt assumed and foreign currency translation on any debt instruments denominated in currencies other than the U.S. dollar.

New Senior Credit Facilities

On June 30, 2011, we entered into new senior credit facilities with a syndicate of lenders that replaced our then-existing senior credit facilities. The new senior credit facilities provide for committed senior secured financing of $1,800.0, consisting of the following (each with a final maturity of June 30, 2016):

- A domestic revolving credit facility, available for loans and letters of credit, in an aggregate principal amount up to $300.0;
- A global revolving credit facility, available for loans in U.S. Dollars, Euros, British Pounds and other currencies in an aggregate principal amount up to the equivalent of $300.0;
- A participation foreign credit instrument facility, available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $1,100.0; and
- A bilateral foreign credit instrument facility, available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $100.0.

In addition, the lenders in the syndicate under the new senior credit facilities generally are comparable to those that existed for the previous senior credit facilities.

The new senior credit facilities allow additional commitments to add an incremental term loan facility and/or increase the commitments in respect of the domestic revolving credit facility, the global revolving credit facility, the participation foreign credit instrument facility and/or the bilateral foreign credit instrument facility by up to an aggregate principal amount of $1,000.0.

We are the borrower under all the facilities, and certain of our foreign subsidiaries are borrowers under the foreign credit instrument facilities (and we may in the future designate other subsidiaries to be borrowers under the revolving credit facilities and the foreign credit instrument facilities).

All borrowings and other extensions of credit under our new senior credit facilities are subject to the satisfaction of customary conditions, including absence of defaults and accuracy in material respects of representations and warranties.

The letters of credit under the domestic revolving credit facility are stand-by letters of credit requested by any borrower on behalf of itself or any of its subsidiaries or certain joint ventures. The foreign credit instrument facility is used to issue foreign credit instruments, including bank undertakings to support our foreign operations.

At October 1, 2011, we had $83.8 and $654.5 of outstanding letters of credit issued under our revolving credit and our foreign trade facilities of our senior credit agreement, respectively. In addition, we had $2.9 of letters of credit outstanding under separate arrangements in China and South Africa.

The interest rates applicable to loans under our new senior credit facilities are, at our option, equal to either (i) an alternate base rate (the higher of (a) the federal funds effective rate plus 0.5%, (b) the prime rate of Bank of America, N.A., and (c) the one-month LIBOR rate plus 1.0%) or (ii) a reserve-adjusted LIBOR rate for dollars (Eurodollar) plus, in each case, an applicable margin percentage, which varies based on our Consolidated Leverage Ratio (as defined in the credit agreement generally as the ratio of consolidated total debt (excluding the face amount of undrawn letters of credit, bank undertakings or analogous instruments and net of cash and cash equivalents in excess of $50.0) at the date of determination to consolidated adjusted EBITDA for the four fiscal quarters ended on such date). We may elect interest periods of one, two, three or six months for Eurodollar borrowings. The fees charged and the interest rate margins applicable to Eurodollar and alternate base rate loans are (all on a per annum basis) as follows:

Consolidated Leverage Ratio	Domestic Revolving Commitment Fee	Global Revolving Commitment Fee	Letter of Credit Fee	Foreign Credit Commitment Fee and Bilateral Foreign Credit Fee	Foreign Credit Instrument Fee and Bilateral Foreign Credit Fee	LIBOR Rate Loans	ABR Loans
Greater than or equal to 3.00 to 1.0	0.40%	0.40%	2.00%	0.40%	1.25%	2.00%	1.00%
Between 2.00 to 1.0 and 3.00 to 1.0	0.35%	0.35%	1.875%	0.35%	1.125%	1.875%	0.875%
Between 1.50 to 1.0 and 2.00 to 1.0	0.30%	0.30%	1.75%	0.30%	1.00%	1.75%	0.75%
Between 1.00 to 1.0 and 1.50 to 1.0	0.275%	0.275%	1.50%	0.275%	0.875%	1.50%	0.50%
Less than 1.00 to 1.0	0.25%	0.25%	1.25%	0.25%	0.75%	1.25%	0.25%

The weighted-average interest rate of our outstanding borrowings under our senior credit facilities was approximately 2.3% at October 1, 2011.

The fees for bilateral foreign credit commitments are as specified above for foreign credit commitments, unless otherwise agreed with the bilateral foreign issuing lender. We also pay fronting fees on the outstanding amounts of letters of credit and foreign credit instruments (in the participation facility) at the rates of 0.125% per annum and 0.20% per annum, respectively.

Our new senior credit facilities require mandatory prepayments in amounts equal to the net proceeds from the sale or other disposition of, including from any casualty to, or governmental taking of, property in excess of specified values (other than in the ordinary course of business and subject to other exceptions). Mandatory prepayments will be applied to repay amounts (or cash collateralize letters of credit) outstanding under the global revolving credit facility and the domestic revolving credit facility (without reducing the commitments thereunder). No prepayment is required generally to the extent the net proceeds are reinvested in permitted acquisitions, permitted investments or assets to be used in our business within 360 days of the receipt of such proceeds.

We may voluntarily prepay loans under our new senior credit facilities, in whole or in part, without premium or penalty. Any voluntary prepayment of loans will be subject to reimbursement of the lenders' breakage costs in the case of a prepayment of Eurodollar rate borrowings other than on the last day of the relevant interest period.

Indebtedness under our new senior credit facilities is guaranteed by:

- Each existing and subsequently acquired or organized domestic material subsidiary, with specified exceptions; and
- SPX Corporation with respect to the obligations of our foreign borrower subsidiaries under the global revolving credit facility, the participation foreign credit instrument facility and the bilateral participation foreign credit instrument facility.

Indebtedness under our new senior credit facilities is secured by a first priority pledge and security interest in 100% of the capital stock of our domestic subsidiaries (with certain exceptions) held by us or our domestic subsidiary guarantors and 65% of the capital stock of our material first tier foreign subsidiaries (with certain exceptions). If our corporate credit rating is "Ba2" or less (or not rated) by Moody's and "BB" or less (or not rated) by S&P, then we and our domestic subsidiary guarantors are required to grant security interests, mortgages and other liens on substantially all of our and their assets. If our corporate credit rating is "Baa3" or better by Moody's or "BBB-" or better by S&P and no defaults exist, then all collateral security will be released and the indebtedness under our senior credit facilities will be unsecured.

Our new senior credit facilities require that we maintain:

- A Consolidated Interest Coverage Ratio (as defined in the credit agreement generally as the ratio of consolidated adjusted EBITDA for the four fiscal quarters ended on such date to consolidated interest expense for such period) as of the last day of any fiscal quarter of at least 3.50 to 1.00; and
- A Consolidated Leverage Ratio as of the last day of any fiscal quarter of not more than 3.25 to 1.00 (or 3.50 to 1.00 for the four fiscal quarters after certain permitted acquisitions by us).

Our new senior credit facilities also contain covenants that, among other things, restrict our ability to incur additional indebtedness, grant liens, make investments, loans, guarantees or advances, make restricted junior payments, including dividends, redemptions of capital stock and voluntary prepayments or repurchase of certain other indebtedness, engage in mergers, acquisitions or sales of assets, enter into sale and leaseback transactions or engage in certain transactions with affiliates and otherwise restrict certain corporate activities. We do not expect these covenants to restrict our liquidity, financial condition or access to capital resources in the foreseeable future. Our new senior credit facilities also contain customary representations, warranties, affirmative covenants, and events of default.

We are permitted under our senior credit facilities to repurchase our capital stock and pay cash dividends in an unlimited amount if our Consolidated Leverage Ratio is (after giving pro forma effect to such payments) less than 2.50 to 1.00. If our Consolidated Leverage Ratio is (after giving pro forma effect to such payments) greater than or equal to 2.50 to 1.00, the aggregate amount of such repurchases and dividend declarations cannot exceed (A) $100.0 in any fiscal year plus (B) an additional amount for all such repurchases and dividend declarations made after June 30, 2011 equal to the sum of (i) $300.0 and (ii) a positive amount equal to 50% of cumulative Consolidated Net Income (as defined in the credit agreement generally as consolidated net income subject to certain adjustments solely for the purposes of determining this basket) during the period from July 1, 2011 to the end of the most recent fiscal quarter preceding the date of such repurchase or dividend declaration for which financial statements have been (or were required to be) delivered (or, in case such Consolidated Net Income is a deficit, minus 100% of such deficit).

During the third quarter of 2011, we were in compliance with all covenant provisions of our new senior credit facilities and our senior notes.

Modifications to Senior Credit Facilities

On October 5, 2011, we modified our existing senior credit facilities in order to provide additional committed senior secured financing in an aggregate amount of $800.0, consisting of the following term loans (collectively, the "Term Loans"):

- A delayed draw incremental term loan, in an aggregate principal amount of $300.0, repayable in full on the date that is 18 months after the date of its funding; and

- A delayed draw incremental term loan, in an aggregate principal amount of $500.0, repayable in quarterly installments (with annual repayments, as a percentage of the initial principal amount, of 0% for 2011 and 2012, 5% for 2013, 15% for 2014 and 20% for 2015, together with a single quarterly payment of 5% at the end of the first fiscal quarter of 2016), with the remaining balance repayable in full on June 30, 2016.

We intend to use the proceeds of the Term Loans to finance the Clyde Union acquisition and also may repay debt outstanding at the time of funding.

We may borrow against the Term Loans in a single drawing on or before December 31, 2011. If we do not consummate the Clyde Union acquisition substantially contemporaneously with such borrowing, we are required to maintain the proceeds of the Term Loans in a cash collateral account with the administrative agent until used for the Clyde Union acquisition. The ability to draw on the Term Loans is subject to the satisfaction of customary conditions, including absence of defaults and accuracy in material respects of representations and warranties. We are required to repay the Term Loans in full if we do not consummate the Clyde Union acquisition.

The interest rates applicable to the Term Loans are calculated in a manner consistent with our existing senior credit facilities. The interest rate margins applicable to LIBOR and alternate base rate Term Loans are (all on a per annum basis) as follows:

Consolidated Leverage Ratio	**LIBOR Rate Loans**	**ABR Loans**
Greater than or equal to 3.00 to 1.0	2.250%	1.250%
Between 2.00 to 1.0 and 3.00 to 1.0	2.125%	1.125%
Between 1.50 to 1.0 and 2.00 to 1.0	2.000%	1.000%
Between 1.00 to 1.0 and 1.50 to 1.0	1.750%	0.750%
Less than 1.00 to 1.0	1.500%	0.500%

We will pay an upfront fee in an amount equal to an approximate average of 0.5% of the commitment of each lender providing a portion of the Term Loans. In addition, we are required to pay a commitment fee in an amount equal to 0.275% per annum of the daily unused amount of the commitment of the Term Loans, which will accrue from October 5, 2011 through the date on which Term Loan amounts are borrowed (or the commitment is terminated).

Except as noted below, the Term Loans require mandatory prepayments in circumstances consistent with the existing credit facilities. Mandatory prepayments will be applied, first, to repay any amounts outstanding under the Term Loans and any other incremental term loans that we may have outstanding in the future, in the manner and order selected by us, and after the Term Loans and any such incremental term loans have been repaid in full, and second, to repay amounts (or cash collateralize letters of credit) outstanding under the global revolving credit facility and the domestic revolving credit facility (without reducing the commitments thereunder). As with the existing credit facilities, no prepayment is required generally to the extent the net proceeds are reinvested in permitted acquisitions, permitted investments or assets to be used in our business within 360 days of the receipt of such proceeds. In addition, upon the incurrence of unsecured indebtedness in the form of a private or public note or bond issuance, the net proceeds of such indebtedness will be applied to the extent necessary to repay in full any amounts outstanding under the $300.0 term loan.

Consistent with the existing senior credit facilities, we may voluntarily prepay the Term Loans, in whole or in part, without premium or penalty. Any prepayment of the Term Loans will be subject to reimbursement of the lenders’ breakage costs in the case of a prepayment of LIBOR rate borrowings other than on the last day of the relevant interest period.

The Term Loans are guaranteed, secured, and subject to representations, warranties, covenants and events of default in a manner consistent with the existing senior credit facilities.

The existing credit facilities include a foreign trade facility and bilateral foreign trade facilities, each available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $1,100.0 and $100.0, respectively. As part of our modification of the existing senior credit facilities, we obtained a $100.0 commitment for an additional bilateral foreign trade facility, thereby increasing the total bilateral trade facilities to an aggregate principal amount in various currencies up to the equivalent of $200.0. Effective upon this increase in the bilateral foreign trade facilities, we reduced our foreign credit commitments on a pro rata basis under the foreign trade facility by an aggregate amount of $100.0, thereby reducing the foreign trade facilities to an aggregate principal amount in various currencies up to the equivalent of $1,000.0.

(11) DERIVATIVE FINANCIAL INSTRUMENTS

Interest Rate Swaps

Prior to the August 2010 repayment of our variable rate term loan, we maintained interest rate protection agreements (“Swaps”) to hedge the associated interest rate risk. These Swaps, which we designated and accounted for as cash flow hedges, effectively converted the majority of the borrowings under our variable rate term loan to a fixed rate of 4.795% plus the applicable margin. In connection with the repayment of our term loan, we terminated all our Swaps resulting in a cash payment of $26.9

(including $2.6 of accrued interest) and a charge to earnings of $24.3 during the three months ended October 2, 2010.

Currency Forward Contracts

We manufacture and sell our products in a number of countries and, as a result, are exposed to movements in foreign currency exchange rates. Our objective is to preserve the economic value of non-functional currency denominated cash flows and to minimize the impact of any currency fluctuations. Our

principal currency exposures relate to the Euro, Chinese Yuan, South African Rand and British Pound.

From time to time, we enter into currency protection agreements ("FX forward contracts") to manage the exposure on contracts with forecasted transactions denominated in non-functional currencies and to manage the risk of transaction gains and losses associated with assets/liabilities denominated in currencies other than the functional currency of certain subsidiaries. In addition, some of our contracts contain currency forward embedded derivatives ("FX embedded derivatives"), as the currency of exchange is not "clearly and closely" related to the functional currency of either party to the transaction. Certain of our FX forward contracts are designated as cash flow hedges, as deemed appropriate. To the extent these derivatives are effective in offsetting the variability of the hedged cash flows, changes in the derivatives' fair value are not included in current earnings, but are included in accumulated other comprehensive income ("AOCI"). These changes in fair value will subsequently be reclassified into earnings as a component of revenues or cost of goods sold, as applicable, when the forecasted transaction impacts earnings. In addition, if the forecasted transaction is no longer probable, the cumulative change in the derivatives' fair value will be recorded as a component of "Other expense, net" in the period it occurs. To the extent that a previously designated hedging transaction is no longer an effective hedge, any ineffectiveness measured in the hedging relationship is recorded in earnings in the period it occurs. We had FX forward contracts with an aggregate notional amount of $844.5 and $199.5 outstanding as of October 1, 2011 and December 31, 2010, respectively. We had FX embedded derivatives with an aggregate notional amount outstanding of $107.9 and $200.9 at October 1, 2011 and December 31, 2010, respectively. The unrealized loss, net of taxes, recorded in AOCI related to FX forward contracts was $3.6 and $4.1 as of October 1, 2011 and December 31, 2010, respectively. We anticipate reclassifying approximately $1.8 of the unrealized loss to income over the next 12 months.

Beginning on August 30, 2011, we entered into FX forward contracts to hedge a significant portion of the purchase price of the Clyde Union acquisition, which, as previously noted, will be paid in GBP. From the inception of these agreements until October 1, 2011, the U.S. dollar strengthened against the GBP by approximately 5.0%. As a result, we recorded a non-cash charge during the third quarter of 2011 of $30.6, which was recorded in "Other expense, net" and based on the fair value of these agreements as of October 1, 2011.

Commodity Contracts

From time to time, we enter into commodity contracts to manage the exposure on forecasted purchases of commodity raw materials ("commodity contracts"). At October 1, 2011 and December 31, 2010, the outstanding notional amount of commodity contracts was 2.3 million and 1.8 million pounds of copper, respectively. We designate and account for these contracts as cash flow hedges and, to the extent these commodity contracts are effective in offsetting the variability of the forecasted purchases, the change in fair value is included in AOCI. We reclassify the AOCI associated with our commodity contracts to cost of products sold when the forecasted transaction impacts earnings. As of October 1, 2011 and December 31, 2010, the fair values of these contracts were $2.2 (current liability) and $1.0 (current asset), respectively. The unrealized gain (loss), net of taxes, recorded in AOCI was ($1.2) and $0.8 as of October 1, 2011 and December 31, 2010, respectively. We anticipate reclassifying the unrealized loss to income over the next 12 months.

The following summarizes the fair value of our derivative financial instruments:

	October 1, 2011		December 31, 2010	
	Balance Sheet Classification	Fair Value	Balance Sheet Classification	Fair Value
Derivative contracts designated as hedging instruments:				
Commodity contracts	Other current assets	$ —	Other current assets	$ 1.0
FX forward contracts	Other current assets	0.1	—	—
		$ 0.1		$ 1.0
FX forward contracts	Accrued expenses	$ —	Accrued expenses	$ (2.9)
Commodity contracts	Accrued expenses	(2.2)	—	—
		$ (2.2)		$ (2.9)
Derivative contracts not designated as hedging instruments:				
FX forward contracts	Other current assets	$ 1.0	Other current assets	$ 0.5
FX embedded derivatives	Other current assets	0.8	Other current assets	2.6
		$ 1.8		$ 3.1
FX forward contracts	Accrued expenses	$ (30.9)	Accrued expenses	$ (1.4)
FX embedded derivatives	Accrued expenses	(0.6)	Accrued expenses	(1.8)
FX embedded derivatives	Other long-term liabilities	(16.6)	Other long-term liabilities	(33.2)
		$ (48.1)		$ (36.4)

The following summarizes the effect of derivative financial instruments in cash flow hedging relationships on AOCI and the condensed consolidated statements of operations for the three months ended October 1, 2011 and October 2, 2010:

	Amount of gain (loss) recognized in AOCI, pre-tax (1)		Classification of gain (loss) reclassified from AOCI	Amount of gain (loss) reclassified from AOCI to income, pre-tax (1)	
	2011	2010		2011	2010
Swaps	$ —	$ (3.1)	Interest expense	$ —	$ (1.9)
Swaps	—	—	Loss on early extinguishment of interest rate protection agreements and term loan	—	(24.3)
FX forward contracts	0.4	(1.0)	Cost of products sold	0.1	—
FX embedded derivatives	—	(0.5)	Cost of products sold	—	0.5
Commodity contracts	(2.4)	0.8	Cost of products sold	0.1	(0.1)
	$ (2.0)	$ (3.8)		$ 0.2	$ (25.8)

The following summarizes the effect of derivative financial instruments in cash flow hedging relationships on AOCI and the condensed consolidated statements of operations for the nine months ended October 1, 2011 and October 2, 2010:

	Amount of gain (loss) recognized in AOCI, pre-tax (1)		Classification of gain (loss) reclassified from AOCI	Amount of gain (loss) reclassified from AOCI to income, pre-tax (1)	
	2011	2010		2011	2010
Swaps	$ —	$ (9.3)	Interest expense	$ —	$ (12.7)
Swaps	—	—	Loss on early extinguishment of interest rate protection agreements and term loan	—	(24.3)
FX forward contracts	0.4	(4.3)	Cost of products sold	(0.4)	—
FX embedded derivatives	—	2.1	Cost of products sold	—	1.1
Commodity contracts	(2.4)	(0.1)	Cost of products sold	0.9	0.5
	$ (2.0)	$ (11.6)		$ 0.5	$ (35.4)

(1) During the nine months ended October 1, 2011, losses of $0.2 were recognized in "Other expense, net" relating to derivative ineffectiveness and amounts excluded from effectiveness testing. During the three and nine months ended October 2, 2010, gains of $0.2 and $1.1, respectively, were recognized in "Other expense, net" relating to derivative ineffectiveness and amounts excluded from effectiveness testing.

The following summarizes the effect of derivative financial instruments not designated as cash flow hedging relationships on the condensed consolidated statements of operations for the three months ended October 1, 2011 and October 2, 2010:

	Classification of gain (loss) recognized in income	Amount of gain (loss) recognized in income	
		2011	2010
FX forward contracts	Other expense, net	$ (35.2)	$ 0.4
FX embedded derivatives	Other expense, net	3.8	(2.0)
		$ (31.4)	$ (1.6)

The following summarizes the effect of derivative financial instruments not designated as cash flow hedging relationships on the condensed consolidated statements of operations for the nine months ended October 1, 2011 and October 2, 2010:

	Classification of gain (loss) recognized in income	Amount of gain (loss) recognized in income	
		2011	2010
FX forward contracts	Other expense, net	$ (33.6)	$ 2.9
FX embedded derivatives (1)	Other expense, net	1.0	(24.5)
		$ (32.6)	$ (21.6)

(1) Includes $4.6 of losses reclassified from AOCI during the nine months ended October 2, 2010 resulting from the discontinuance of cash flow hedge accounting as the forecasted transactions were determined to no longer be probable.

(12) EQUITY AND STOCK-BASED COMPENSATION

Earnings Per Share

The following table sets forth the number of weighted-average shares outstanding used in the computation of basic and diluted income per share:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Weighted-average shares outstanding used in basic income per share	50.618	49.740	50.480	49.643
Dilutive Securities — Employee stock options and restricted stock units	0.186	0.705	0.559	0.579
Weighted-average number of common and dilutive securities used for calculating diluted income per share	50.804	50.445	51.039	50.222

The total number of stock options that were not included in the computation of diluted income per share because their exercise price was greater than the average market price of common shares was 0.128 and 0.093 for the three and nine months ended October 1, 2011, respectively, and 0.431 and 0.434 for the three and nine months ended October 2, 2010, respectively. For the three and nine months ended October 1, 2011, 1.316 and 0.443, respectively, and for the three and nine months ended October 2, 2010, 0.101 and 0.102, respectively, of unvested restricted stock units were excluded from the computation of diluted income per share because required market thresholds for vesting (as discussed below) were not met.

Stock-based Compensation

Under the 2002 Stock Compensation Plan, as amended in 2006 and 2011, the successor plan to the 1992 Stock Compensation Plan, up to 4.679 shares of our common stock were available for grant at October 1, 2011. The 2002 Stock Compensation Plan permits the issuance of new shares or shares from treasury upon the exercise of options, vesting of restricted stock units or granting of restricted stock. Each share of restricted stock and restricted stock unit granted reduces availability by 2.5 shares.

During the nine months ended October 1, 2011 and October 2, 2010, we classified excess tax benefits from stock-based compensation of $6.5 and $3.0, respectively, as financing cash flows and included such amounts in "Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from exercise of employee stock options and other" within our condensed consolidated statements of cash flows.

Restricted stock or restricted stock units may be granted to certain eligible employees or non-employee directors in accordance with applicable equity compensation plan documents and agreements. Subject to participants' continued employment and other plan terms and conditions, the restrictions lapse and awards generally vest over three years. Market ("company performance") thresholds have been instituted for vesting of substantially all restricted stock and restricted stock unit awards. This vesting is based on SPX shareholder return versus the S&P 500 composite index. On each vesting date, we compare the SPX shareholder return to the performance of the S&P 500 composite index for the prior year and for the cumulative period since the date of the grant. If SPX outperforms the S&P 500 composite index for the prior year, the one-third portion of the grant associated with that year will vest. If SPX outperforms the S&P composite index for the cumulative period, any unvested portion of the grant that was subject to vesting on or prior to the vesting date will vest. Restricted stock and restricted stock units that do not vest within the three-year vesting period are forfeited.

We grant restricted stock to non-employee directors under the 2006 Non-Employee Directors' Stock Incentive Plan (the "Directors' Plan"). Under the Directors' Plan, up to 0.030 shares of our common stock were available for grant at October 1, 2011. Restricted stock grants have a three-year vesting period based on SPX shareholder return versus the S&P 500 composite index and are subject to the same company performance thresholds for employee awards described in the preceding paragraph. Restricted stock that does not vest within the three-year vesting period in accordance with these performance requirements is forfeited.

Stock options may be granted to key employees in the form of incentive stock options or nonqualified stock options, generally vest ratably over three years, which vesting may be subject to performance criteria, and expire no later than 10 years from the date of grant. The option price per share may be no less than the fair market value of our common stock at the close of business day prior to the date of grant. Upon exercise, the employee has the option to surrender previously owned shares at current value in payment of the exercise price and/or for withholding tax obligations, and, subject to certain restrictions, may receive a reload option having an exercise price equal to the current market value for the number of shares so surrendered. The reload option expires at the same time that the exercised option would have expired. Any future issuances of options under the plan will not have a reload feature, pursuant to the terms of the plan. We have not granted options to any of our employees since 2004.

The recognition of compensation expense for share-based awards, including stock options, is based on their grant date fair values. The fair value of each award is amortized over the lesser of the award's requisite or derived service period, which is generally up to three years. Compensation expense related to restricted stock and restricted stock units totaled $34.5 and $25.4 for the nine months ended October 1, 2011 and October 2, 2010, respectively.

We use the Monte Carlo simulation model valuation technique to determine fair value of our restricted stock and restricted stock units as they contain a "market condition." The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the award and calculates the fair value of each restricted stock and restricted stock unit award. We used the following assumptions in determining the fair value of the awards granted on March 1, 2011 and March 1, 2010:

	Annual expected stock price volatility	Annual expected dividend yield	Risk-free interest rate	Correlation between total shareholder return for SPX and S&P 500 Composite Index
March 1, 2011:				
SPX Corporation	61.0%	1.27%	1.03%	0.7559
S&P 500 Composite Index	30.3%	n/a	1.03%	
March 1, 2010:				
SPX Corporation	62.0%	1.64%	1.20%	0.7250
S&P 500 Composite Index	30.8%	n/a	1.20%	

Annual expected stock price volatility is based on the three-year historical volatility. The annual expected dividend yield is based on annual expected dividend payments and the stock price on the date of the grant. The average risk-free interest rate is based on the one-year through three-year daily treasury yield curve rate as of the grant date.

The following table summarizes the restricted stock and restricted stock unit activity from December 31, 2010 through October 1, 2011:

	Unvested Restricted Stock and Restricted Stock Units	Weighted-Average Grant-Date Fair Value
Outstanding at December 31, 2010	1.516	$ 50.97
Granted	0.832	62.73
Vested	(0.635)	51.48
Forfeited	(0.263)	67.87
Outstanding at October 1, 2011	1.450	54.35

As of October 1, 2011, there was $27.3 of unrecognized compensation cost related to restricted stock and restricted stock unit compensation arrangements. We expect this cost to be recognized over a weighted-average period of 1.5 years.

The following table shows stock option activity from December 31, 2010 through October 1, 2011:

	Shares	Weighted-Average Exercise Price

	Options		Weighted-Average Exercise Price
Outstanding at December 31, 2010	0.635	$	63.82
Exercised	(0.154)		65.44
Forfeited	(0.113)		90.93
Options outstanding and exercisable at October 1, 2011	0.368		54.87

The weighted-average remaining term, in years, of stock options outstanding and exercisable at October 1, 2011 was 0.8. The total number of in-the-money options exercisable on October 1, 2011 was 0.173. Aggregate intrinsic value (market value of stock less the option exercise price) represents the total pre-tax intrinsic value, based on our closing stock price on October 1, 2011, which would have been received by the option holders had all in-the-money option holders exercised their options as of that date. The aggregate intrinsic value of the options outstanding and exercisable at October 1, 2011 was $1.2. The aggregate intrinsic value of options exercised during the first nine months of 2011 was $2.5, while the related amount for the first nine months of 2010 was $1.1.

Accumulated Other Comprehensive Loss

The components of the balance sheet caption “Accumulated other comprehensive loss” were as follows:

	October 1, 2011	December 31, 2010
Foreign currency translation adjustment	$ 253.0	$ 223.2
Net unrealized losses on qualifying cash flow hedges, net of tax benefit of $3.2 and $2.2, respectively	(4.8)	(3.3)
Net unrealized gains (losses) on available-for-sale securities	(1.6)	6.1
Pension and postretirement liability adjustment and other, net of tax benefit of $258.8 and $266.6, respectively (1)	(407.5)	(418.6)
Accumulated other comprehensive loss	$ (160.9)	$ (192.6)

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(1) As of October 1, 2011 and December 31, 2010, includes $3.1 and $3.2, respectively, related to our share of the pension liability adjustment for EGS.

Common Stock in Treasury

During the nine months ended October 1, 2011, “Common stock in treasury” was decreased by the settlement of restricted stock units issued from treasury stock of $12.7 and increased by $7.0 for common stock that was surrendered by recipients of restricted stock as a means of funding the related minimum income tax withholding requirements.

During the nine months ended October 2, 2010, “Common stock in treasury” was decreased by the settlement of restricted stock units issued from treasury stock of $12.3 and increased by $5.1 for common stock that was surrendered by recipients of restricted stock as a means of funding the related minimum income tax withholding requirements.

Dividends

The dividends declared during each of the first three quarters of both 2011 and 2010 were $0.25 per share and totaled $12.7, $12.8 and $12.7 in the first, second and third quarters of 2011, respectively, and $12.5, $12.4 and $12.5 in the first, second and third quarters of 2010, respectively. Third quarter dividends were paid on October 4, 2011 and October 5, 2010.

Changes in Equity

A summary of the changes in equity for the three months ended October 1, 2011 and October 2, 2010 is provided below:

	October 1, 2011			October 2, 2010		
	SPX Corporation Shareholders’ Equity	Noncontrolling Interests	Total Equity	SPX Corporation Shareholders’ Equity	Noncontrolling Interests	Total Equity
Equity, beginning of period	$ 2,287.4	$ 6.3	$ 2,293.7	$ 1,836.6	$ 8.7	$ 1,845.3
Net income	60.7	1.6	62.3	39.4	0.3	39.7
Net unrealized gains (losses) on qualifying cash flow hedges, net of tax benefit (provision) of $1.0 and $(8.7), respectively	(1.2)	—	(1.2)	13.3	—	13.3
Net unrealized loss on available-for-sale securities	(2.5)	—	(2.5)	—	—	—
Pension and postretirement liability adjustment and other, net of tax provision of $3.2 and $3.2, respectively	4.1	—	4.1	4.4	—	4.4
Foreign currency translation adjustments	(92.1)	(0.7)	(92.8)	133.3	0.4	133.7
Total comprehensive income (loss)	(31.0)	0.9	(30.1)	190.4	0.7	191.1
Dividends declared	(12.7)	—	(12.7)	(12.5)	—	(12.5)
Exercise of stock options and other incentive plan activity, including tax benefit of $0.2 and $0.2, respectively	5.1	—	5.1	4.8	—	4.8
Amortization of restricted stock and stock unit grants	7.8	—	7.8	5.3	—	5.3
Dividends attributable to noncontrolling interests	—	—	—	—	(0.2)	(0.2)
Other changes in noncontrolling interests	—	—	—	—	(0.1)	(0.1)
Equity, end of period	$ 2,256.6	$ 7.2	$ 2,263.8	$ 2,024.6	$ 9.1	$ 2,033.7

A summary of the changes in equity for the nine months ended October 1, 2011 and October 2, 2010 is provided below:

	October 1, 2011			October 2, 2010		
	SPX Corporation Shareholders' Equity	Noncontrolling Interests	Total Equity	SPX Corporation Shareholders' Equity	Noncontrolling Interests	Total Equity
Equity, beginning of period	$ 2,097.7	$ 6.3	$ 2,104.0	$ 1,870.8	$ 10.7	$ 1,881.5
Net income (loss)	118.1	4.0	122.1	140.3	(1.3)	139.0
Net unrealized gains (losses) on qualifying cash flow hedges, net of tax benefit (provision) of $1.0 and $(10.8), respectively	(1.5)	—	(1.5)	17.6	—	17.6
Net unrealized loss on available-for-sale securities	(7.7)	—	(7.7)	—	—	—
Pension and postretirement liability adjustment and other, net of tax provision of $7.8 and $1.6, respectively	11.1	—	11.1	27.5	—	27.5
Foreign currency translation adjustments	29.8	(0.1)	29.7	(25.4)	0.2	(25.2)
Total comprehensive income (loss)	149.8	3.9	153.7	160.0	(1.1)	158.9
Dividends declared	(38.2)	—	(38.2)	(37.4)	—	(37.4)
Exercise of stock options and other incentive plan activity, including tax benefit of $5.9 and $2.0, respectively	29.4	—	29.4	18.0	—	18.0
Amortization of restricted stock and stock unit grants	34.5	—	34.5	25.4	—	25.4
Restricted stock and restricted stock unit vesting, net of tax withholdings	(16.6)	—	(16.6)	(12.2)	—	(12.2)
Dividends attributable to noncontrolling interests	—	(4.1)	(4.1)	—	(0.5)	(0.5)
Other changes in noncontrolling interests	—	1.1	1.1	—	—	—
Equity, end of period	$ 2,256.6	$ 7.2	$ 2,263.8	$ 2,024.6	$ 9.1	$ 2,033.7

(13) CONTINGENCIES AND OTHER MATTERS

General

Numerous claims, complaints and proceedings arising in the ordinary course of business, including those relating to litigation matters (e.g., class actions, derivative lawsuits and contracts, intellectual property and competitive claims), environmental matters, and risk management matters (e.g., product and general liability, automobile and workers' compensation claims), have been filed or are pending against us and certain of our subsidiaries. Additionally, we may become subject to significant claims of which we are currently unaware, or the claims of which we are aware may result in us incurring a significantly greater liability than we anticipate. This may also be true in connection with past or future acquisitions. While we maintain property, cargo, auto, product, general liability, environmental, and directors' and officers' liability insurance and have acquired rights under similar policies in connection with acquisitions that we believe cover a portion of these claims, this insurance may be insufficient or unavailable (e.g., because of insurer insolvency) to protect us against potential loss exposures. In addition, we have increased our self-insurance limits over the past several years. While we believe we are entitled to indemnification from third parties for some of these claims, these rights may be insufficient or unavailable to protect us against potential loss exposures. However, we believe that our accruals related to these items are sufficient and that these items and our rights to available insurance and indemnity will be resolved without material effect, individually or in the aggregate, on our financial position, results of operations and cash flows. These accruals totaled $431.3 (including $368.6 for risk management matters) and $436.2 (including $366.1 for risk management matters) at October 1, 2011 and December 31, 2010, respectively. Of these amounts, $360.8 and $368.0 were included in "Other long-term liabilities" within our

condensed consolidated balance sheets at October 1, 2011 and December 31, 2010, respectively, with the remainder included in "Accrued expenses."

We had insurance recovery assets related to risk management matters of $319.0 and $320.0 at October 1, 2011 and December 31, 2010, respectively, included in "Other assets" within our condensed consolidated balance sheets.

Litigation Matters

We are subject to litigation matters that arise in the normal course of business. We believe these matters are either without merit or of a kind that should not have a material effect individually or in the aggregate on our financial position, results of operations or cash flows.

Environmental Matters

Our operations and properties are subject to federal, state, local and foreign regulatory requirements relating to environmental protection. It is our policy to comply fully with all applicable requirements. As part of our effort to comply, we have a comprehensive environmental compliance program that includes environmental audits conducted by internal and external independent professionals, as well as regular communications with our operating units regarding environmental compliance requirements and anticipated regulations. Based on current information, we believe that our operations are in substantial compliance with applicable environmental laws and regulations, and we are not aware of any violations that could have a material adverse effect on our business, financial condition, results of operations or cash flows. We have liabilities for site investigation and/or remediation at 91 sites that we own or control. In addition, while we believe that we maintain adequate accruals to cover the costs of site investigation and/or remediation, we cannot provide assurance that new matters, developments, laws and regulations, or stricter interpretations of existing laws and regulations will not materially affect our business or operations in the future.

Our environmental accruals cover anticipated costs, including investigation, remediation, and operation and maintenance of clean-up sites. Our estimates are based primarily on investigations and remediation plans established by independent consultants, regulatory agencies and potentially responsible third parties. Accordingly, our estimates may change based on future developments, including new or changes in existing environmental laws or policies, differences in costs required to complete anticipated actions from estimates provided, future findings of investigation or remediation actions, or alteration to the expected remediation plans. It is our policy to realize a change in estimate once it becomes probable and can be reasonably estimated. We do not discount our environmental accruals and do not reduce them by anticipated insurance recoveries. We do take into account third-party indemnification from financially viable parties in determining our accruals where there is no dispute regarding the right to indemnification.

In the case of contamination at offsite, third-party disposal sites, we have been notified that we are potentially responsible and have received other notices of potential liability pursuant to various environmental laws at 27 sites at which the liability has not been settled, and only 11 of which have been active in the past few years. These laws may impose liability on certain persons that are considered jointly and severally liable for the costs of investigation

and remediation of hazardous substances present at these sites, regardless of fault or legality of the original disposal. These persons include the present or former owners or operators of the site and companies that generated, disposed of or arranged for the disposal of hazardous substances at the site. We are considered a "*de minimis*" potentially responsible party at most of the sites, and we estimate the aggregate probable remaining liability at these sites is immaterial.

We conduct extensive environmental due diligence with respect to potential acquisitions, including environmental site assessments and such further testing as we may deem warranted. If an environmental matter is identified, we estimate the cost and either establish a liability, purchase insurance or obtain an indemnity from a financially sound seller. However, in connection with our acquisitions or dispositions, we may assume or retain significant environmental liabilities, some of which we may be unaware. The potential costs related to these environmental matters and the possible impact on future operations are uncertain due in part to the complexity of government laws and regulations and their interpretations, the varying costs and effectiveness of various clean-up technologies, the uncertain level of insurance or other types of recovery, and the questionable level of our responsibility. We record a liability when it is both probable and the amount can be reasonably estimated. Due to the uncertainties previously described, we are unable to reasonably estimate the amount of possible additional losses associated with the resolution of these matters beyond what has been recorded.

In our opinion, after considering accruals established for such purposes, remedial actions for compliance with the present laws and regulations governing the protection of the environment are not expected to have a material impact on our business, financial condition, results of operations or cash flows.

Risk Management Matters

We are self-insured for certain of our workers' compensation, automobile, product and general liability, disability and health costs, and we believe that we maintain adequate accruals to cover our retained liability. Our accruals for risk management matters are determined by us, based on claims filed and estimates of claims incurred but not yet reported, and generally are not discounted. We consider a number of factors, including third-party actuarial valuations, when making these determinations. We maintain third-party stop-loss insurance policies to cover certain liability costs in excess of predetermined retained amounts. This insurance may be insufficient or unavailable (e.g., because of insurer insolvency) to protect us against loss exposure.

Collaborative Arrangements

Collaborative arrangements are defined as contractual arrangements in which the parties are (1) active participants to the arrangements and (2) exposed to significant risks and rewards that depend on the commercial success of the endeavor. Costs incurred and revenues generated from transactions with third parties are required to be reported by the collaborators on the appropriate line item in their respective income statements.

We enter into consortium arrangements for certain projects within our Thermal Equipment and Services segment. Under such arrangements, each consortium member is responsible for performing certain discrete items of work within the total scope of the contracted work and the consortium expires when all contractual obligations are completed. The revenues for these discrete items of work are defined in the contract with the project owner and each consortium member bearing the profitability risk associated with its own work. Our consortium arrangements typically provide that each consortium member assumes its responsible share of any damages or losses associated with the project; however, the use of a consortium arrangement typically results in joint and several liability for the consortium members. If responsibility cannot be determined or a consortium member defaults, then the consortium members are responsible according to their share of the contract value. Within our consolidated financial statements, we account for our share of the revenues and profits under the consortium arrangements. As of October 1, 2011, our share of the aggregate contract value on open consortium arrangements was $398.8 (of which approximately 56% had been recognized as revenue), and the aggregate contract value on open consortium arrangements was $1,006.1. As of December 31, 2010, our share of the aggregate contract value on open consortium arrangements was $381.4 (of which approximately 45% had been recognized as revenue), and the aggregate contract value on open consortium arrangements was $948.7. At October 1, 2011 and December 31, 2010, we recorded liabilities of $3.4 and $3.2, respectively, representing the estimated fair value of our potential obligation under the joint and several liability provisions associated with the consortium arrangements.

U.S. Health Care Reform Legislation

In the first quarter of 2010, the Patient Protection and Affordable Care Act of 2010 (the "PPAC Act") was enacted. As discussed in Note 14, the PPAC Act eliminated a portion of the federal income tax deduction available to companies that provide prescription drug benefits to retirees under Medicare Part D. We currently are evaluating other prospective effects of the PPAC Act and the related effects on our business.

(14) INCOME TAXES

Unrecognized Tax Benefits

As of October 1, 2011, we had gross unrecognized tax benefits of $84.6 (net unrecognized tax benefits of $65.8), of which $63.7, if recognized, would impact our effective tax rate from continuing operations.

We classify interest and penalties related to unrecognized tax benefits as a component of our income tax provision. As of October 1, 2011, gross accrued interest excluded from the amounts above totaled $13.0 (net accrued interest of $9.9). There were no significant penalties recorded during the three and nine months ended October 1, 2011 or October 2, 2010.

Based on the outcome of certain examinations or as a result of the expiration of statutes of limitations for certain jurisdictions, we believe that within the next 12 months it is reasonably possible that our previously unrecognized tax benefits could decrease by approximately $30.0 to $40.0. The previously unrecognized tax benefits relate to a variety of tax issues including the deductibility of interest expense in certain jurisdictions and tax matters relating to prior acquisitions or dispositions.

Uncertain Tax Positions and Other Tax Matters

We perform reviews of our income tax positions on a continuous basis and accrue for potential uncertain positions when we determine that an uncertain position meets the criteria of the Income Taxes Topic of the Codification. Accruals for these uncertain tax positions are recorded in "Income taxes payable" and "Deferred and other income taxes" in the accompanying condensed consolidated balance sheets based on the expectation as to the timing of when the matters will be resolved. As events change and resolution occurs, these accruals are adjusted, such as in the case of audit settlements with taxing authorities.

During the third quarter of 2011, we adopted an alternative method of allocating certain expenses between foreign and domestic sources for federal income tax purposes. As a result of this method change, we have determined that it is more likely than not that we will be able to utilize our existing foreign tax credits within the remaining carryforward period. Accordingly, during the third quarter of 2011, we reversed the valuation allowance on our foreign tax credit carryforwards, resulting in an income tax benefit of $27.8. This favorable adjustment was partially offset by $6.9 of federal income taxes that were recorded in connection with our plan to repatriate a portion of the earnings of a foreign subsidiary.

During the second quarter of 2010, the IRS completed the field examination of our 2006 and 2007 federal income tax returns and issued a Revenue Agent's report ("RAR"). We disagreed with and have protested certain adjustments to the Appeals Office of the IRS. Upon issuance of the RAR, we reduced a portion of our valuation allowance and our liability for uncertain tax positions to reflect amounts determined to be effectively settled or that satisfied the more likely than not threshold, resulting in the recognition of income tax benefits of $22.0 and $7.3 to continuing and discontinued operations, respectively.

The effective income tax rate for the nine months ended October 2, 2010 was impacted unfavorably by a domestic charge of $6.2 associated with the taxation of prescription drug costs for retirees under Medicare Part D as a result of the first quarter 2010 enactment of the PPAC Act.

The IRS currently is performing an audit of our 2008 and 2009 federal income tax returns. At this stage, the outcome of the audit is uncertain; however, we believe that any contingencies are adequately provided for. We reasonably expect to conclude this examination within the next twelve months.

State income tax returns generally are subject to examination for a period of three to five years after filing the respective tax returns. The impact on such tax returns of any federal changes remains subject to examination by various states for a period of up to one year after formal notification to the states. We have various state income tax returns in the process of examination, administrative appeals or litigation. We believe that any uncertain tax positions related to these examinations have been adequately provided for.

We have various foreign income tax returns under examination. Significant jurisdictions with tax examinations underway include: Canada for the 2000 to 2002 and 2006 tax returns, Germany for the 2005 to 2009 tax returns, and the United Kingdom for the 2009 tax return. We believe that any uncertain tax positions related to these examinations have been adequately provided for. During the second quarter of 2011, we were notified of the determination rendered on a Canadian federal income tax appeal and recognized a $2.5 tax benefit upon the effective settlement of the various issues. The outcome of the provincial taxes related to these matters is still pending.

An unfavorable resolution on one or more of the above matters could have a material adverse effect on our results of operations or cash flows in the quarter and year in which an adjustment is recorded or the tax is due or paid. As audits and examinations are still in process or we have not yet reached the final stages of the appeals process for the above matters, the timing of the ultimate resolution and any payments that may be required for the above matters cannot be determined at this time.

Upon the conclusion of our disposition activities discussed in Note 3 to these condensed consolidated financial statements, we may recognize an additional income tax provision or benefit, generally as part of discontinued operations.

(15) FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

- Level 1 — Quoted prices for identical instruments in active markets.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 — Significant inputs to the valuation model are unobservable.

The following section describes the valuation methodologies we use to measure different financial instruments at fair value on a recurring basis.

Derivative Financial Instruments

Our financial derivative assets and liabilities include FX forward contracts, FX embedded derivatives and commodity contracts, which are valued using valuation models that measure fair value using observable market inputs such as forward rates, interest rates, our own credit risk and our counterparties' credit risks. Based on these inputs, the derivative assets and liabilities are classified within Level 2 of the valuation hierarchy. We have not made any adjustments to the inputs obtained from the independent sources. Based on our continued ability to enter into forward contracts, we consider the markets for our fair value instruments to be active. We primarily use the income approach, which uses valuation techniques to convert future amounts to a single present amount.

As of October 1, 2011, there has been no significant impact to the fair value of our derivative liabilities due to our own credit risk as the related instruments are collateralized under our senior credit facilities. Similarly, there has been no significant impact to the fair value of our derivative assets based

on our evaluation of our counterparties' credit risk.

Investments in Equity Securities

Our available-for-sale securities include equity investments that are traded in active international markets. They are measured at fair value using closing stock prices from active markets and are classified within Level 1 of the valuation hierarchy.

Certain of our investments in equity securities that are not readily marketable are accounted for under the fair value option, with such values determined by multidimensional pricing models. These models consider market activity based on modeling of securities with similar credit quality, duration, yield and structure. A variety of inputs are used, including benchmark yields, reported trades, non-binding broker/dealer quotes, issuer spread and reference data including market research publications. Market indicators, industry and economic events are also considered. We have not made any adjustments to the inputs obtained from the independent sources. At October 1, 2011 and December 31, 2010, these assets had a fair value of $7.2 and $8.5, respectively, which are estimated using various valuation models, including the Monte-Carlo simulation model.

Assets and liabilities measured at fair value on a recurring basis include the following as of October 1, 2011:

	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Current assets — FX embedded derivatives and FX forward contracts	$ —	$ 1.9	$ —
Noncurrent assets — Investment in equity securities and available-for-sale securities	5.1	—	7.2
Current liabilities — FX forward contracts, FX embedded derivatives, and commodity contracts	—	33.7	—
Long-term liabilities — FX embedded derivatives	—	16.6	—

Assets and liabilities measured at fair value on a recurring basis include the following as of December 31, 2010:

	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Current assets — FX embedded derivatives, FX forward contracts and commodity contracts	$ —	$ 4.1	$ —
Noncurrent assets — Investment in equity securities and available-for-sale securities	12.8	—	8.5
Current liabilities — FX forward contracts and FX embedded derivatives	—	6.1	—
Long-term liabilities — FX embedded derivatives	—	33.2	—

The table below presents a reconciliation of our investment in equity securities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the nine months ended October 1, 2011, including net unrealized losses included in earnings.

	Nine months ended October 1, 2011
Balance at beginning of year	$ 8.5
Purchases	—
Losses included in earnings	(1.3)
Balance at October 1, 2011	$ 7.2

During the nine months ended October 1, 2011, we determined that the fair value of our SPX Heat Transfer Inc. reporting unit was less than the carrying value of its net assets (see Note 7). The fair value of SPX Heat Transfer Inc. was based upon weighting the income and market approaches, utilizing estimated cash flows and a terminal value discounted at a rate of return that reflects the relative risk of the cash flows, as well as valuation multiples derived from comparable publicly-traded companies that are applied to the historical and projected operating results of SPX Heat Transfer Inc. (unobservable inputs — Level 3). We estimated the implied fair value of SPX Heat Transfer Inc.'s goodwill, which resulted in an impairment charge related to such goodwill of $17.2 during the second quarter of 2011. In addition, we recorded an impairment charge in the second quarter of 2011 of $7.5 related to the indefinite-lived intangible assets of SPX Heat Transfer Inc., with the fair value of these intangible assets determined based on a projection of cash flows for the assets discounted at a rate of return that reflects the relative risk of the cash flows (unobservable inputs — Level 3).

During the nine months ended October 1, 2011, we recorded an impairment charge of $3.7 to "Special charges, net" related to the rationalization of certain software assets that occurred as a result of the integration of the DS acquisition (see Note 3). The fair value of these assets ($16.2) was determined by obtaining information in the specific markets being evaluated, including the costs incurred to produce similar assets and assumptions about demand in the market for these assets (unobservable inputs — Level 3).

During the nine months ended October 1, 2011, we determined that a trademark held by a business within our Industrial Products and Services segment was impaired and, thus, we recorded an impairment charge of $0.8 to "Special charges, net" during 2011. We determined the fair value of $1.2 by applying an estimated royalty rate to projected revenues, with the resulting cash flows discounted at a rate of return that reflects current market conditions (unobservable inputs — Level 3).

During the nine months ended October 2, 2010, we recorded impairment charges of $4.3 to "Special charges, net" related to idle facilities and certain machinery and equipment (see Note 5). The fair values of these assets ($5.5 and $0.4, respectively) were based on the estimated selling prices. We determined the estimated selling prices by obtaining information in the specific markets being evaluated, including comparable sales of similar assets and assumptions about demand in the market for these assets (unobservable inputs — Level 3).

The carrying amount of cash and equivalents and receivables reported in our condensed consolidated balance sheets approximates fair value because of the short maturity of those instruments.

The fair value of our debt instruments, based on borrowing rates available to us at October 1, 2011 for similar debt, was $1,246.4 at October 1, 2011, compared to our carrying value of $1,201.6.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
(in millions, except per share data)

EXECUTIVE OVERVIEW

During the third quarter of 2011, our revenue trends generally were consistent with the first half of the year, as organic revenues for the quarter, compared to the respective 2010 period, increased 4.1% (organic revenue for the first nine months of 2011, compared to the respective 2010 period, increased 5.6%). The increase in organic revenue continued to be driven by our Flow Technology and Test and Measurement segments, as organic revenue growth for these segments totaled 16.3% and 4.8%, respectively, during the third quarter of 2011. Third quarter 2011 organic revenues for our Thermal Equipment and Services and Industrial Products and Services segments continued to be affected negatively by volume declines in China and lower volumes and pricing on power transformers, respectively.

Segment income for the three and nine months ended October 1, 2011 totaled $156.4 and $403.2, respectively, compared to $157.7 and $399.9 during the three and nine months ended October 2, 2010. Segment income during 2011 has been impacted favorably by the revenue growth within our Flow Technology and Test and Measurement segments. However, these year-over-year increases in segment income have been offset by the impact of unfavorable project mix within our Thermal Equipment and Services segment and lower volumes and pricing on power transformers in our Industrial Products and Services segment.

For the first nine months of 2011, cash flows from operations totaled $124.0, compared to $43.7 during the first nine months of 2010, with the increase attributable to a decline in working capital investments during the nine months ended October 1, 2011.

During the fourth quarter of 2011, we expect the organic revenue growth trends for the Flow Technology and Test and Measurement segments to continue at rates comparable to those experienced during the first nine months of 2011, and more favorable trends within our Thermal Equipment and Services and Industrial Products and Services segments.

Other matters of note, including items that impacted our financial performance for the first nine months of 2011, were as follows:

- Acquisitions:

    - On August 24, 2011, in the Flow Technology segment, we entered into an agreement to purchase Clyde Union (Holdings) S.A.R.L. ("Clyde Union"). On November 1, 2011, we executed an amendment to that agreement. The purchase price, under the amended agreement, includes an initial payment of 565.0 British Pounds ("GBP"), plus potential earn-out payments of up to 185.0 GBP (see Note 3 to the condensed consolidated financial statements for additional details on the potential earn-outs).
        - The acquisition is targeted to close by December 22, 2011.
        - The purchase price will be funded with available cash and the two term loans noted below.
    - In the Flow Technology segment, we completed the acquisition of B.W. Murdoch Ltd. ("Murdoch"), an engineering company supplying processing solutions for the food and beverage industry, for a purchase price of $8.1.
    - In the Test and Measurement segment, we completed the acquisition of substantially all of the assets of Teradyne, Inc.'s Diagnostic Solutions business ("DS"), a global supplier of diagnostic solutions for transportation OEMs and automotive dealerships, for a purchase price of $40.2.

- Long-Term Debt:

    - Following the end of the quarter, on October 5, 2011 we modified our senior credit facilities in order to provide additional committed senior secured financing in an aggregate amount of $800.0, consisting of two term loans.
    - In June 2011, we entered into new senior credit facilities, with a total capacity of $1,800.0, which replaced our then-existing senior credit facilities.
    - In June 2011, we redeemed our outstanding 6.25% senior notes, resulting in a principal payment of $21.3.
    - In January 2011, we redeemed our outstanding 7.50% senior notes, resulting in a principal payment of $28.2.

- Income Taxes — During the third quarter of 2011, we recorded an income tax benefit of $27.8 associated with the reversal of the valuation allowance on our existing foreign tax credit carryforwards. This benefit was offset partially by $6.9 of federal income taxes that were recorded in connection with our plan to repatriate a portion of the earnings of a foreign subsidiary.

- Other:

    - Beginning on August 30, 2011, we entered into foreign currency protection agreements to hedge a significant portion of the purchase price of the Clyde Union acquisition, which, as previously noted, will be paid in GBP. From the inception of these agreements until October

1, 2011, the U.S. dollar strengthened against the GBP by approximately 5.0%. As a result, we recorded a non-cash charge during the third quarter of 2011 of $30.6, which was recorded in "Other expense, net" and based on the fair value of these agreements as of October 1, 2011.

- In the second quarter of 2011, within our Thermal Equipment and Services segment, we recorded an impairment charge of $24.7 related to the goodwill and indefinite-lived intangible assets of our SPX Heat Transfer Inc. reporting unit.

- During the first quarter of 2011, we recorded an insurance recovery of $6.3, within our Industrial Products and Services segment, related to a product liability matter.

- For one of our domestic pension plans, in the first quarter of 2011, we began amortizing the unrecognized gains (losses) over the average remaining life expectancy of the inactive participants as opposed to the average remaining service period of the active participants, as almost all of the plan participants have become inactive. This change resulted in a reduction in pension expense of approximately $5.0 and $15.0 during the three and nine months ended October 1, 2011.

RESULTS OF CONTINUING OPERATIONS

The unaudited information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements contained in our 2010 Annual Report on Form 10-K. Interim results are not necessarily indicative of results for a full year. We establish actual interim closing dates using a "fiscal" calendar, which requires our businesses to close their books on the Saturday closest to the end of the calendar quarter for the first quarter, with the second and third quarters being 91 days in length. Our fourth quarter ends on December 31. The interim closing dates for the first, second and third quarters of 2011 are April 2, July 2 and October 1, compared to the respective April 3, July 3 and October 2, 2010 dates. This practice only impacts the quarterly reporting periods and not the annual reporting period. We had one fewer day in the first quarter of 2011 and will have one more day in the fourth quarter of 2011 than in the respective 2010 periods.

Seasonality and Competition — Many of our businesses closely follow changes in the industries and end markets that they serve. In addition, certain businesses have seasonal fluctuations. Our heating and ventilation products businesses tend to be stronger during the third and fourth quarters, as customer buying habits are driven largely by seasonal weather patterns. Demand for cooling towers and related services is highly correlated to timing on large construction contracts, which may cause significant fluctuations from period to period. Revenues for our Service Solutions business typically follow program launch timing for diagnostic systems and service equipment. In aggregate, our businesses tend to be stronger in the second half of the year.

Although our businesses operate in highly competitive markets, our competitive position cannot be determined accurately in the aggregate or by segment since our competitors do not offer all the same product lines or serve all of the same markets. In addition, specific reliable comparative figures are not available for many of our competitors. In most product groups, competition comes from numerous concerns, both large and small. The principal methods of competition are service, product performance, technical innovations and price. These methods vary with the type of product sold. We believe we can compete effectively on the basis of each of these factors as they apply to the various products and services we offer.

Non-GAAP Measures — Organic revenue growth (decline) presented herein is defined as revenue growth (decline) excluding the effects of foreign currency fluctuations, acquisitions and divestitures. We believe that this metric is a useful financial measure for investors in evaluating our operating performance for the periods presented, as when read in conjunction with our revenues, it presents a useful tool to evaluate our ongoing operations and provides investors with a tool they can use to evaluate our management of assets held from period to period. In addition, organic revenue growth (decline) is one of the factors we use in internal evaluations of the overall performance of our business. This metric, however, is not a measure of financial performance under accounting principles generally accepted in the United States ("GAAP") and 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 following table provides selected financial information for the three and nine months ended October 1, 2011 and October 2, 2010, respectively, including the reconciliation of organic revenue growth to net revenue growth:

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Revenues	$ 1,387.2	$ 1,288.4	7.7	$ 3,970.2	$ 3,561.8	11.5
Gross profit	391.1	378.0	3.5	1,123.7	1,044.2	7.6
% of revenues	28.2%	29.3%		28.3%	29.3%	
Selling, general and administrative expense	268.0	253.7	5.6	837.1	756.5	10.7
% of revenues	19.3%	19.7%		21.1%	21.2%	
Intangible amortization	8.3	6.8	22.1	24.8	19.4	27.8
Impairment of goodwill and other intangible assets	—	—	*	24.7	—	*
Special charges, net	7.7	8.9	(13.5)	19.7	20.1	(2.0)
Other expense, net	(34.6)	(6.8)	408.8	(33.7)	(20.7)	62.8
Interest expense, net	(22.3)	(21.4)	4.2	(67.3)	(59.6)	12.9
Loss on early extinguishment of interest rate protection agreements and term loan	—	(25.6)	*	—	(25.6)	*
Equity earnings in joint ventures	6.9	6.4	7.8	20.7	22.3	(7.2)
Income from continuing operations before income taxes	57.1	61.2	(6.7)	137.1	164.6	(16.7)
Income tax benefit (provision)	4.8	(21.5)	(122.3)	(16.2)	(37.4)	(56.7)
Income from continuing operations	61.9	39.7	55.9	120.9	127.2	(5.0)
Components of consolidated revenue growth:						
Organic growth			4.1			5.6
Foreign currency			2.5			3.6
Acquisitions			1.1			2.3

Net revenue growth	7.7	11.5

*Not meaningful for comparison purposes.

Revenues — For the three and nine months ended October 1, 2011, the increase in revenues, compared to the respective 2010 periods, was due to organic revenue growth, the impact of the weaker U.S. dollar, and incremental revenues of $13.7 and $80.9 associated with the acquisitions of Murdoch and DS in 2011, and the Anhydro business ("Anhydro"), Torque Tension Systems Ltd. ("TTS"), and Gerstenberg Schröder A/S ("Gerstenberg") in July, April and February 2010, respectively. The organic revenue growth was attributable primarily to sales into the food and beverage, power and energy and general industrial end markets of our Flow Technology segment, as well as increased demand from the automotive OEM customers and their dealers within our Test and Measurement segment. These increases in organic revenue were offset partially by organic declines within our Thermal Equipment and Services segment, associated primarily with volume declines of dry cooling products in China and at SPX Heat Transfer Inc., and our Industrial Products and Services segment, related primarily to lower sales of power transformers.

Gross Profit — The increase in gross profit during the three and nine months ended October 1, 2011, compared to the respective 2010 periods, was due primarily to the revenue performance described above. Gross profit for the nine months ended October 1, 2011 also was favorably impacted by an insurance recovery of $6.3 during the first quarter of 2011 related to a product liability matter. Despite the revenue performance described above, gross profit as a percentage of revenues declined for the three and nine months ended October 1, 2011, when compared to the same periods in 2010, primarily as a result of unfavorable project mix within the Thermal Equipment and Services and Flow Technology segments and lower pricing on power transformers within the Industrial Products and Services segment. In addition, we incurred start-up costs of $3.2 and $7.0 during the three and nine months ended October 1, 2011, respectively, associated with the expansion of our power transformer facility in Waukesha, WI.

Selling, General and Administrative ("SG&A") expenses — For the three and nine months ended October 1, 2011, the increase in SG&A expense, compared to the respective 2010 periods, was due primarily to:

- Incremental SG&A associated with the Murdoch, DS, Anhydro, TTS and Gerstenberg acquisitions of $1.8 and $18.7, respectively;
- Additional SG&A to support the organic revenue growth during the periods;
- An increase of $2.5 and $9.1, respectively, in stock compensation expense, primarily attributable to a higher fair value for the 2011 stock compensation awards resulting from an increase in our share price;
- Higher corporate expense, primarily as a result of costs associated with certain corporate-led initiatives (e.g., global expansion and innovation); and
- A weaker U.S. dollar (compared to the respective 2010 periods), which resulted in an increase in SG&A of $5.9 and $24.6, respectively.

These increases were offset partially by a reduction in pension expense for the three and nine months ended October 1, 2011 primarily as a result of a change in the amortization period of the unrecognized gains/losses for one of our domestic pension plans.

Intangible Amortization — For the three and nine months ended October 1, 2011, compared to the respective 2010 periods, the increase in intangible amortization was due primarily to amortization associated with intangible assets purchased in the Murdoch, DS, Anhydro, TTS, and Gerstenberg acquisitions.

Impairment of Goodwill and Other Intangible Assets — For the nine months ended October 1, 2011, we recorded an impairment charge of $24.7 associated with the goodwill and indefinite-lived intangible assets of our SPX Heat Transfer Inc. reporting unit, with $17.2 of the charge related to goodwill and $7.5 to tradenames. See Note 7 to the condensed consolidated financial statements for further discussion.

Special Charges, net — For the three and nine months ended October 1, 2011, special charges, net related primarily to restructuring initiatives to consolidate manufacturing, distribution, and administrative facilities and functions. The amount for the nine months ended October 1, 2011 also included an impairment charge of $3.7 related to the rationalization of certain software assets that occurred as a result of the integration of the DS acquisition. See Note 5 to the condensed consolidated financial statements for the details of actions taken in 2011 and 2010.

Other Expense, net — Other expense, net, for the three months ended October 1, 2011 was composed primarily of a decrease in the fair value of our foreign currency protection agreements ("FX forward contracts") of $35.2, partially offset by gains on our currency forward embedded derivatives ("FX embedded derivatives") of $3.8 and foreign currency transaction gains of $0.2. The expense associated with the FX forward contracts includes a non-cash charge of $30.6 related to our hedging a significant portion of the purchase price of the Clyde Union acquisition, which will be paid at closing in GBP. From the inception of these FX forward contracts through October 1, 2011, the U.S. dollar strengthened against the GBP by approximately 5.0%. Other expense, net, for the three months ended October 2, 2010 was composed primarily of a charge associated with the net decrease in the fair value of our FX forward contracts and FX embedded derivatives of $1.4 and foreign currency transaction losses of $5.9, partially offset by investment income of $0.7.

Other expense, net, for the nine months ended October 1, 2011 was composed primarily of a decrease in the fair value of our FX forward contracts of $33.6 and foreign currency transaction losses of $4.6, partially offset by gains on FX embedded derivatives of $0.8 and insurance settlements of $2.8 related to death benefits received and a property insurance claim. The expense associated with the FX forward contracts includes a non-cash charge incurred during the third quarter of 2011 of $30.6 related to our hedging a significant portion of the purchase price of the Clyde Union acquisition. Other expense, net, for the nine months ended October 2, 2010 consisted primarily of a charge associated with the net decrease in the fair value of our FX forward contracts and FX embedded derivatives of $20.5 (see Note 11 to our condensed consolidated financial statements) and foreign currency transaction losses of $2.2, partially offset by investment income of $2.2.

Interest Expense, net — Interest expense, net, includes both interest expense and interest income. The increase in interest expense, net, compared to the 2010 periods, was the result of replacing the term loan under our then-existing senior credit facilities (a loan that carried an interest rate, inclusive of the impact of the related interest rate protection agreements ("Swaps"), of approximately 5.0%) with the $600.0 of 6.875% senior notes in August 2010. In addition, in connection with the refinancing of our senior credit facilities, which was completed on June 30, 2011, we wrote off $0.4 of deferred financing fees associated with our then-existing senior

credit facilities. See Note 10 to our condensed consolidated financial statements for further discussion. Also, refer to the discussion of Liquidity and Financial Condition in our 2010 Annual Report on Form 10-K for details pertaining to our 2010 debt activity.

Loss on Early Extinguishment of Interest Rate Protection Agreements and Term Loan — The amount for the three and nine months ended October 2, 2010 was incurred in connection with the August 2010 repayment of the term loan under our senior credit facilities (see Note 10 to our condensed consolidated financial statements), with $24.3 associated with the early termination of the related Swaps and the remainder with the write-off of deferred financing costs and early termination fees.

Equity Earnings in Joint Ventures — Our equity earnings in joint ventures were primarily attributable to earnings from our EGS Electrical Group, LLC and subsidiaries joint venture, which totaled $6.7 and $6.2 for the three months ended October 1, 2011 and October 2, 2010, respectively, and $20.0 and $21.3 for the nine months ended October 1, 2011 and October 2, 2010, respectively.

Income Tax Provision — For the three months ended October 1, 2011, we recorded an income tax benefit of $4.8 on $57.1 of pre-tax income from continuing operations, resulting in an effective tax rate of (8.4%). This compares to an income tax provision for the three months ended October 2, 2010 of $21.5 on $61.2 of pre-tax income from continuing operations, resulting in an effective tax rate of 35.1%. During the third quarter of 2011, we adopted an alternative method of allocating certain expenses between foreign and domestic sources for federal income tax purposes. As a result of this election, we have determined that it is more likely than not that we will be able to utilize our existing foreign tax credits within the remaining carryforward period. Accordingly, during the third quarter of 2011, we reversed the valuation allowance on our foreign tax credit carryforwards, resulting in an income tax benefit of $27.8. This favorable adjustment was partially offset by $6.9 of federal income taxes that were provided in connection with our plan to repatriate a portion of the earnings of a foreign subsidiary.

For the nine months ended October 1, 2011, we recorded an income tax provision of $16.2 on $137.1 of pre-tax income from continuing operations, resulting in an effective tax rate of 11.8%. This compares to an income tax provision for the nine months ended October 2, 2010 of $37.4 on $164.6 of pre-tax income from continuing operations, resulting in an effective tax rate of 22.7%. The effective income tax rate for the nine months ended October 1, 2011 was impacted by the items noted above for the three months ended October 1, 2011, along with tax benefits of $2.5 associated with the conclusion of a Canadian appeals process and $4.5 of tax credits related to the expansion of our power transformer plant in Waukesha, WI. The effective income tax rate for the nine months ended October 2, 2010 was impacted favorably by a tax benefit of $22.0 that was recorded during the period in connection with the completion of the field examinations of our 2006 and 2007 federal income tax returns. This benefit was offset partially by a domestic charge of $6.2 associated with the taxation of prescription drug costs for retirees under Medicare Part D as a result of the first quarter 2010 enactment of the Patient Protection and Affordable Care Act.

RESULTS OF DISCONTINUED OPERATIONS

As part of our operating strategy, we regularly review and negotiate potential divestitures, some of which are or may be material. As a result of this continual review, we determined that certain of our businesses would be better strategic fits with other companies or investors.

We report businesses or asset groups as discontinued operations when, among other things, we commit to a plan to divest the business or asset group, actively begin marketing the business or asset group, and when the sale of the business or asset group is deemed probable within the next twelve months. The following businesses, which have been sold, met these requirements, and therefore have been reported as discontinued operations for the periods presented:

Business	Quarter Discontinued	Quarter Sale Closed
Cooling Spain Packaging business (“Cooling Spain”)	Q4 2010	Q4 2010
P.S.D., Inc. (“PSD”)	Q2 2009	Q1 2010

Cooling Spain — Sold for cash consideration of one Euro (exclusive of cash transferred with the business of $2.3), resulting in a loss, net of taxes, of $1.9 during the fourth quarter of 2010. During the first quarter of 2011, we recorded a net charge of $0.1 to “Gain (loss) on disposition of discontinued operations, net of tax” within our condensed consolidated statements of operations in connection with adjustments to certain liabilities that we retained.

PSD — Sold for cash consideration of $3.0, resulting in a gain, net of taxes, of $3.6 during the first quarter of 2010.

In addition to the businesses discussed above, we recognized a net gain of $0.4 and $1.3 during the three and nine months ended October 1, 2011, respectively, and a net loss of $0.1 and a net gain of $1.2 during the three and nine months ended October 2, 2010, respectively, resulting from adjustments to gains/losses on sales from previously discontinued businesses. Refer to the consolidated financial statements contained in our 2010 Annual Report on Form 10-K for the disclosure of all discontinued businesses

during the 2008 through 2010 period.

During the second quarter of 2010, the field examinations of our 2006 and 2007 federal income tax returns were completed by the Internal Revenue Service (“IRS”). In connection with the completion of these examinations, we reduced our liability for uncertain tax positions and recognized an income tax benefit of $7.3 to “Gain (loss) on disposition of discontinued operations, net of tax” associated with a business previously disposed of and reported as a discontinued operation.

The final sales price for certain of the divested businesses is subject to adjustment based on working capital existing at the respective closing dates. The working capital figures are subject to agreement with the buyers, or if we cannot come to agreement, an arbitration process. Final agreement of the working capital figures for certain of these transactions has yet to occur. In addition, changes in estimates associated with liabilities retained in connection with a business divestiture (e.g., income taxes) may occur. It is possible that the sales price and resulting gains/losses on these, and other previous divestitures, may be materially adjusted in subsequent periods.

For the three and nine months ended October 1, 2011 and October 2, 2010, income (loss) from discontinued operations and the related income taxes are shown below:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Income (loss) from discontinued operations	$ 0.7	$ (0.1)	$ (2.0)	$ 1.9
Income tax (provision) benefit	(0.3)	0.1	3.2	9.9
Income from discontinued operations, net	$ 0.4	$ —	$ 1.2	$ 11.8

For the three and nine months ended October 1, 2011 and October 2, 2010, results of operations for our businesses reported as discontinued operations were as follows:

	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Revenues	$ —	$ 1.4	$ —	$ 5.2
Pre-tax income (loss)	—	0.1	—	(0.3)

There were no assets or liabilities attributable to discontinued operations at October 1, 2011 and December 31, 2010.

SEGMENT RESULTS OF OPERATIONS

The following information should be read in conjunction with our condensed consolidated financial statements and related notes. The segment results exclude the operating results of discontinued operations for all periods presented. See Note 4 to the condensed consolidated financial statements for a description of each of our reportable segments.

Non-GAAP Measures — Throughout the following discussion of segment results, we use "organic revenue" growth (decline) to facilitate explanation of the operating performance of our segments. Organic revenue growth (decline) is a non-GAAP financial measure, and is not a substitute for revenue growth (decline). Refer to the explanation of this measure and purpose of use by management under "Results of Continuing Operations—Non GAAP Measures."

Flow Technology

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Revenues	$ 527.9	$ 438.6	20.4	$ 1,476.6	$ 1,176.0	25.6
Segment income	70.1	58.2	20.4	183.1	144.7	26.5
% of revenues	13.3%	13.3%		12.4%	12.3%	
Components of segment revenue growth:						
Organic growth			16.3			16.1
Foreign currency			3.6			5.0
Acquisitions			0.5			4.5
Net segment revenue growth			20.4			25.6

Revenues — For the three and nine months ended October 1, 2011, the increase in revenues, compared to the respective 2010 periods, was due to organic revenue growth, incremental revenues of $2.4 and $52.5 for the three and nine months ended, respectively, associated with the acquisitions of Murdoch, Anhydro, and Gerstenberg, and the favorable impact of a weaker U.S. dollar during the periods. Organic revenue growth was attributable primarily to additional sales into the food and beverage, power and energy and general industrial end markets.

Segment Income — For the three and nine months ended October 1, 2011, segment income increased, compared to the respective 2010 periods, primarily as a result of the organic revenue growth and the acquisitions noted above. Despite the revenue performance noted above, segment margins generally remained unchanged during the three and nine months ended October 1, 2011, compared to the respective 2010 periods, as the additional absorption provided by the organic revenue increases was offset by the impact of a higher percentage of low-margin systems' revenue during 2011.

Test and Measurement

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Revenues	$ 255.6	$ 227.6	12.3	$ 792.6	$ 671.9	18.0
Segment income	29.4	17.8	65.2	78.0	54.9	42.1
% of revenues	11.5%	7.8%		9.8%	8.2%	
Components of segment revenue growth:						
Organic growth			4.8			10.7
Foreign currency			2.5			3.3
Acquisitions			5.0			4.0
Net segment revenue growth			12.3			18.0

Revenues — For the three and nine months ended October 1, 2011, the increase in revenues, compared to the respective 2010 periods, was due to an increase in organic revenue, incremental revenues of $11.3 and $27.0 for the three and nine months ended October 1, 2011, respectively, associated with the acquisition of DS, and the impact of a weaker U.S. dollar. The organic revenue growth was attributable primarily to an increase in sales to the segment's automotive OEM customers and dealers, as well as to the global aftermarket.

Segment Income — For the three and nine months ended October 1, 2011, segment income and margin increased, compared to the respective 2010 periods, primarily as a result of the organic revenue increase noted above as well as contributions from the acquisition of DS.

Thermal Equipment and Services

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Revenues	$ 433.9	$ 438.7	(1.1)	$ 1,191.1	$ 1,183.3	0.7
Segment income	40.8	60.1	(32.1)	97.9	140.9	(30.5)
% of revenues	9.4%	13.7%		8.2%	11.9%	
Components of segment revenue growth (decline):						
Organic decline			(3.6)			(3.0)
Foreign currency			2.5			3.7
Acquisitions			—			—
Net segment revenue growth (decline)			(1.1)			0.7

Revenues — For the three months ended October 1, 2011, the decrease in revenues, compared to the respective 2010 period, was due to a decline in organic revenue, partially offset by the impact of a weaker U.S. dollar. The organic revenue decrease was attributable primarily to declines in sales of dry cooling products in China, offset partially by an increase in evaporative cooling revenue in the Americas.

For the nine months ended October 2, 2011, the increase in revenues, compared to the respective 2010 period, was due to the impact of a weaker U.S. dollar, partially offset by a decline in organic revenue. The organic revenue decline was attributable

primarily to a decline in sales of dry cooling products in China and declines at SPX Heat Transfer Inc., offset partially by increases in evaporative cooling revenue in the Americas.

Segment Income — For the three and nine months ended October 1, 2011, segment income and margins decreased, compared to the respective 2010 periods, primarily as a result of unfavorable project mix and the revenue decline related to SPX Heat Transfer Inc. noted above.

Industrial Products and Services

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Revenues	$ 169.8	$ 183.5	(7.5)	$ 509.9	$ 530.6	(3.9)
Segment income	16.1	21.6	(25.5)	44.2	59.4	(25.6)
% of revenues	9.5%	11.8%		8.7%	11.2%	
Components of segment revenue decline:						
Organic decline			(7.8)			(4.6)
Foreign currency			0.3			0.4
Acquisitions			—			0.3
Net segment revenue decline			(7.5)			(3.9)

Revenues — For the three and nine months ended October 1, 2011, the decrease in revenues, compared to the respective 2010 periods, was due to a decline in organic revenues. The decline in organic revenue was primarily due to lower sales of power transformers. These decreases in organic revenue for the three and nine months ended October 1, 2011 were offset partially by additional sales of hydraulic tools and equipment.

Segment Income — For the three and nine months ended October 1, 2011, the decrease in segment income and margin, compared to the respective 2010 periods, was due primarily to the organic revenue decline noted above, including the impact of reduced sales prices for power transformers. In addition, we incurred start-up costs of $3.2 and $7.0 during the three and nine months ended October 1, 2011, respectively, associated with the expansion of our power transformer facility in Waukesha, WI. For the nine months ended October 1, 2011, the decline was partially offset by an insurance recovery during the first quarter of 2011 of $6.3 related to a product liability matter.

Corporate and Other Expenses

	Three months ended			Nine months ended		
	October 1, 2011	October 2, 2010	% Change	October 1, 2011	October 2, 2010	% Change
Total consolidated revenues	$ 1,387.2	$ 1,288.4	7.7	$ 3,970.2	$ 3,561.8	11.5
Corporate expense	25.1	21.5	16.7	79.9	66.7	19.8
% of revenues	1.8%	1.7%		2.0%	1.9%	
Stock-based compensation expense	7.8	5.3	47.2	34.5	25.4	35.8
Pension and postretirement expense	8.7	13.4	(35.1)	27.0	39.5	(31.6)

Corporate Expense — Corporate expense generally relates to the cost of our Charlotte, NC corporate headquarters and our Asia Pacific center in Shanghai, China. For the three and nine months ended October 1, 2011, the increase in corporate expense was attributable primarily to additional costs associated with certain corporate-led initiatives (e.g., global expansion and innovation).

Stock-based Compensation Expense — The increase in stock-based compensation expense for the three and nine months ended October 1, 2011, compared to the respective prior year periods, was due primarily to an increase in the fair value of our 2011 restricted stock and restricted stock unit awards, and an increase in the number of shares granted in 2011, primarily to participants who already met the service requirements under the plan at the time of the

2011 grant (i.e., age 55 and five years of service). The weighted-average fair value of our 2011 stock-based compensation awards, which is directly correlated to changes in our share price (see Note 12 to the condensed consolidated financial statements for a discussion of our valuation technique), increased approximately 28% compared to the weighted-average fair value of our 2010 awards.

Pension and Postretirement Expense — Pension and postretirement expense represents our consolidated expense, which we do not allocate for segment reporting purposes. The decrease in pension and postretirement expense for the three and nine months ended October 1, 2011, compared to the respective prior year periods, was due to an increase in the number of inactive participants in one of our domestic pension plans, which resulted in almost all of the plan participants being inactive. Accordingly, in 2011, we began amortizing the unrecognized gains/losses over the average remaining life expectancy of the inactive participants as opposed to the average remaining service period of the active participants. This change resulted in a reduction in pension expense of approximately $5.0 and $15.0 during the three and nine months ended October 1, 2011, respectively.

OUTLOOK

The following table highlights our backlog as of October 1, 2011 and December 31, 2010 and revenue and profit margin expectations for our segments for 2011 based on information available at the time of this report.

Segment	Comments
Flow Technology	In the first nine months of 2011, the segment experienced a revenue increase of 25.6%, including organic growth of 16.1%, compared to the corresponding period of 2010. Based on increased demand across most of the end markets served by the segment and, to a lesser extent, incremental revenues from the 2010 and 2011 acquisitions and favorable foreign currency impact, we are projecting full year revenues to increase between 21% and 22% over 2010. We are projecting margins to be between 13.0% and 13.2% for 2011. The segment had backlog of $899.4 and $789.2 as of October 1, 2011 and December 31, 2010, respectively. We expect to convert approximately 48% of the segment’s October 1, 2011 backlog to revenue over the remainder of 2011.
Test and Measurement	In the first nine months of 2011, the segment experienced a revenue increase of 18.0%, including organic growth of 10.7%, compared to the corresponding period of 2010. For 2011, we are projecting full year revenues to increase between 16% and 17% over 2010, driven primarily by organic growth associated with increased new model introductions, our own new product launches, incremental revenues associated with the acquisition of DS and, to a lesser extent, favorable foreign currency impact. We are projecting margins to be between 10.1% and 10.3% for 2011. Backlog for the segment is not material, as its businesses are primarily short-cycle in nature.
Thermal Equipment and Services	In the first nine months of 2011, the segment experienced a revenue increase of 0.7%, including an organic decline of 3.0%, compared to the corresponding period of 2010. We are projecting revenues to increase between 2% and 3% for the full year 2011 over 2010, with the organic revenue increase concentrated in South Africa, the United States, and Europe, partially offset by a decline in China. Additionally, we expect a favorable foreign currency impact. We are projecting margins to be between 9.5% and 9.7% for 2011. We had backlog of $1,191.8 and $1,625.1 as of October 1, 2011 and December 31, 2010, respectively, across the segment, with the majority in our cooling systems and products and thermal services and equipment businesses. We expect to convert approximately 26% of the segment’s October 1, 2011 backlog to revenues during the remainder of 2011. Portions of this backlog are long-term in nature, with the related revenues expected to be recorded through 2015. We expect large contracts to continue to be significant for this segment, which may contribute to large fluctuations in revenues and profits from period to period.
Industrial Products and Services	In the first nine months of 2011, the segment experienced a revenue decline of 3.9%, including an organic decline of 4.6%, compared to the corresponding period of 2010. We are projecting an increase in revenues of between 4% and 5% for the full year 2011 over 2010, driven primarily by organic growth associated with increased sales of communication technology products, hydraulic tools and equipment, and solar power products offset by declines in volume and pricing for our power transformer business. We are projecting margins to be between 8.5% and 8.7% for 2011. Backlog for the segment totaled $490.4 and $359.4 as of October 1, 2011 and December 31, 2010, respectively. We expect to convert approximately 37% of the segment’s October 1, 2011 backlog to revenue over the remainder of 2011.

We do not expect the tragic events that occurred in Japan during March 2011 to have a significant impact to our operating results or our supply chain. Annual sales in Japan are about 1% of our total annual revenues and we do not have manufacturing facilities in Japan. With regard to the broader implications of the Japan events, less than 3% of our total annual revenues are related to nuclear power. In total, we have approximately $118.5 of nuclear power orders in our backlog as of October 1, 2011, which is split evenly between our Flow Technology and Thermal Equipment and Services segments. We currently expect these orders to be delivered in 2011 and 2012. Future nuclear power orders could face funding and approval challenges; however, we are well positioned to benefit from alternative investments in natural gas, coal and solar power.

LIQUIDITY AND FINANCIAL CONDITION

Listed below are the cash flows from (used in) operating, investing, and financing activities and discontinued operations, as well as the net change in cash and equivalents for the nine months ended October 1, 2011 and October 2, 2010.

Cash Flow

	Nine months ended	
	October 1, 2011	October 2, 2010
Continuing operations:		
Cash flows from operating activities	$ 124.0	$ 43.7
Cash flows used in investing activities	(133.5)	(153.0)
Cash flows used in financing activities	(54.4)	(28.3)
Cash flows from (used in) discontinued operations	(2.3)	4.2
Change in cash and equivalents due to changes in foreign currency exchange rates	7.0	1.5
Net change in cash and equivalents	$ (59.2)	$ (131.9)

Operating Activities — The increase in cash flows from operating activities during the nine months ended October 1, 2011, as compared to the same period in 2010, was primarily the result of the year-over-year decline in working capital investments. The more significant transactions impacting working capital cash flows were as follows:

- During the nine months ended October 1, 2011, we had income tax refunds, net of taxes paid, of $13.7, compared to income taxes paid, net of refunds, of $20.5 during the nine months ended October 2, 2010; and
- During the nine months ended October 2, 2010, we terminated all of our Swaps resulting in a cash payment of $26.9.

Investing Activities — The decrease in cash used in investing activities during the nine months ended October 1, 2011, as compared to the same period in 2010, was due primarily to business acquisitions and investments (i.e., the DS and Murdoch acquisitions in 2011 and the Anhydro, TTS and Gerstenberg acquisitions and the EGS investment in 2010) of $53.1 and $122.1 during the nine months ended October 1, 2011 and October 2, 2010, respectively, partially offset by increased capital expenditures during the first nine months of 2011 (2011 - $77.9 vs. 2010 - $35.7), with the increase related primarily to the expansion of our power transformer facility in Waukesha, WI.

Financing Activities — The increase in cash flows used in financing activities during the nine months ended October 1, 2011, as compared to the same period in 2010, was due primarily to net repayments of short-term and long-term debt of $2.0 during the nine months ended October 1, 2011 versus net borrowings of $27.5 during the nine months ended October 2, 2010. The more significant transactions impacting cash flows from/used in financing activities during the nine months ended October 1, 2011 and October 2, 2010 were as follows:

- During the nine months ended October 1, 2011, we redeemed the 7.50% and 6.25% senior notes for an aggregate payment of $49.5; and
- In August 2010, we issued $600.0 of 6.875% senior notes and used a portion of the proceeds to repay the remaining balance of $562.5 under the term loan of our then-existing senior credit facilities.

Discontinued Operations — The decrease in cash flows from discontinued operations during the nine months ended October 1, 2011, as compared to the same period in 2010, was due primarily to cash proceeds recorded during the nine months ended October 2, 2010 (i) of $3.0 in connection with the sale of PSD and (ii) for a $3.7 promissory note that was received in connection with a 2009 disposition. There were no proceeds received for business dispositions during the nine months ended October 1, 2011.

Borrowings and Availability

The following summarizes our debt activity (both current and non-current) for the nine months ended October 1, 2011:

	December 31, 2010	Borrowings	Repayments	Other (6)	October 1, 2011
Domestic revolving loan facility (1)	$ —	$ 660.0	$ (660.0)	$ —	$ —
6.875% senior notes	600.0	—	—	—	600.0
7.625% senior notes	500.0	—	—	—	500.0
7.50% senior notes (2)	28.2	—	(28.2)	—	—
6.25% senior notes (3)	21.3	—	(21.3)	—	—
Trade receivables financing arrangement (4)	—	96.0	(50.0)	—	46.0
Other indebtedness (5)	48.1	3.8	(2.3)	6.0	55.6
Total debt	1,197.6	$ 759.8	$ (761.8)	$ 6.0	1,201.6
Less: short-term debt	36.3				85.5
Less: current maturities of long-term debt	50.8				1.3
Total long-term debt	$ 1,110.5				$ 1,114.8

(1) In August 2010, we issued $600.0 of 6.875% senior notes that mature in 2017. The proceeds from the issuance were used to repay the remaining balance ($562.5) under the term loan of our then-existing senior credit facilities. In connection with the early repayment of the term loan, we also terminated the related Swaps. Cost associated with the early repayment of the term loan and the termination of the Swaps totaled $25.6, including $1.1 for the write-off of deferred financing costs, $0.2 for fees related to the early repayment of the term loan, and $24.3 to settle the Swaps.
(2) These notes were redeemed in full in January 2011.
(3) These notes were redeemed in full in June 2011.
(4) Under this arrangement, we can borrow, on a continuous basis, up to $130.0, as available.
(5) Includes balances under a purchase card program of $38.8 and $36.1 at October 1, 2011 and December 31, 2010, respectively.
(6) “Other” includes debt assumed and foreign currency translation on any debt instruments denominated in currencies other than the U.S. dollar.

New Senior Credit Facilities

On June 30, 2011, we entered into new senior credit facilities with a syndicate of lenders that replaced our then-existing senior credit facilities. By entering into new facilities, we extended the maturity of our facilities until 2016, and improved our financial flexibility. The new senior credit facilities provide for committed senior secured financing of $1,800.0, consisting of the following (each with a final maturity of June 30, 2016):

· A domestic revolving credit facility, available for loans and letters of credit, in an aggregate principal amount up to $300.0;

· A global revolving credit facility, available for loans in U.S. Dollars, Euros, British Pounds and other currencies in an aggregate principal amount up to the equivalent of $300.0;

· A participation foreign credit instrument facility, available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $1,100.0; and

· A bilateral foreign credit instrument facility, available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $100.0.

In addition, the lenders in the syndicate under the new senior credit facilities generally are comparable to those that existed for the previous senior credit facilities.

The new senior credit facilities allow additional commitments to add an incremental term loan facility and/or increase the commitments in respect of the domestic revolving credit facility, the global revolving credit facility, the participation foreign credit instrument facility and/or the bilateral foreign credit instrument facility by up to an aggregate principal amount of $1,000.0.

We are the borrower under all the facilities, and certain of our foreign subsidiaries are borrowers under the foreign credit instrument facilities (and we may in the future designate other subsidiaries to be borrowers under the revolving credit facilities and the foreign credit instrument facilities).

All borrowings and other extensions of credit under our new senior credit facilities are subject to the satisfaction of customary conditions, including absence of defaults and accuracy in material respects of representations and warranties.

The letters of credit under the domestic revolving credit facility are stand-by letters of credit requested by any borrower on behalf of itself or any of its subsidiaries or certain joint ventures. The foreign credit instrument facility is used to issue foreign credit instruments, including bank undertakings to support our foreign operations.

At October 1, 2011, we had $83.8 and $654.5 of outstanding letters of credit issued under our revolving credit and our foreign trade facilities of our senior credit agreement, respectively. In addition, we had $2.9 of letters of credit outstanding under separate arrangements in China and South Africa.

The interest rates applicable to loans under our new senior credit facilities are, at our option, equal to either (i) an alternate base rate (the higher of (a) the federal funds effective rate plus 0.5%, (b) the prime rate of Bank of America, N.A., and (c) the one-month LIBOR rate plus 1.0%) or (ii) a reserve-adjusted LIBOR rate for dollars (Eurodollar) plus, in each case, an applicable margin percentage, which varies based on our Consolidated Leverage Ratio (as defined in the credit agreement generally as the ratio of consolidated total debt (excluding the face amount of undrawn letters of credit, bank undertakings or analogous instruments and net of cash and cash equivalents in excess of $50.0) at the date of determination to consolidated adjusted EBITDA for the four fiscal quarters ended on such date). We may elect interest periods of one, two, three or six months for Eurodollar borrowings. The fees charged and the interest rate margins applicable to Eurodollar and alternate base rate loans are (all on a per annum basis) as follows:

Consolidated Leverage Ratio	Domestic Revolving Commitment Fee	Global Revolving Commitment Fee	Letter of Credit Fee	Foreign Credit Commitment Fee and Bilateral Foreign Credit Fee	Foreign Credit Instrument Fee and Bilateral Foreign Credit Fee	LIBOR Rate Loans	ABR Loans
Greater than or equal to 3.00 to 1.0	0.40%	0.40%	2.00%	0.40%	1.25%	2.00%	1.00%
Between 2.00 to 1.0 and 3.00 to 1.0	0.35%	0.35%	1.875%	0.35%	1.125%	1.875%	0.875%
Between 1.50 to 1.0 and 2.00 to 1.0	0.30%	0.30%	1.75%	0.30%	1.00%	1.75%	0.75%
Between 1.00 to 1.0 and 1.50 to 1.0	0.275%	0.275%	1.50%	0.275%	0.875%	1.50%	0.50%
Less than 1.00 to 1.0	0.25%	0.25%	1.25%	0.25%	0.75%	1.25%	0.25%

The weighted-average interest rate of our outstanding borrowings under our senior credit facilities was approximately 2.3% at October 1, 2011.

The fees for bilateral foreign credit commitments are as specified above for foreign credit commitments, unless otherwise agreed with the bilateral foreign issuing lender. We also pay fronting fees on the outstanding amounts of letters of credit and foreign credit instruments (in the participation facility) at the rates of 0.125% per annum and 0.20% per annum, respectively.

Our new senior credit facilities require mandatory prepayments in amounts equal to the net proceeds from the sale or other disposition of, including from any casualty to, or governmental taking of, property in excess of specified values (other than in the ordinary course of business and subject to other exceptions). Mandatory prepayments will be applied to repay amounts (or cash collateralize letters of credit) outstanding under the global revolving credit facility and the domestic revolving credit facility (without reducing the commitments thereunder). No prepayment is required generally to the extent the net proceeds are reinvested in permitted acquisitions, permitted investments or assets to be used in our business within 360 days of the receipt of such proceeds.

We may voluntarily prepay loans under our new senior credit facilities, in whole or in part, without premium or penalty. Any voluntary prepayment of loans will be subject to reimbursement of the lenders' breakage costs in the case of a prepayment of Eurodollar rate borrowings other than on the last day of the relevant interest period.

Indebtedness under our new senior credit facilities is guaranteed by:

· Each existing and subsequently acquired or organized domestic material subsidiary, with specified exceptions; and

- SPX Corporation with respect to the obligations of our foreign borrower subsidiaries under the global revolving credit facility, the participation foreign credit instrument facility and the bilateral participation foreign credit instrument facility.

Indebtedness under our new senior credit facilities is secured by a first priority pledge and security interest in 100% of the capital stock of our domestic subsidiaries (with certain exceptions) held by us or our domestic subsidiary guarantors and 65% of the capital stock of our material first tier foreign subsidiaries (with certain exceptions). If our corporate credit rating is "Ba2" or less (or not rated) by Moody's and "BB" or less (or not rated) by S&P, then we and our domestic subsidiary guarantors are required to grant security interests, mortgages and other liens on substantially all of our and their assets. If our corporate credit rating is "Baa3" or better by Moody's or "BBB-" or better by S&P and no defaults exist, then all collateral security will be released and the indebtedness under our senior credit facilities will be unsecured.

Our new senior credit facilities require that we maintain:

- A Consolidated Interest Coverage Ratio (as defined in the credit agreement generally as the ratio of consolidated adjusted EBITDA for the four fiscal quarters ended on such date to consolidated interest expense for such period) as of the last day of any fiscal quarter of at least 3.50 to 1.00; and

- A Consolidated Leverage Ratio as of the last day of any fiscal quarter of not more than 3.25 to 1.00 (or 3.50 to 1.00 for the four fiscal quarters after certain permitted acquisitions by us).

Our new senior credit facilities also contain covenants that, among other things, restrict our ability to incur additional indebtedness, grant liens, make investments, loans, guarantees or advances, make restricted junior payments, including dividends, redemptions of capital stock and voluntary prepayments or repurchase of certain other indebtedness, engage in mergers, acquisitions or sales of assets, enter into sale and leaseback transactions or engage in certain transactions with affiliates and otherwise restrict certain corporate activities. We do not expect these covenants to restrict our liquidity, financial condition or access to capital resources in the foreseeable future. Our new senior credit facilities also contain customary representations, warranties, affirmative covenants, and events of default.

We are permitted under our senior credit facilities to repurchase our capital stock and pay cash dividends in an unlimited amount if our Consolidated Leverage Ratio is (after giving pro forma effect to such payments) less than 2.50 to 1.00. If our Consolidated Leverage Ratio is (after giving pro forma effect to such payments) greater than or equal to 2.50 to 1.00, the aggregate amount of such repurchases and dividend declarations cannot exceed (A) $100.0 in any fiscal year plus (B) an additional amount for all such repurchases and dividend declarations made after June 30, 2011 equal to the sum of (i) $300.0 and (ii) a positive amount equal to 50% of cumulative Consolidated Net Income (as defined in the credit agreement generally as consolidated net income subject to certain adjustments solely for the purposes of determining this basket) during the period from July 1, 2011 to the end of the most recent fiscal quarter preceding the date of such repurchase or dividend declaration for which financial statements have been (or were required to be) delivered (or, in case such Consolidated Net Income is a deficit, minus 100% of such deficit).

During the third quarter of 2011, we were in compliance with all covenant provisions of our new senior credit facilities and our senior notes.

Availability — At October 1, 2011, we had no borrowings and $516.2 of available borrowing capacity under our revolving credit facilities after giving effect to $83.8 reserved for outstanding letters of credit. In addition, at October 1, 2011, we had $545.5 of available issuance capacity under our foreign trade facilities after giving effect to $654.5 reserved for outstanding letters of credit. We also have a trade receivables financing agreement, whereby we can borrow on a continuous basis up to $130.0. Availability of funds may fluctuate over time given changes in eligible receivable balances, but will not exceed the $130.0 program limit. As of October 1, 2011, we had $0.8 available under the trade receivables financing agreement, after giving effect to borrowings of $46.0. The facility contains representations, warranties, covenants, and indemnities customary for facilities of this type. The facility does not contain any covenants that we view as materially constraining to the activities of our business.

We have a shelf registration statement for 8.3 shares of common stock that may be issued for acquisitions. In addition, other financing instruments may be used from time to time, including, but not limited to, private placement instruments, operating leases, capital leases and securitizations. We expect that we will continue to access these markets as appropriate to maintain liquidity and to provide sources of funds for general corporate purposes, acquisitions or to refinance existing debt.

Modifications to Senior Credit Facilities

On October 5, 2011, we modified our existing senior credit facilities in order to provide additional committed senior secured financing in an aggregate amount of $800.0, consisting of the following term loans (collectively, the "Term Loans"):

- A delayed draw incremental term loan, in an aggregate principal amount of $300.0, repayable in full on the date that is 18 months after the date of its funding; and

- A delayed draw incremental term loan, in an aggregate principal amount of $500.0, repayable in quarterly installments (with annual repayments, as a percentage of the initial principal amount, of 0% for 2011 and 2012, 5% for 2013, 15% for 2014 and 20% for 2015, together with a single quarterly payment of 5% at the end of the first fiscal quarter of 2016), with the remaining balance repayable in full on June 30, 2016.

We intend to use the proceeds of the Term Loans to finance the Clyde Union acquisition and also may repay debt outstanding at the time of funding.

We may borrow against the Term Loans in a single drawing on or before December 31, 2011. If we do not consummate the Clyde Union acquisition substantially contemporaneously with such borrowing, we are required to maintain the proceeds of the Term Loans in a cash collateral account with the administrative agent until used for the Clyde Union acquisition. The ability to draw on the Term Loans is subject to the satisfaction of customary conditions, including absence of defaults and accuracy in material respects of representations and warranties. We are required to repay the Term Loans in full if we do not consummate the Clyde Union acquisition.

The interest rates applicable to the Term Loans are calculated in a manner consistent with our existing senior credit facilities. The interest rate margins applicable to LIBOR and alternate base rate Term Loans are (all on a per annum basis) as follows:

Consolidated Leverage Ratio	LIBOR Rate Loans	ABR Loans
Greater than or equal to 3.00 to 1.0	2.250%	1.250%
Between 2.00 to 1.0 and 3.00 to 1.0	2.125%	1.125%
Between 1.50 to 1.0 and 2.00 to 1.0	2.000%	1.000%
Between 1.00 to 1.0 and 1.50 to 1.0	1.750%	0.750%
Less than 1.00 to 1.0	1.500%	0.500%

We will pay an upfront fee in an amount equal to an approximate average of 0.5% of the commitment of each lender providing a portion of the Term Loans. In addition, we are required to pay a commitment fee in an amount equal to 0.275% per annum of the daily unused amount of the commitment of the Term Loans, which will accrue from October 5, 2011 through the date on which Term Loan amounts are borrowed (or the commitment is terminated).

Except as noted below, the Term Loans require mandatory prepayments in circumstances consistent with the existing credit facilities. Mandatory prepayments will be applied, first, to repay any amounts outstanding under the Term Loans and any other incremental term loans that we may have outstanding in the future, in the manner and order selected by us, and after the Term Loans and any such incremental term loans have been repaid in full, and second, to repay amounts (or cash collateralize letters of credit) outstanding under the global revolving credit facility and the domestic revolving credit facility (without reducing the commitments thereunder). As with the existing credit facilities, no prepayment is required generally to the extent the net proceeds are reinvested in permitted acquisitions, permitted investments or assets to be used in our business within 360 days of the receipt of such proceeds. In addition, upon the incurrence of unsecured indebtedness in the form of a private or public note or bond issuance, the net proceeds of such indebtedness will be applied to the extent necessary to repay in full any amounts outstanding under the $300.0 term loan.

Consistent with the existing senior credit facilities, we may voluntarily prepay the Term Loans, in whole or in part, without premium or penalty. Any prepayment of the Term Loans will be subject to reimbursement of the lenders' breakage costs in the case of a prepayment of LIBOR rate borrowings other than on the last day of the relevant interest period.

The Term Loans are guaranteed, secured, and subject to representations, warranties, covenants and events of default in a manner consistent with the existing senior credit facilities.

The existing credit facilities include a foreign trade facility and bilateral foreign trade facilities, each available for performance letters of credit and guarantees, in an aggregate principal amount in various currencies up to the equivalent of $1,100.0 and $100.0, respectively. As part of our modification of the existing senior credit facilities, we obtained a $100.0 commitment for an additional bilateral foreign trade facility, thereby increasing the total bilateral trade facilities to an aggregate principal amount in

various currencies up to the equivalent of $200.0. Effective upon this increase in the bilateral foreign trade facilities, we reduced our foreign credit commitments on a pro rata basis under the foreign trade facility by an aggregate amount of $100.0, thereby reducing the foreign trade facilities to an aggregate principal amount in various currencies up to the equivalent of $1,000.0.

Financial Instruments

We measure our financial assets and liabilities on a recurring basis, and nonfinancial assets and liabilities on a non-recurring basis, at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We utilize market data or assumptions that we believe market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2) or significant unobservable inputs (Level 3).

Our financial derivative assets and liabilities include FX forward contracts, FX embedded derivatives and forward contracts that manage the exposure on forecasted purchases of commodity raw materials ("commodity contracts") that are measured at fair value using observable market inputs such as forward rates, interest rates, our own credit risk and our counterparties' credit risks. Based on these inputs, the derivative assets and liabilities are classified within Level 2 of the valuation hierarchy. Based on our continued ability to enter into forward contracts, we consider the markets for our fair value instruments to be active.

As of October 1, 2011, there has been no significant impact to the fair value of our derivative liabilities due to our own credit risk as the related instruments are collateralized under our senior credit facilities. Similarly, there has been no significant impact to the fair value of our derivative assets based on our evaluation of our counterparties' credit risk.

We primarily use the income approach, which uses valuation techniques to convert future amounts to a single present amount. Assets and liabilities measured at fair value on a recurring basis are further discussed below.

Interest Rate Swaps

Prior to the August 2010 repayment of our variable rate term loan, we maintained Swaps to hedge the associated interest rate risk. These Swaps, which we designated and accounted for as cash flow hedges, effectively converted the majority of the borrowings under our variable rate term loan to a fixed rate of 4.795% plus the applicable margin. In connection with the repayment of our term loan, we terminated all our Swaps resulting in a cash payment of $26.9 (including $2.6 of accrued interest) and a charge to earnings of $24.3 during the three months ended October 2, 2010.

Currency Forward Contracts

We manufacture and sell our products in a number of countries and, as a result, are exposed to movements in foreign currency exchange rates. Our objective is to preserve the economic value of non-functional currency denominated cash flows and to minimize the impact of any currency fluctuations. Our principal currency exposures relate to the Euro, Chinese Yuan, South African Rand and British Pound.

From time to time, we enter into FX forward contracts to manage the exposure on contracts with forecasted transactions denominated in non-functional currencies and to manage the risk of transaction gains and losses associated with assets/liabilities denominated in currencies other than the functional currency of certain subsidiaries. In addition, some of our contracts contain FX embedded derivatives, as the currency of exchange is not "clearly and closely" related to the functional currency of either party to the transaction. Certain of our FX forward contracts are designated as cash flow hedges, as deemed appropriate. To the extent these derivatives are effective in offsetting the variability of the hedged cash flows, changes in the derivatives' fair value are included in accumulated other comprehensive income ("AOCI"). These changes in fair value will subsequently be reclassified into earnings as a component of revenues or cost of products sold, as applicable, when the forecasted transaction impacts earnings. In addition, if the forecasted transaction is no longer probable the cumulative change in the derivatives' fair value will be recorded as a component of "Other expense, net" in the period it occurs. To the extent that a previously designated hedging transaction is no longer an effective hedge, any ineffectiveness measured in the hedging relationship is recorded in earnings in the period it occurs. We had FX forward contracts with an aggregate notional amount of $844.5 and $199.5 outstanding as of October 1, 2011 and December 31, 2010, respectively. We had FX embedded derivatives with an aggregate notional amount outstanding of $107.9 and $200.9 at October 1, 2011 and December 31, 2010, respectively. The unrealized loss, net of taxes, recorded in AOCI related to FX forward contracts was $3.6 and $4.1 as of October 1, 2011 and December 31, 2010, respectively. We anticipate reclassifying approximately $1.8 of the unrealized loss to income over the next 12 months. The net loss recorded in "Other expense, net" related to FX forward contracts and FX embedded derivatives totaled $31.4 and $32.8 for the three and nine months ended October 1, 2011, respectively, and $1.4 and $20.5 for the three and nine months ended October 2, 2010, respectively.

The fair values of our FX forward contracts and embedded derivatives were as follows:

	October 1, 2011				December 31, 2010			
	Current Assets	Noncurrent Assets	Current Liabilities	Long-Term Liabilities	Current Assets	Noncurrent Assets	Current Liabilities	Long-Term Liabilities
FX forward contracts	$ 1.1	$ —	$ 30.9	$ —	$ 0.5	$ —	$ 4.3	$ —
FX embedded derivatives	0.8	—	0.6	16.6	2.6	—	1.8	33.2

Commodity Contracts

From time to time, we enter into commodity contracts. At October 1, 2011 and December 31, 2010, the outstanding notional amount of commodity contracts was 2.3 million and 1.8 million pounds of copper, respectively. We designate and account for these contracts as cash flow hedges and, to the extent these commodity contracts are effective in offsetting the variability of the forecasted purchases, the change in fair value is included in AOCI. We reclassify the AOCI associated with our commodity contracts to cost of products sold when the forecasted transaction impacts earnings. As of October 1, 2011 and December 31, 2010, the fair values of these contracts were $2.2 (current liability) and $1.0 (current asset), respectively. The unrealized gain (loss), net of taxes, recorded in AOCI was ($1.2) and $0.8 as of October 1, 2011 and December 31, 2010, respectively. We anticipate reclassifying the unrealized loss to income over the next 12 months. The amount of gain/loss recognized during the three and nine months ended October 1, 2011 and October 2, 2010 related to the ineffectiveness of the hedges was not material.

Investments in Equity Securities and Available-for-Sale Securities

Our available-for-sale securities include equity investments that are traded in active international markets. They are measured at fair value using closing stock prices from active markets and are classified within Level 1 of the valuation hierarchy. At October 1, 2011 and December 31, 2010, the fair value of these investments was $5.1 and $12.8, respectively, recorded as a noncurrent asset.

We elected to account for certain other investments in equity securities that are not readily marketable under the fair value option. At October 1, 2011 and December 31, 2010, these assets had a fair value of $7.2 and $8.5, respectively, which was estimated using valuation models, including the Monte-Carlo simulation model.

The table below presents a reconciliation of our investment in equity securities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the nine months ended October 1, 2011, including net unrealized losses included in earnings.

	Nine months ended October 1, 2011
Balance at beginning of year	$ 8.5
Purchases	—
Losses included in earnings	(1.3)
Balance at October 1, 2011	$ 7.2

Other Fair Value Financial Assets and Liabilities

The carrying amount of cash and equivalents and receivables reported in the condensed consolidated balance sheets approximates fair value because of the short maturity of those instruments.

The fair value of our debt instruments, based on borrowing rates available to us at October 1, 2011 for similar debt, was $1,246.4 at October 1, 2011, compared to our carrying value of $1,201.6.

Concentration of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist of cash and cash equivalents, trade accounts receivable, foreign currency forward and commodity contracts. These financial instruments, other than trade accounts receivable, are placed with high-quality financial institutions throughout the world. We periodically evaluate the credit standing of these financial institutions.

We are exposed to credit losses in the event of nonperformance by counterparties to the above financial instruments, but have no other off-balance-sheet credit risk of accounting loss. We anticipate, however, that counterparties will be able to fully satisfy their

obligations under the contracts. We do not obtain collateral or other security to support financial instruments subject to credit risk, but we do monitor the credit standing of counterparties.

Concentrations of credit risk arising from trade accounts receivable are due to selling to a large number of customers in a particular industry. We perform ongoing credit evaluations of our customers' financial conditions and obtain collateral or other security when appropriate. No one customer, or group of customers that to our knowledge are under common control, accounted for more than 10% of our revenues for any period presented.

Other Matters

Contractual Obligations — There were no significant changes in the amounts of our contractual obligations from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2010. Our total net liabilities for unrecognized tax benefits including interest were $71.0 as of October 1, 2011. We believe that within the next 12 months it is reasonably possible that we could pay approximately $35.0 to $45.0 relating to uncertain tax positions, which includes an estimate for interest and penalties.

Contingencies and Other Matters — Numerous claims, complaints and proceedings arising in the ordinary course of business, including those relating to litigation matters (e.g., class actions, derivative lawsuits and contracts, intellectual property and competitive claims), environmental matters, and risk management matters (e.g., product and general liability, automobile, and workers' compensation claims), have been filed or are pending against us and certain of our subsidiaries. We accrue for these contingencies when we believe a liability is probable and can be reasonably estimated. As events change and resolution occurs, these accruals may be adjusted and could differ materially from amounts originally estimated. See Notes 13 and 14 to the condensed consolidated financial statements for a further discussion of contingencies and other matters.

Our Certificate of Incorporation provides that we shall indemnify our officers and directors to the fullest extent permitted by the Delaware General Corporation Law for any personal liability in connection with their employment or service with us. While we maintain insurance for this type of liability, the liability could exceed the amount of the insurance coverage.

In addition, you should read "Management's Discussion and Analysis of Financial Condition and Results of Operations — Other Matters" and "Risk Factors" in our 2010 Annual Report on Form 10-K, as well as similar sections in any future filings for an understanding of the risks, uncertainties, and trends facing our businesses.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities. The accounting policies that we believe are most critical to the portrayal of our financial condition and results of operations, and that require management's most difficult, subjective or complex judgments in estimating the effect of inherent uncertainties are discussed in our 2010 Annual Report on Form 10-K. We have effected no material change in either our critical accounting policies or use of estimates since the filing of our 2010 Annual Report on Form 10-K.

FORWARD-LOOKING STATEMENTS

Some of the statements in this document and any documents incorporated by reference, including any statements as to future results of operations and financial projections, constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our businesses or our industries' actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. Such statements include, in particular, statements about our plans, strategies, prospects, changes and trends in our business and the markets in which we operate under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." In some cases, you can identify forward-looking statements by terminology such as "may," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "project," "potential" or "continue" or the negative of those terms or other comparable terminology. Particular risks facing us include economic, business and other risks stemming from our international operations, legal and regulatory risks, costs of raw materials, pricing pressures, pension funding requirements, integration of acquisitions and changes in the economy. These statements are only predictions. Actual events or results may differ materially because of market conditions in our industries or other factors. All the forward-looking statements are qualified in their entirety by reference to the factors discussed under "Risk Factors" in our 2010 Annual Report on Form 10-K, in any subsequent filing with the SEC, as well as any documents incorporated by reference that describe risks and factors that could cause results to differ materially from those projected in these forward-looking statements.

We caution you that these risk factors may not be exhaustive. We operate in a continually changing business environment and frequently enter into new businesses and product lines. We cannot predict these new risk factors, and we cannot assess the impact, if any, of these new risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, you should not rely on forward-looking statements as a prediction of actual results. In addition, our estimates of future operating results are based on our current complement of businesses, which is subject to change as management selects strategic markets.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

Management does not believe our exposure to market risk has significantly changed since December 31, 2010 and does not believe that such risks will result in significant adverse impacts to our financial condition or results of operations.

ITEM 4. Controls and Procedures

SPX management, including the Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of disclosure controls and procedures, pursuant to Exchange Act Rule 13a-15(b), as of October 1, 2011. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of October 1, 2011.

In connection with the evaluation by SPX management, including the Chief Executive Officer and the Chief Financial Officer, of our internal control over financial reporting, pursuant to Exchange Act Rule 13a-15(d), no changes during the quarter ended October 1, 2011 were identified that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. Legal Proceedings

The information required by this Item is incorporated by reference from the footnotes to the condensed consolidated financial statements, specifically Note 13 under the heading “Litigation Matters,” included under Part I of this Form 10-Q.

ITEM 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2010, which could materially affect our business, financial condition or future results.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no repurchases of common stock during the three months ended October 1, 2011.

ITEM 6. Exhibits

3.1	By-Laws as amended and restated effective October 26, 2011, incorporated herein by reference from our Current Report on Form 8-K filed on November 1, 2011 (file no. 1-6948).
10.1	First Amendment to Credit Agreement, dated as of October 5, 2011, among SPX Corporation, the Foreign Subsidiary Borrowers and Subsidiary Guarantors party thereto, Bank of America, N.A., as Administrative Agent, Deutsche Bank AG Deutschlandgeschäft Branch, as Foreign Trade Facility Agent, and the lenders party thereto, incorporated by reference herein from our Current Report on Form 8-K filed on October 11, 2011 (file no. 1-6948).
10.2	Incremental Facility Activation Notice (Incremental Term Loan A), dated as of October 5, 2011, from SPX Corporation to the Bank of America, N.A., incorporated by reference herein from our Current Report on Form 8-K filed on October 11, 2011 (file no. 1-6948).
10.3	Incremental Facility Activation Notice (Incremental Term Loan X), dated as of October 5, 2011, from SPX Corporation to the Bank of America, N.A., incorporated by reference herein from our Current Report on Form 8-K filed on October 11, 2011 (file no. 1-6948).
10.4	Share Purchase Agreement relating to the sale and purchase of the whole of the issued share capital of Clyde Union (Holdings), dated August 24, 2011.
10.5	Deed of Amendment to the Share Purchase Agreement relating to the sale and purchase of the whole of the issued share capital of Clyde Union (Holdings), dated November 1, 2011.
11.1	Statement regarding computation of earnings per share. See condensed consolidated statements of operations, page 2 of this Form 10-Q.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1	SPX Corporation financial information from its Form 10-Q for the quarterly period ended October 1, 2011, formatted in XBRL, including: (i) Condensed Consolidated Statements of Operations for the three and nine months ended October 1, 2011 and October 2, 2010; (ii) Condensed Consolidated Balance Sheets at October 1, 2011 and December 31, 2010; (iii) Condensed Consolidated Statements of Cash Flows for the nine months ended October 1, 2011 and October 2, 2010; and (iv) Notes to Consolidated Financial Statements.

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 thereunto duly authorized.

SPX CORPORATION
(Registrant)

Date: November 2, 2011	By	**/s/ Christopher J. Kearney** **President and Chief Executive Officer**
Date: November 2, 2011	By	**/s/ Patrick J. O’Leary** **Executive Vice President and Chief Financial Officer**

INDEX TO EXHIBITS

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This Agreement has been prepared by Dundas & Wilson CS LLP ("D&W") in the course of its acting for Clyde Blowers Capital S.à r.l, SCF-VI Offshore L.P and the Management (as defined herein) (together "Our Clients"). D&W is not responsible to anyone other than Our Clients for providing the protections afforded to our clients generally or for providing advice in relation to the Agreement. You are advised that the signature of the Agreement may have legal consequences and that you should consider taking independent legal advice before signing it.

SHARE PURCHASE AGREEMENT

between

(1) CLYDE BLOWERS CAPITAL S.À R.L.

(2) SCF-VI OFFSHORE L.P.

(3) APPLEBY NOMINEES (JERSEY) LIMITED

(4) THE MANAGEMENT

(5) SPX CORPORATION

and

(6) THE RESTRICTED PERSONS

Relating to the sale and purchase of the whole of the issued share capital of

CLYDE UNION (HOLDINGS) S.À R.L.

Dated:

24 August 2011

Ref: OM/GMB/CLY039.0002

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INDEX

1.	*Definitions and Interpretation*	*5*
2.	*Sale and Purchase of Shares*	*14*
3.	*Consideration*	*14*
4.	*Conditions*	*16*
5.	*Interim Period*	*17*
6.	*Completion*	*17*
7.	*Warranties*	*18*
8.	*Purchaser's Undertakings*	*20*
9.	*Change of Name*	*23*
10.	*Pensions*	*24*
11.	*Release of Letters of Credit*	*24*
12.	*Confidentiality*	*24*
13.	*Announcements*	*25*
14.	*Further Assurance*	*25*
15.	*Time of the Essence*	*25*
16.	*Notices*	*25*
17.	*Assignment*	*28*
18.	*Costs*	*29*
19.	*Entire Agreement*	*29*
20.	*Variation*	*29*

21.	*Survival of Provisions*	*29*
22.	*Invalidity*	*30*
23.	*Waivers*	*30*
24.	*No Set Off*	*30*
25.	*Counterparts*	*30*
26.	*Governing Law and Jurisdiction*	*30*
27.	*Rights of Third Parties*	*30*
28.	*Service of Process*	*31*
29.	*Execution*	*31*

Schedule 1 *32*
Section 1 The Sellers 34
Section 2 The Management 37
Section 3 The Restricted Persons 38
Schedule 2 Particulars of the Company and Subsidiaries 40
Section 1 Particulars of the Company 40
Section 2 Particulars of the Subsidiaries 42
Schedule 3 Completion 84
Section 1 Completion Documents 84

Section 2 Board Meetings 87
Section 3 Purchaser's Documents 88
Schedule 4 The Seller Warranties 89
Schedule 5 The Management Warranties 91
Schedule 6 Purchaser's Warranties 106
Schedule 7 The Pension Provisions 107
Schedule 8 Limitations on Liability 122
Schedule 9 Conditions 127
Schedule 10 Interim Period 128
Schedule 11 Net Debt Calculation 132
Schedule 12 Letters of Credit and Foreign Exchange Contracts 133
Section 1 Letters of Credit 133
Section 2 Foreign Exchange Contracts 145
Schedule 13 Expert 147
Schedule 14 Capital Expenditure Plan 148
Schedule 15 149
Section 1 Earn Out 149
Section 2 Covenants 152

THIS AGREEMENT is made on 24 August 2011

AMONG

(1) **CLYDE BLOWERS CAPITAL S.À R.L** a private limited liability company ("**société a responsibilité limitée**") incorporated in Luxembourg (registered number B141248) and having its registered address at 37 Rue d'Anvers L-1130, Luxembourg ("**Clyde**");

(2) **SCF-VI OFFSHORE L.P.** a limited partnership registered in the Cayman Islands and having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands ("**SCF**");

(3) **APPLEBY NOMINEES (JERSEY) LIMITED** a company incorporated in Jersey (registered number 3051), whose registered office is at PO Box 207, 13-14 Esplanade, St Helier, Jersey, JE1 1BD ("**Appleby**");

Clyde, **SCF** and **Appleby** are hereinafter collectively referred to as the "**Sellers**"

(4) **THE PERSONS** whose names and addresses are set out in Section 2 of Schedule 1 (the "**Management**");

(5) **SPX CORPORATION** a company incorporated in Delaware, USA and having its principal place of business at 13515 Ballantyne Corporate Place, Charlotte, North Carolina 28277, United States (the "**Purchaser**"); and

(6) **THE PERSONS** whose names and addresses are set out in Section 3 of Schedule 1 (the "**Restricted Persons**").

INTRODUCTION

A. **CLYDE UNION (HOLDINGS) S.À R.L** is a private limited liability company ("**société a responsibilité limitée**") incorporated in Luxembourg (registered number B140256), (the "**Company**") details of which are set out in Section 1 *(Particulars of the Company)* of Schedule 2.

B. Clyde and SCF are the legal and beneficial owners of approximately 96.89 per cent of the issued share capital of the Company and, as such, have the right, power and authority to sell and transfer the Shares shown adjacent to their names in column 2 of Section 1 *(The Sellers)* of Schedule 1 in the manner contemplated by this Agreement.

C. Appleby is the legal owner of approximately 3.11 per cent of the issued share capital of the Company and, as such, has the right, power and authority to sell and transfer the ownership of the Shares shown adjacent to its name in column 2 of Section 1 *(The Sellers*) of Schedule 1 in the manner contemplated by this Agreement.

D. The Sellers have agreed to sell and the Purchaser has agreed to purchase the Shares on the terms and subject to the conditions of this Agreement.

E. The Management are joining in this Agreement, *inter alia* to give the restrictive covenants set out in Clause 8.4.2, the warranties set out in Schedule 5 *(The Management Warranties)* and the undertakings set out in Schedule 10 *(Interim Period)*.

F. The Restricted Persons are joining in this Agreement to give the restrictive covenants set out in Clause 8.4.3.

NOW IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, unless the context otherwise requires, the following words and phrases have the meanings stated:

Additional Period has the meaning ascribed to it in Clause 7.9.

Affiliate means, in relation to any body corporate (whether or not registered in the United Kingdom), any holding company or subsidiary of such body corporate or any subsidiary of a holding company of such body corporate;

Appleby Assigned Amount shall have the meaning ascribed to it in paragraph 2.1.3(a)(i) of Schedule 8 *(Limitations on Liability)*;

Appleby Warranties means the warranties contained in Schedule 4 (except paragraphs 2.1.1 and 2.2);

Applicable Law means, with respect to any Person, property, transaction, event or other matter, (a) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law; or (b) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively, the "**Law**") relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of the Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation;

Asbestos Liabilities means any Liabilities, claim, demand, debt, liability, obligation or litigation asserted against any member of the Group, whether in negligence, strict liability, tort, products liability, breach of warranty or any other legal or equitable theory, arising out of or resulting from death, bodily injury, sickness, disease or other personal injury or health condition of or to individuals caused, or alleged to have been caused, by: (a) exposure prior to the Completion Date to asbestos-containing products, components or parts that were engineered, designed, manufactured or sold by such Group Company prior to the Completion Date; or (b) exposure prior to the Completion Date of employees, independent contractors or former employees or independent contractors of any Group Company to asbestos or asbestos-containing materials on Group Company real properties or any formerly owned or leased real property of any Group Company. For purposes of this definition, the term "**independent contractor**" shall mean: (i) a natural Person engaged by a Group Company under a contract of service or apprenticeship; or (ii) a natural Person employed or engaged by a subcontractor to a Group Company, which natural Person provided services to such Group Company pursuant to such subcontract relationship;

Bank Club means the lenders under the Senior Facilities Agreement comprising Bank of Scotland plc, Barclays Bank plc, HSBC Bank plc, The Royal Bank of Scotland plc, DNB Nor Bank ASA and Santander UK plc;

Bank Debt means all debt due by the Group to the Bank Club pursuant to the Senior Facilities Agreement (excluding, for the avoidance of doubt, any Letters of Credit) (it being noted that this debt

is expressed in different currency amounts and Clyde and the Purchaser shall liaise prior to Completion to determine the most efficient method of ensuring that all such debt is discharged at Completion);

Beneficial Owners means the persons identified as such in Section 1 (*The Sellers*) of Schedule 1.

Business Confidential Information means all information not publicly known, used in or otherwise relating to any Group Company's business, customers, or financial or other affairs, including information relating to (a) trade secrets, know-how, ideas, computer systems and computer software; (b) future projects, business development or planning, commercial relationships and negotiations; and (c) the marketing of goods or services including customer names and lists, sales targets and statistics, provided that Business Confidential Information shall not include any information concerning the business model of Clyde;

Business Day means 9.00am to 5.00pm on any day (other than a Saturday or Sunday or a public holiday) on which clearing banks are open for the transaction of normal banking business in London and in Luxembourg;

Capital Expenditure Plan means the capital expenditure plan set out in Schedule 14;

Cash means the cash and cash equivalents held by or on behalf of any of the Group as at Completion as evidenced by the Group Cash Book Balance and for the avoidance of doubt "**Cash**" shall include cash or cash equivalents in any account in which cash or cash equivalents have been withheld or

otherwise set aside for the benefit of an applicable Tax Authority to satisfy Taxes or for the benefit of another Governmental Authority;

Cathcart Property means 149 Newlands Road, Glasgow G44 4EX together with the recreational property at Albert Park, Glasgow;

Claim means a claim by the Purchaser under or in relation to the Warranties;

Clyde Assigned Amount has the meaning ascribed to it at paragraph 2.1.3(a) of Schedule 8 *(Limitations on Liability)*;

Company means Clyde Union (Holdings) S.à r.l, details of which are set out in Section 1 *(Particulars of the Company)* of Schedule 2;

Completion means the completion of the sale and purchase of the Shares in accordance with Clause 6 *(Completion)*;

Completion Date means the date on which Completion occurs;

Completion Net Debt means the Net Debt Calculation at Completion as determined in accordance with Schedule 11 *(Net Debt Calculation)*;

Conditions means the conditions set out in Schedule 9 *(The Conditions)* and references to a Condition shall be construed accordingly;

Confidential Information means all information relating to the subject matter, provisions or negotiation of this Agreement (including Business Confidential Information);

Consideration means the consideration payable for the Shares set out in Clause 3 *(Consideration)*, including any balancing payments in accordance with Clauses 3.5.3 or 3.5.4 and/or in accordance with Schedule 13 (*Expert*);

Consideration Breakdown has the meaning ascribed in paragraph 13 of Section 1 (*Completion Documents)* of Schedule 3;

CTA 2010 means the Corporation Tax Act 2010;

Database means:

(a) all materials relating to Pump Packages (including drawings, general and sectional arrangements, component drawings, bills of materials, internal sales order documents, contract files, manuals, technical specifications and design files, test schedules and similar materials); and

(b) the library known as "e-standards" being an electronic library of technical information covering design, hydraulics, information and methods;

DB Pension Scheme means the DB Union Pension Plan;

DBGS means David Brown Gear Systems Limited, a company incorporated in England and Wales with registered number 06624684;

Debt means without duplication and to the extent not paid prior to Completion (a) the principal amount of the Bank Debt as of Completion, other than contingent liabilities under uncalled letters of credit, performance guarantees or the like ("**Completion Bank Debt**"), (b) the principal amount of any other debt of the Group as of Completion which is evidenced by a note, bond (which for the avoidance of doubt does not include any Letter of Credit which has not been called or drawn upon), debenture or similar instrument, ("**Note/Bond/Debenture Debt**") (c) all finance lease obligations of the Group as of such date calculated in accordance with the accounting policy used in the preparation of the statutory accounts of the Group for the year ended 31 December 2010 ("**Finance Lease Debt**") (provided that the actual finance leases relating thereto shall not be discharged), (d) the amount of US$3,000,000 (plus all accrued or unpaid interest (if required)), being the amount of the deferred consideration due by the Group in respect of the acquisition of the S&N Group ("**Deferred Consideration**"), (e) all obligations due to the Sellers and their Affiliates that are not a Group Company (including for the avoidance of doubt amounts due to Clyde and Clyde Blowers Capital IM LLP which shall all be settled pre Completion but excluding sums due to such Affiliates in the ordinary course of trading and at arms' length) ("**Sellers' Debt**"), (f) US$2,394,596 due to DBGS in respect of the working capital adjustment in respect of Project Bond ("**DBGS Debt**"), (g) break costs arising in respect of interest rate swaps on repayment of the Bank Debt ("**Break Costs**"), (h) all accrued and unpaid interest and pre-payment fees or penalties as of Completion in respect of the foregoing Debt ("**Accrued Interest**"), (i) liabilities of the Group under interest rate swaps ("**Swaps**"), (j) liabilities of the Group under derivatives other than forward contracts that offset currency risk that relate to trading activities ("**Derivatives**"), (k) any success fees arising as a result of the transaction set out in this Agreement and change of control payments to employees, consultants, advisors and agents ("**Transaction Debt**") (l) any amount payable under the Textron Agreement in relation to potential tax benefits deriving from the pension contributions made by Textron ("**Bond Tax Benefit Debt**") and (m) the sum of £860,000 in respect of an agreed payment relating to the DB Pension Scheme ("**Pension Contribution**"). For the avoidance of doubt, "**Debt**" shall not include and there shall be excluded from the foregoing paragraphs any sums which comprise (i) trade or similar accounts payable incurred in the ordinary course of business (including, trade or other accounts payable from or to a Group Company, on the one hand, and the Sellers, on the other hand), (ii) accrued liabilities which are not interest bearing obligations, except as specifically set forth in paragraphs (a) to (l) above, (iii) Pension Liabilities (save for the Pension Contribution), (iv) Environmental Liabilities; (v) Asbestos Liabilities, (vi) Letters of Credit which have not been called or drawn upon or any obligations secured by a letter of credit, surety bonds or performance guarantees, (vii) advance and/or progress payments invoiced to customers in accordance with normal contractual terms, (viii) current and deferred Tax, (ix) amounts due to DBGS from Clyde Union DB Limited in respect of the DB Pension Scheme as set out in a deed dated 26 November 2008 and which relate to the amounts due from DBGS under a Promissory Note dated 12 November 2008; (x) warranty and/or liquidated damages and other contactual (whether contingent or realised) Liabilities relating to customer contracts; (xi) "mark to market" accounting Liabilities in respect of foreign currency forward contracts in respect of contractual payments and receipts undertaken in the normal course of business; (xii) all capital expenditure commitments entered into by the Group as at Completion (including but not limited to any obligation in respect of the acquisition of the Cathcart Property); or (xiii) any intra group debt between or among the Company and any of its Subsidiaries;

Directors means the persons specified as directors of the Company and each of the Subsidiaries in Section 1 (*Particulars of the Company*) and Section 2 (*Particulars of the Subsidiaries*) of Schedule 2 (the expression "**Director**" meaning any of them);

Disclosed means facts, matters or other information fully, fairly and clearly disclosed by or in the Disclosure Letter, or the Supplemental Disclosure Letter in each case in such a manner and with such accuracy and detail so as to enable a reasonable purchaser to make an informed assessment of the fact, matter or information concerned, its nature and effect;

Disclosure Letter means the letter having the same date as this Agreement from the Management to the Purchaser qualifying the Management Warranties, the receipt of which has been acknowledged by the Purchaser or on its behalf by the Purchaser's Solicitors together with the documents attached thereto or referred to therein;

Employees means the employees of each Group Company;

Encumbrance means any charge, mortgage, standard security, floating charge, pledge, hypothecation, hypothec and any lien, assignment, option, restriction, claim, right of pre-emption, right of first refusal, third party right or interest, other encumbrance or security interest of any kind, or other type of preferential arrangement (including a title transfer or retention arrangement) having similar effect;

Environmental Liabilities means any Liabilities arising out of any Environmental Law;

Environmental Law means Applicable Law in respect of the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances;

Foreign Exchange Contracts means the foreign exchange contracts listed in Section 2 *(Letters of Credit and Foreign Exchange Contracts)* of Schedule 12 (as updated by the Sellers immediately prior to Completion);

Good Leaver means any person ("**Relevant Employee**") who ceases to be employed by a member of the Group and any of the following apply:

(a) they have been unfairly dismissed (other than where the Relevant Employee succeeds in their claim for unfair dismissal (including any appeal) because the dismissal is unfair solely as a result of a procedural breach on the part of the relevant Group Company in the termination process);

(b) they have been wrongfully dismissed;

(c) they have been made redundant; or

(d) they have been constructively dismissed as agreed by the relevant Group Company or as determined by an employment tribunal or relevant court;

Governmental Authority means:

(a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);

(b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;

(c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and

(d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

Group means the Company and the Subsidiaries;

Group Cash Book Balance means the aggregate of the balances of the cash books held by each Group Company as at Completion;

Group Company means the Company or any of the Subsidiaries;

Hazardous Substance means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual and includes any contaminant, waste, substance or material defined by Environmental Law as hazardous, toxic or dangerous or any other substance or material prohibited, regulated or reportable pursuant to any Environmental Law;

IFRS means International Financial Reporting Standards as adopted within the European Union;

Interim Period means the period from the Signing Date to the Completion Date;

Interim Period Obligations means the obligations during the Interim Period as set out in Clause 5 and Schedule 10 (*Interim Period*);

Key Employees means Thomas Burley, Allan Dowie, Chadwick Tuttle, Stephen Gilbey, Crawford Gorrie, Shakil Ahmed, John Ian Morrison, Brian Scorer, Daniel Holstegge, Graham Robertson, Zillah Doyle, John Fleming, Mark Hannigan, Francis Barrett, Michel Fouche, Christina Dorett, Brian Edwards, Simon Whittaker, Donald McIvor, Gary Dyson, Dick McAdam, Rakesh Amol, Thomas James Brown, Tony Przybylek and Julio Cesar Damião;

Letters of Consent has the meaning ascribed in paragraph 9 of Section 1 (*Completion Documents*) of Schedule 3;

Letters of Credit means any bond, letter of credit, guarantee, surety or other instrument issued by a third party and listed in Section 1 (*Letters of Credit*) of Schedule 12 (as updated by the Sellers immediately prior to Completion);

Liabilities means any and all debts, liabilities and obligations of any nature whatsoever, whether accrued or fixed, absolute or contingent, mature or unmatured or determined or indeterminable and Liability shall be any one of these;

Management means the persons whose names and addresses are set out in Section 2 (*The Management*) of Schedule 1;

Management Warranties means the warranties in Schedule 5.

Material Adverse Effect means any event, circumstance or change (including any breach of this Agreement) which is materially adverse to the business, properties, prospects, results of operations or financial condition of the Group as a whole; provided, however, that "Material Adverse Effect" shall not include the following nor shall any of the following be taken into account in determining whether there has been a "Material Adverse Effect": any effect, change or development attributable to or resulting from (a) the announcement of this Agreement or the transactions contemplated hereby or the pendency or consummation of the transactions contemplated by this Agreement, (b) any change in relationship with any employee (including any loss of employees), customer, supplier, joint venture partner, third party service provider or other contract counterparty that is attributable to the Purchaser or any of its Affiliates, this Agreement or the transactions contemplated hereby, or the public announcement or the transactions becoming public as contemplated by this Agreement, (c) any act or omission of the Sellers or the Group carried out (or omitted to be carried out) pursuant to this

Agreement or with the prior written consent of the Purchaser, or taken or omitted to be taken at the specific written request of the Purchaser, (d) actions or omissions of the Purchaser, (e) events affecting the United States, European, Asian or global economies or the conditions of any financial, banking, debt, capital or securities markets (including any disruption thereof and any decline in the price of any security or any market index), unless such events have a materially disproportionate effect on the financial condition or results of operations of the Group, (f) any adverse change in general business or economic conditions or in conditions generally affecting any industry in which any Group Company competes unless such change has a materially disproportionate effect on the financial condition or results of operations of the Group, relative to other affected persons in such industry, or (g) any change in law, rule, regulation, IFRS or accounting standards applicable to the Group or in the interpretation thereof by any Governmental Authority or, in the case of IFRS or other accounting standards, by the relevant standards setting organisation;

Net Debt Calculation means the calculation of the Completion Net Debt prepared in accordance with Schedule 11 *(Net Debt Calculation)*;

Net Debt Projection shall have the meaning ascribed to it in Clause 3.5.1;

Order means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;

Pension Liabilities means the Liabilities of the Group in respect of any pension or medical plan it operates which is a Benefit Plan (as defined in paragraph 11.1 of Schedule 5 of this Agreement), including, for the avoidance of doubt, any unfunded pension plan or medical plan Liabilities;

Person is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organisation, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity;

Project Bond means the acquisition by the Sellers (other than Appleby) of certain businesses and companies from Textron Inc pursuant to the Textron Agreement;

Pump Packages means the pump equipment or other products (including but not limited to pump, base plates, motor, gear box, couplings, seals and instrumentation) (a) originally designed and/or manufactured by any Group Company in the period of five years prior to Completion; and (b) any pump equipment or other products currently being developed or designed by any Group Company;

Purchaser's Documents means the documents (other than this Agreement) to be executed by the Purchaser at Completion referred to in Clause 6.3.2 and set out in Section 3 *(Purchaser's Documents)* of Schedule 3;

Purchaser's Group means the Purchaser and any of its Affiliates (including each Group Company);

Purchaser's Solicitors means Eversheds LLP of 1 Wood Street, London EC2V 7WS;

Purchaser's Solicitors Bank Account means Eversheds Client Account, Sort Code: 40-03-28, Account Number: 10480223;

Purchaser's Warranties means the warranties contained in Schedule 6 (Purchaser's *Warranties)*;

Relevant Customer means any person who at any time during the period of twelve months immediately preceding Completion was (a) in negotiation with any Group Company for the supply by any Group Company of goods or services (b) a client or customer of any Group Company and/or (c) in the habit of dealing with any Group Company.

Relevant Individuals means James McColl, Thomas Burley, Allan Dowie, Chadwick Tuttle, Stephen Gilbey, Crawford Gorrie, Shauna Powell, Shakil Ahmed, John Ian Morrison, Brian Scorer, Daniel Holstegge, Graham Robertson, Zillah Doyle, John Fleming, Mark Hannigan, Francis Barrett,

Fouche, Christina Dorett, Brian Edwards, Simon Whittaker, Donald McIvor, Gary Dyson, Dick McAdam, Rakesh Amol, Thomas James Brown, Clare-Frances Bradshaw and John Strang.

Relevant Products or Services means products or services which are competitive with or of the type supplied by any Group Company at any time during the period of five years immediately preceding Completion;

Restricted Entities means any business which operates in the same markets and sells or manufactures the same or similar products as the Pump Packages and for the same applications;

Restricted Persons means the persons whose names and addresses are set out in Section 3 *(The Restricted Persons)* of Schedule 1;

Right to Remedy has the meaning ascribed to it in Clause 7.9;

S&N Group means S&N Pump Company Inc., S&N international LLC, S&N Pump Africa Ltda, S&N Pump Middle East LLC, S&N Pump Rewind Limited, and S&N Pumps Middle East FZE Dubai;

SCF Assigned Amount has the meaning ascribed to it at paragraph 2.1.3(c) of Schedule 8 *(Limitations on Liability)*;

Sellers' Groups means each of the Sellers and any of their respective Affiliates but excluding each Group Company;

Sellers' Solicitors means Dundas & Wilson C.S. LLP of 191 West George Street, Glasgow G2 2LD;

Sellers' Solicitors Bank Account means Clydesdale Bank, 120 Bath Street, Glasgow G2 2EN, Dundas & Wilson Client Account, Sort Code: 82-47-07, Account Number: 10351012;

Senior Facilities Agreement means the senior facilities agreement originally dated 10 September 2008 as amended and restated from time to time among, amongst others, Clyde Union S.à r.l and the Bank Club;

Seller Warranties means the warranties contained in Schedule 4;

Signing Date means the date of signing of this Agreement;

Shares means the 3,116,552 class A to J corporate units of £1 each in the capital of the Company comprising the whole of the issued share capital of the Company, as set out in column 2 of Section 1 (*The Sellers*) of Schedule 1;

Subsidiaries means the direct or indirect subsidiaries of the Company and S&N Pump Middle East LLC details of which are set out in Section 2 *(Particulars of the Subsidiaries)* of Schedule 2 and references to a Subsidiary include a reference to each of the individual subsidiaries and S&N Pump Middle East LLC;

Supplemental Disclosure Letter means the letter from the Management to the Purchaser qualifying the Management Warranties as given immediately prior to Completion and containing:

(a) repetition of the information Disclosed in the Disclosure Letter;

(b) information in relation to matters, facts or circumstances which have arisen since the Signing Date;

(c) factual and numerical updates to the information Disclosed in respect of Management Warranties which have arisen since the Signing Date provided that such updates do not correct any errors in the Disclosure Letter;

(d) updated list of Foreign Exchange Contracts;

(e) updated list of Letters of Credit; and

(f) any event, circumstance or change that constitutes a Material Adverse Effect.

Tax or **Taxes** means all forms of taxation (excluding business rates) and any duty, contribution, impost, levy or charge in the nature of tax (including any related interest, fine or penalty) save to the extent that such interest, fine or penalty is attributable to the unreasonable delay or default penalty of the Purchaser or the Company after Completion;

Tax Authority means HM Revenue & Customs and any other local, municipal, governmental, state, federal or fiscal, revenue, customs or excise authority, body, agency or person anywhere in the world competent to impose, administer or collect Tax;

Termination Date means the date which is (a) 120 days after the Signing Date, or (b) the expiry of the Additional Period as specified in Clause 7.9 after such period of 120 days (but not more than 150 days after the Signing Date) in the event a Right to Remedy is exercised in accordance with Clause 7.9;

Textron Agreement has the meaning in Clause 8.8; and

Warranties means the Seller Warranties and the Management Warranties and references to a "Warranty" shall be construed accordingly.

1.2 In this Agreement, unless the context otherwise requires, the following words and phrases are to be interpreted as set out below.

1.2.1 **Agreed form**

References to any document being in the "agreed form" mean that document in the form agreed between and, for the purposes of identification only, signed or initialled by or on behalf of, the Sellers and the Purchaser.

1.2.2 **Statutory provisions**

References to statutory provisions, enactments or European Community directives shall include references to any amendment, modification, extension, consolidation, replacement or re-enactment of any such provision, enactment or directive (whether before or after the Signing Date), to any previous enactment which has been replaced or amended and to any regulation, instrument or order or other subordinate legislation made under such provision, enactment or directive, unless any such change imposes upon any party any liabilities or obligations which are more onerous than as at the Signing Date.

1.2.3 **Words and phrases from the Companies Act 2006**

The words "company", "body corporate", "parent undertaking", "subsidiary undertaking", "holding company" and "subsidiary" shall have the meanings given in the Companies Act 2006 but with reference to the interpretation of a "holding company" and "subsidiary", a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Companies Act 2006, as a member of another company even if its shares in that other company are registered in the name of (a) another Person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee. Unless the context otherwise requires, the application of the definition of "parent undertaking", "subsidiary undertaking", "holding company" or "subsidiary" to any undertaking or company at any time shall apply to the undertaking or company as it is at that time. Any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any other legal concept or thing will in respect of any jurisdiction other than England be deemed to include what most

nearly approximates in that jurisdiction to the English legal term and any English statutory provision will be construed so as to include equivalent or analogous laws of any other jurisdiction.

1.2.4 **Importation of words**

Except where the context specifically requires otherwise: words importing one gender shall be treated as importing any gender; words importing individuals shall be treated as importing corporations and vice versa; words importing the singular shall be treated as importing the plural and vice versa; and words importing the whole shall be treated as including a reference to any part thereof.

1.2.5 **General and specific words**

The meaning of general words shall not be restricted by any particular examples preceding or following those general words.

1.2.6 **Headings**

The clause and paragraph headings and the table of contents used in this Agreement are inserted for ease of reference only and shall not affect construction.

1.2.7 **Incorporation of the schedules**

The Schedules are incorporated into and form part of this Agreement as if set out in full in this Agreement and a reference to "this Agreement" includes a reference to the Schedules.

1.2.8 **References to agreement**

References to "this Agreement" includes this Agreement as amended or supplemented from time to time.

1.2.9 **References to parties, clauses and the schedules**

References in this Agreement and the Schedules to the "Introduction" or to a "party", "clause" or "schedule" are references respectively to the Introduction or the relevant party, clause or schedule of or to this Agreement.

1.2.10 **Assignment**

Subject to Clause 17 *(Assignment)*, references to the parties include their respective successors and assigns or transferees.

1.2.11 **Connected Person**

A Person is deemed to be "connected" with another if that Person is so connected within the meaning of Section 1122 of the CTA 2010.

1.2.12 **Knowledge, information and belief**

Any statement which refers to the knowledge, information, belief or awareness of the Sellers or any similar expression is limited to the knowledge, information, belief or awareness which the Sellers actually have at the Signing Date or at the Completion Date (as relevant) after having made reasonable enquiries of, in the case of CBC, Shauna Powell, Keith Gibson and James McColl, in the case of SCF, Peter Stuart and Anthony DeLuca, and, in the case of Appleby, Patrick Jones, and the Sellers shall not be required to make any enquiry of any other person nor be deemed to have made or been obliged to make any other enquiry of any nature whatsoever. References to the knowledge, information, belief or

awareness of Management or similar expression shall include such knowledge, information, belief or awareness as each member of the Management has or ought reasonably to have, given their position and responsibilities within the Group, had they made reasonable enquiries of the Relevant Individuals into the subject matter of the relevant statement given such position and responsibilities.

2. SALE AND PURCHASE OF SHARES

2.1 Sale and purchase

On the terms and subject to the conditions set out in this Agreement:

2.1.1 each Seller shall sell the number of Shares shown adjacent to their name in Column 2 of Section 1 *(The Sellers)* of Schedule 1; and

2.1.2 the Purchaser shall purchase the Shares as at and with effect from Completion provided that the Purchaser may take title to the shares in the name of a Purchaser Group company (including a Purchaser Group company to be incorporated after the date of this Agreement) (the "**Purchaser's Nominee**").

2.2 Title

Each Seller shall at Completion sell the number of Shares shown adjacent to their name in Column 2 of Section 1 *(The Sellers)* of Schedule 1, to the Purchaser or the Purchaser's Nominee with legal and beneficial ownership. Each Seller shall do all it reasonably can to give the title it purports to give.

2.3 Rights attached to the shares

Each Seller shall sell the number of Shares shown adjacent to their name in Column 2 of Section 1 *(The Sellers)* of Schedule 1, free from all Encumbrances and the Purchaser shall purchase the Shares and each right attaching or accruing to the Shares at or after Completion including, the benefit of any dividends, distributions and rights declared, paid, created or arising.

2.4 Simultaneous purchase of shares

Notwithstanding the other provisions of this Clause 2, the Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously.

2.5 LPMPA

The provisions of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply to the sale of the Shares and are herein excluded.

2.6 Pre-emption Rights

Each Seller irrevocably waives and undertakes to procure the irrevocable waiver of all rights of pre-emption and all other rights and restrictions whatsoever on transfer over or in respect of the Shares or any of them and the Shares in the Subsidiaries (or any of them) to which he or any other Person may be entitled under the articles of association of the relevant Group Company or otherwise.

2.7 In the period prior to Completion, Clyde will use reasonable endeavours to obtain the consent (where required) of any necessary parties who have finance leases with any Group Company to the proposed change of control of the Group.

3. CONSIDERATION

3.1 Subject to any adjustment in respect of the Completion Net Debt as set out in Clause 3.5, the Consideration shall be an amount equal to:

3.1.1 £700,000,000 payable at Completion in the manner set out in Clause 6 *(Completion)*; and

3.1.2 The Earn Out Payment as defined and set forth in Clause 3.2.

3.2 If the Annual 2012 Group EBITDA exceeds £65,000,000, the Sellers shall be entitled to an earn out payment (the **"Earn Out Payment"**) equal to the following formula:

$$\frac{\text{Annual 2012 Group EBITDA less £65,000,000}}{\text{£10,000,000}} \times 50{,}000{,}000$$

provided that in no event shall the Earn Out Payment be less than zero or more than £50,000,000.

3.3 The Earn Out Payment, shall be calculated in accordance with the principles set out in Schedule 15 and, if any is payable, shall be paid within 10 Business Days after the date of the final determination of the Annual 2012 Group EBITDA in accordance with this Clause 3 and Schedule 15.

3.4 **Apportionment**

The Consideration shall be apportioned and divided between the Sellers in the proportions in which each of the Sellers hold their respective Shares set against their names in column 2 of Section 1 (*The Sellers*) of Schedule 1 (the approximate proportions being shown adjacent to their respective names in column 3 of Section 1 (*The Sellers*) of Schedule 1) but the Purchaser is under no obligation to see that the Consideration is so apportioned or divided between or paid to the Sellers.

3.5 **Completion Net Debt**

3.5.1 Within two Business Days after the day that the Purchaser notifies the Sellers in writing that the last of the Conditions has been fulfilled or waived, the Sellers shall provide to the Purchaser a projection of the Completion Net Debt (the "**Net Debt Projection**") prepared by the Sellers, acting reasonably, in accordance with Schedule 11 *(Net Debt Calculation)* (the current figures contained therein being for illustrative purposes only) and after deducting all Cash applied against Net Debt in accordance with Clause 3.5.2 together with (without double counting) (1) cash in transit and unpresented payments, (2) the receivable/cash due from Clyde Union IMBIL Ltda to any Group Company (the "**Brazil Receivable**") and (3) all of the cash in S&N Pump (Africa) Limitida (the "**Angolan Cash**")) provided that the maximum amount of Brazil Receivable and Angolan Cash shall be £2.9million. The Purchaser shall deduct from the Consideration the amount of the Net Debt Projection. The Sellers shall notify to the Purchaser, in writing, the Completion Net Debt as at 5 pm on the Completion Date.

3.5.2 At Completion the Purchaser shall pay (or procure the payment of) the Bank Debt (the Seller having previously applied all available Cash (other than (1) cash in transit and unpresented payments, (2) the Brazil Receivable and (3) the Angolan Cash) to reduce the amount of the Bank Debt) as set out in the Net Debt Projection to the Bank Club (into such Bank Club accounts as notified to the Purchaser by the Sellers).

3.5.3 Subject to Clause 3.6, if the Completion Net Debt is less than the Net Debt Projection then any consequential shortfall in the Consideration paid on the Completion Date (which shortfall shall not exceed the difference between the Net Debt Projection and the Completion Net Debt) shall be paid to the Sellers by the Purchaser no later than seven Business Days after the Completion Date by electronic transfer to the Sellers' Solicitors Bank Account for the account of the Sellers (the Sellers' Solicitors being irrevocably authorised to receive the same on behalf of the Sellers) and payment to them will be a good and sufficient discharge to the Purchaser and the Purchaser will not be further concerned as to the application of the moneys so paid.

3.5.4 Subject to Clause 3.6, if the Completion Net Debt is more than the Net Debt Projection then any consequential overpayment in the Consideration paid on the Completion Date (which overpayment shall not exceed the difference between the Completion Net Debt and the Net Debt Projection) shall be paid to the Purchaser by the Sellers no later than seven Business

Days after the Completion Date by electronic transfer to the Purchaser's Solicitors Bank Account for the account of the Purchaser (the Purchaser's Solicitors being irrevocably authorised to receive the same on behalf of the Purchaser).

3.6 **Net Debt Calculation**

The Purchaser may, not later than ten Business Days after Completion, notify the Sellers in writing that it disagrees with the factual accuracy of the Net Debt Calculation and the Completion Net Debt as notified to the Purchaser pursuant to Clause 3.5.1 above. Any such notification shall specify any areas of disagreement and any adjustments which are required in the opinion of the Purchaser to be made to the Net Debt Calculation and the Completion Net Debt. If the Purchaser makes a notification pursuant to this Clause 3 then the provisions of Schedule 13 (*Expert*) shall apply and the provisions of Clauses 3.5.3 and 3.5.4 shall not apply.

3.7 **Reduction in consideration**

Any payment made by the Sellers to the Purchaser in respect of a breach of any of the Seller Warranties or the Appleby Warranties shall be and shall be deemed to be a reduction in the price paid for the Shares under this Agreement to the extent legally possible.

3.8 **Failure to pay**

If the Purchaser fails to make (whether in full or in part) any payment of the Consideration when due (including any payment under Clause 3.3 or 3.5.3 or Schedule 13 (*Expert*)) or fails to procure the repayment of the Bank Debt pursuant to Clause 3.5.2, or if any of the Sellers (whether in full or in part) fail to repay when due under Clause 3.5.4 and/or Schedule 13 (*Expert*), interest shall accrue on the unpaid amount at the rate of 4 per cent. per annum above the base rate from time to time of Barclays Bank plc from the due date for payment up to the date of actual payment (as well after as before judgment), accruing on a daily basis and on the basis of a 365 day year and compounded monthly. The provisions of this Clause shall not prejudice any other rights or remedies of: (a) the Sellers for any breach of this Agreement by the Purchaser; and (b) the Purchaser for any breach of this Agreement by any of the Sellers.

4. **CONDITIONS**

4.1 **Conditions**

Completion is conditional upon and subject to the Conditions being fulfilled or waived by the Purchaser (pursuant to Clause 4.4) on or before 12 noon GMT on the Termination Date.

4.2 **Time limit for fulfilment and notification**

The Purchaser shall use its reasonable endeavours to fulfil or procure the fulfilment of the Conditions as soon as practicable and in any event on or before 12 noon GMT on the Termination Date and shall notify the Sellers within two Business Days upon satisfaction of each such Condition.

4.3 **Notification of non-fulfilment**

Each of the Sellers and the Purchaser undertake to notify each other immediately of any event, circumstance or thing which arises or comes to their respective knowledge which prevents or might prevent any of the Conditions from being fulfilled on or before 12 noon GMT on the Termination Date.

4.4 **Waiver**

Notwithstanding Clauses 4.1, 4.2 and 4.3, the Purchaser shall be entitled by notice in writing given to the Sellers to waive, in whole or in part, compliance with the Conditions without prejudice to any other right or remedy available to it.

4.5 **Non-fulfilment**

If any of the Conditions has not been fulfilled or waived by the Purchaser on or before 12 noon GMT on the Termination Date, the Purchaser may in its absolute discretion and without prejudice to any other right or remedy available to it or the Sellers as the case may be:

4.5.1 defer Completion to a date not more than five Business Days after the Termination Date; and/or

4.5.2 waive the Condition(s).

5. **INTERIM PERIOD**

5.1 Subject to Schedule 8 *(Limitations on Liability*), during the Interim Period, Clyde and the Management shall jointly and severally be liable to comply (in so far as they are lawfully able to do so) in all material respects and to use all reasonable endeavours to procure (in so far as they are lawfully able to do so) that each Group Company complies in all material respects with the provisions of Schedule 10 (*Interim Period*).

5.2 Subject to Schedule 8 *(Limitations on Liability*), during the Interim Period, SCF shall comply (in so far as it is lawfully able to do so) in all material respects and shall use all reasonable endeavours to procure (in so far as it is lawfully able to do so) that each Group Company complies in all material respects with the provisions of Schedule 10 (*Interim Period*).

5.3 From the Signing Date, the Purchaser and its accountants and agents shall be allowed reasonable access to the officers, employees, properties and all the books of account and other records of each Group Company in so far as such access is reasonably necessary and the Sellers (other than Appleby) shall supply, and will instruct the officers and employees of each Group Company to supply, any information reasonably required by the Purchaser or its accountants and agents relating to any Group Company. Such access and information shall be provided as soon as reasonably practicable and in any event within five Business Days of a written request being made by the Purchaser and received by the Sellers. All access to employees shall be coordinated with Keith Mitchell of Clyde.

6. **COMPLETION**

6.1 **Time and Location**

Completion of the sale and purchase of the Shares shall take place on the date falling five Business Days after the fulfilment or waiver by the Purchaser of the Conditions or on such later date as the Sellers and the Purchaser shall agree pursuant to this Agreement at the offices of the Sellers' Solicitors (or at any other location as agreed upon by the Sellers and the Purchaser).

6.2 **Action to be taken by Seller**

At Completion the Sellers shall:

6.2.1 deliver or make available to the Purchaser each of the documents or items set out or referred to in Schedule 1 *(Completion Documents)* of Schedule 3 (noting in the case of Appleby it is only delivering item 9 in and items 1-3 in relation to that which is within their power);

6.2.2 procure that a board meeting of each Group Company is held at which the directors of each Group Company take all the necessary steps to effect the matters set out or referred to in Section 2 *(Board Meetings)* of Schedule 3; and

6.2.3 deliver to the Purchaser duly signed copy minutes of a board meeting of each Group Company including the matters set out or referred to in paragraphs 1 of Section 2 *(Board Meetings)* of Schedule 3.

6.3 **Action to be taken by Purchaser**

Upon completion of the matters referred to in Clause 6.2 and subject to Clause 4, the Purchaser shall:

6.3.1 subject to Clause 3, pay the Consideration by way of an electronic transfer for same day delivery to the Sellers' Solicitors Bank Account for the account of the Sellers (the Sellers' Solicitors being irrevocably authorised to receive the same on behalf of the Sellers) and payment to them will be a good and sufficient discharge to the Purchaser and the Purchaser will not be further concerned as to the application of the moneys so paid;

6.3.2 deliver to the Sellers the documents set out in *(Purchaser's Documents)* of Schedule 3; and

6.3.3 pay (or procure the payment) of the Bank Debt to the Bank Club in accordance with Clause 3.5.2.

7. WARRANTIES

7.1 Sellers

Subject to the provisions of Clause 7.3:

7.1.1 each Seller (other than Appleby) severally warrants on its own account (and in relation only to its own Shares and actions) to the Purchaser in the terms set out in Schedule 4 *(The Seller Warranties)* that each of the Seller Warranties is true, accurate and complete at the Signing Date and shall continue to be so at Completion;

7.1.2 Appleby warrants to the Purchaser that each of the Appleby Warranties is true, accurate and complete at the Signing Date and shall continue to be so at Completion;

7.1.3 subject to the provisions of Clause 7.4, each of the Management severally warrants on his own account to the Purchaser in the terms set out in Schedule 5 *(The Management Warranties)* that each of the Management Warranties is true and accurate at the Signing Date and shall continue to be so at Completion; and

7.1.4 each Warranty is to be construed independently and is not limited or restricted by any other Warranty or any other term of this Agreement except as expressly specified in the Agreement, including Clause 7.3 and (in respect of the Management Warranties only) Clause 7.4.

For the avoidance of doubt the Purchaser shall be entitled to pursue for breach of the Warranties contained in Clauses 7.1.1 and 7.1.2 notwithstanding Completion but subject to the provisions of Clauses 7.3 and 7.4.

7.2 Purchaser

The Purchaser warrants to the Sellers and the Management in the terms set out in Schedule 6 *(The Purchaser's Warranties)* that each of the Purchaser's Warranties is true and accurate at Completion.

7.3 Limitation on Liability

The liability of the Sellers and the Management in respect of any claim under the Warranties and any other obligations of the Sellers and the Management under this Agreement or otherwise to the Purchaser shall be limited or excluded (as the case may be) as set out in Schedule 8 *(Limitations on Liability)*.

7.4 Disclosure

7.4.1 The Management Warranties given on the Signing Date are qualified by all facts, matters and information Disclosed in the Disclosure Letter.

7.4.2 The Management Warranties when given at Completion shall be qualified by all facts, matters and information Disclosed in the Supplemental Disclosure Letter.

7.4.3 Prior to Completion, each of the Sellers and each of the Management undertake fully, fairly and clearly to disclose immediately in writing to the Purchaser anything which comes to the notice of any of them which:

(a) is or may be an event, circumstance or change that constitutes a Material Adverse Effect;

(b) is or may be a breach of any Warranty if the Warranties were repeated on Completion by reference to the facts and circumstances then existing and on the basis that any reference to "Signing Date" or equivalent term within a Warranty will be construed as a reference to the time of repetition; and/or

(c) is or may be a breach of any Interim Period Obligation,

and, in each case, in such a manner and with such accuracy and detail so as to enable a reasonable purchaser to make an informed assessment of the fact, matter or information concerned, its nature and effect.

7.5 Undisclosed Material Adverse Effect

7.5.1 At Completion, each of the Sellers and each of the Management undertake to have Disclosed in the Supplemental Disclosure Letter any event, circumstance or change that constitutes a Material Adverse Effect.

7.5.2 Subject to Schedule 8 (*Limitations on Liability*), notwithstanding the fact that Completion has occurred (and provided that this Agreement has not been terminated in accordance with Clause 7.6 or otherwise), the Purchaser shall be entitled to make a claim for a breach of any of

the Interim Period Obligations under Clauses 5.1 and 5.2, and/or under Clause 7.5.1, in each case in relation to any event, circumstance or change that at Completion then constituted a Material Adverse Effect and was within the actual knowledge of any of Sellers and/or any of the Management but not Disclosed in the Supplemental Disclosure Letter, which claim would be against the entity or person that breached and/or failed to make the disclosure of such event, circumstance or change (save that Clyde shall be jointly and severally liable for any breach and/or failure by any of the Management).

7.6 **Termination**

The Purchaser may by notice in writing to the parties at any time prior to Completion elect to terminate this Agreement without liability on the part of the Purchaser:

7.6.1 if any of the Conditions have not been fulfilled or waived and notification given in accordance with Clause 4.3 on or before 12 noon GMT on the Termination Date (subject to Clause 4.5); and/or

7.6.2 subject to Clause 7.9, if:

(a) save as Disclosed in the Disclosure Letter, there has been any breach by any of the Sellers or the Management of any provision of the Warranties given by them respectively at the Signing Date;

(b) there is or may be a breach of an Interim Period Obligation; and/or

(c) there has been any matter Disclosed in the Supplemental Disclosure Letter or pursuant to Clause 7.4.3;

in each case which constitutes a Material Adverse Effect; and/or

7.6.3 subject to Clause 7.9, if any event, circumstance or change arises prior to or at Completion that constitutes a Material Adverse Effect;

provided that if the Purchaser, having received notification under Clause 7.5.1 of information Disclosed in the Supplemental Disclosure Letter of any event, circumstances or change constituting a Material Adverse Effect, elects not to terminate this Agreement in circumstances in which it could have, on the basis of such Material Adverse Effect, terminated pursuant to this Clause 7.6, then subject to Clause 7.5.2 it shall be deemed to have waived any claim it might have pursuant to any breach of the Interim Period Obligations in relation to such event, circumstance or change constituting a Material Adverse Effect.

7.7 **Rights on Termination**

If the Purchaser does elect to terminate this Agreement, each party's further rights and obligations will cease immediately on termination, provided that if any of the Sellers or the Management wilfully and intentionally take any action in breach of Schedule 10 (*Interim Period*) which gives rise to a Material Adverse Effect that leads to termination of this Agreement, the Purchaser will be entitled to seek damages for its loss but subject to the provisions of paragraphs 1 to 3 of Schedule 8 (*Limitations on Liability*).

7.8 **Group Company**

The Sellers and the Management waive and may not enforce any right which any of the Sellers and the Management may have against any Group Company, or any director or employee of any Group Company, on which or on whom any of them may have relied in agreeing to any term of this Agreement or any statement in the Disclosure Letter or the Supplemental Disclosure Letter.

7.9 **Right to Remedy**

If any event, circumstance or change arises prior to Completion that constitutes a Material Adverse Effect but the Sellers believe, acting reasonably, that there is a substantial likelihood that such event, circumstance or change can be remedied so that it no longer constitutes a Material Adverse Effect, the Sellers shall have up to thirty days from the date the event, circumstance or change came to the notice of the Purchaser (the "**Notice Date**") to remedy such event, circumstance or change (such period between the Notice Date and the date on which the event, circumstance or change is remedied being the "**Additional Period**") so that it no longer constitutes a Material Adverse Effect to the satisfaction of the Purchaser (acting reasonably) ("**Right to Remedy**") provided, however, that the Sellers shall only be able to exercise this Right to Remedy on one occasion prior to Completion.

8. **PURCHASER'S UNDERTAKINGS**

8.1 **Access to books and records**

From Completion, the Purchaser shall use its reasonable endeavours to provide that the Sellers and their professional advisers and agents shall, as soon as practicable and in any event within five Business Days of a written request being made by the Sellers and received by the Purchaser, be given reasonable access during any Business Day to Greg Fedders of SPX for the purpose of gaining access to such books and records of a Group Company or any successor entity which the Sellers or any other member of the Sellers' Groups or any of their professional advisers or agents may reasonably require in connection with any report, return, statement, audit, filing or other requirement, in each case as required under any applicable law or regulation.

8.2 **Co-operation with Claims**

8.2.1 From Completion, the Purchaser undertakes to the Sellers that in the event of any claim whatsoever being made against the Sellers relating to the affairs of a Group Company prior to Completion, the Purchaser shall use its reasonable endeavours to provide (and shall use its reasonable endeavours to procure that each Group Company shall provide) to the Sellers

all such information and assistance as the Sellers may reasonably require to deal with such claim at the cost of the Sellers.

8.2.2 From Completion, the Sellers undertake to the Purchaser that in the event of any claim whatsoever being made against the Purchaser or any Group Company relating to the affairs of a Group Company prior to Completion, the Sellers shall use their reasonable endeavours to provide to the Purchaser all such information and assistance as the Purchaser may reasonably require to deal with such claim at the cost of the Purchaser.

8.3 **Employees**

The Purchaser confirms to the Sellers that it is its current intention to: (a) provide salary and benefits to the Employees substantially similar in the aggregate to those currently provided to them; and (b) to continue the employment of the Employees for a period of 12 months from the Completion Date.

8.4 **Restrictive Covenants**

8.4.1 Clyde undertakes to the Purchaser and each Group Company that they will not (whether alone or in conjunction with, or on behalf of, another person and whether directly or indirectly), without the prior written consent of the Purchaser (subject to Clause 8.4.5(b)):

(a) for a period of three years immediately following Completion, solicit or entice away, or endeavour to solicit or entice away, from any Group Company, or employ, (i) any person employed by, any Group Company at Completion where the person in question either has Business Confidential Information or would be in a position to exploit a Group Company's trade connections or (ii) any of the Management;

(b) without prejudice to any rights relating to passing off or trade mark infringement (or similar rights in any territory), for a period of three years immediately following Completion use in connection with any business which is competitive with the business of any Group Company at Completion any name (in whatever form) which is identical or, confusingly similar to that of any Group Company or any trading style or get up which is confusingly similar to that used by any Group Company as at Completion (provided that nothing shall prevent Clyde using the name "Clyde") but provided that it is not confusingly similar to the names of any Group Company;

(c) use the Database in any way to manufacture or arrange the manufacture of Pump Packages;

(d) represent that it is an original equipment manufacture ("**OEM**") in respect of any of the Pump Packages;

(e) for a period of three years immediately following Completion acquire (in whole or in part) any of the Restricted Entities whether by merger or otherwise; and

(f) induce or attempt to induce any person, who is at Completion or has been at any time within the period of 12 months ending on Completion a supplier of goods or services to the business of any Group Company in connection with the manufacture of the Pump Packages to cease to supply, or to restrict or vary the terms of the supply, to such business;

8.4.2 In consideration of the monies each is to receive as Beneficial Owners as a result of this Agreement, each of the Management severally undertakes to the Purchaser and each Group Company that he or she will not (whether alone or in conjunction with, or on behalf of, another person and whether directly or indirectly), without the prior written consent of the Purchaser (and subject to Clauses 8.4.4 to 8.4.5):

(a) for a period of three years immediately following Completion, canvass, solicit or approach, or cause to be canvassed, solicited or approached, any Relevant Customer for the sale or supply of Relevant Products or Services;

(b) for a period of three years immediately following Completion, deal or contract with any Relevant Customer in relation to the sale or supply of Relevant Products or Services;

(c) for a period of three years immediately following Completion, interfere, or seek to interfere, with the continuance of supplies to any Group Company from any supplier who has been supplying goods or services to that Group Company at any time during the twelve months immediately preceding Completion if such interference causes or would cause that supplier to cease supplying, or materially reduce its supply of, those goods or services;

(d) for a period of three years immediately following Completion, solicit or entice away, or endeavour to solicit or entice away, from any Group Company, or employ; (i) any person employed by, or who is or was a consultant to, any Group Company at Completion or at any time during the period of twelve months immediately preceding Completion where the person in question either has Business Confidential Information or would be in a position to exploit a Group Company's trade connections; or (ii) any of the Management;

(e) without prejudice to any rights relating to passing off or trade mark infringement (or similar rights in any territory), for a period of three years immediately following Completion use in connection with any business which is competitive with the business of any Group Company any name (in whatever form) which is identical to that of any Group Company or any trading style or get up which is confusingly similar to that used by any Group Company as at Completion.

8.4.3 In consideration of the monies each is to receive as Beneficial Owners as a result of this Agreement, each of the Restricted Persons severally undertakes to the Purchaser and each Group Company that he or she will not (whether alone or in conjunction with, or on behalf of, another person and whether directly or indirectly), without the prior written consent of the Purchaser (and subject to Clauses 8.4.4 to 8.4.5):

(a) for a period of two years immediately following Completion, canvass, solicit or approach, or cause to be canvassed, solicited or approached, any Relevant Customer for the sale or supply of Relevant Products or Services;

(b) for a period of two years immediately following Completion, deal or contract with any Relevant Customer in relation to the sale or supply of Relevant Products or Services;

(c) for a period of two years immediately following Completion, interfere, or seek to interfere, with the continuance of supplies to any Group Company from any supplier who has been supplying goods or services to that Group Company at any time during the twelve months immediately preceding Completion if such interference causes or would cause that supplier to cease supplying, or materially reduce its supply of, those goods or services;

(d) for a period of two years immediately following Completion, solicit or entice away, or endeavour to solicit or entice away, from any Group Company, or employ; (i) any person employed by, or who is or was a consultant to, any Group Company at Completion or at any time during the period of twelve months immediately preceding Completion where the person in question either has Business Confidential Information or would be in a position to exploit a Group Company's trade connections; or (ii) any of the Management;

(e) without prejudice to any rights relating to passing off or trade mark infringement (or similar rights in any territory), for a period of two years immediately following Completion use in connection with any business which is competitive with the business of any Group Company any name (in whatever form) which is identical to

that of any Group Company or any trading style or get up which is confusingly similar to that used by any Group Company as at Completion.

8.4.4 The provisions of Clause 8.4.2 shall not apply to any member of the Management and the provisions of Clause 8.4.3 will not apply to any Restricted Person:

(a) from the date on which they cease to be employed by any member of the Group if they are a Good Leaver; or

(b) for so long as they are employed by any member of the Group or the Purchaser or any Affiliate thereof.

8.4.5 Nothing in this Clause 8 shall prevent a party from employing or hiring any of the employees of another party where any such person:

(a) has responded to general recruitment advertising without any solicitation; or

(b) is approached when they are no longer employed by the Group and they are a Good Leaver.

8.5 Each of the undertakings set out in Clause 8.4 is separate and severable and enforceable accordingly, and if any one or more of such undertakings or part of an undertaking is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade, the remaining undertakings or remaining part of the undertakings will continue in full force and effect and will bind the parties giving the same.

8.6 **Reliance by the Purchaser**

From Completion and subject to the terms of this Agreement (including, without limitation, the Warranties), the Purchaser undertakes to the Sellers and the Management (for itself and as agent and trustee for each other member of the Sellers' Groups) that (in the absence of fraud) the Purchaser has no rights against and shall not make any claim against any employee, director, agent, officer or adviser of any member of the Sellers' Groups or Management on whom it may have relied before agreeing to any term of, or entering into, this Agreement or any other agreement or document referred to herein.

8.7 **Section 338(g) Election**

The Sellers shall not object to the Purchaser or the Group Companies making up to or after Completion an election under Code Section 338(g) (and any corresponding elections under any applicable state, local or foreign laws, to the extent available) with respect to the purchase and sale of the Shares.

Code means the United States Internal Revenue Code of 1986, as amended. Any reference to any specific provision of the Code or any regulations promulgated thereunder shall also refer to any successor provisions thereto.

8.8 The Purchaser undertakes to the Sellers that they shall procure that there is continued to be provided to Textron Inc. quarterly reports in relation to asbestos claims concerning the Group Companies as required by section 6.1(h)(iii) of the purchase agreement dated 10 September 2008 between *inter alia* Textron Inc., Clyde Blowers Capital Fund II LP and others (the "**Textron Agreement**").

9. CHANGE OF NAME

9.1 For the avoidance of doubt, the Sellers shall not object to the Purchaser using from and after the Completion Date the name "Clyde Union" as part of the names of any member of the Purchaser's Group and in the business dealings of any member of the Purchaser's Group and each of the Sellers

acknowledge that none of them has any right to trade using or hold out that they still own or have

rights to trade using the name “Clyde Union” from and after the Completion Date save that nothing in this Agreement shall prevent the Sellers from referring to their former ownership of the Group or parts thereof.

9.2 Prior to Completion, the Sellers shall:

9.2.1 cause the name of any Subsidiary having such name to be changed to a name which does not include the words “David Brown” or any similar words; and

9.2.2 deliver to the Purchaser a certified copy of the resolution effecting such change of name as soon as such resolution has been passed.

9.3 The Purchaser may state as a sub-text under the name of Clyde Union DB Limited wherever it is used that Clyde Union DB Limited is “formerly David Brown Engineering Limited”. Only this wording shall be used and it may only be used for the Business Purposes. Any such sub-text shall be in a font smaller than the font of the name “Clyde Union DB Limited”.

For the purpose of this Clause 9.3 “**Business Purposes”** means for use in the ordinary course of the business of Clyde Union DB Limited as carried on immediately prior to the Completion Date.

10. **PENSIONS**

The provisions of Schedule 7 *(The Pension Provisions)* shall apply.

11. **RELEASE OF LETTERS OF CREDIT**

11.1 If any obligations of any third party (including a member of the Bank Club) under any Letters of Credit or Foreign Exchange Contracts are not terminated or released as at Completion the Purchaser shall either:

11.1.1 pay or procure to be paid all indebtedness or other obligations covered by such Letter of Credit in a manner which results in such third party (including a member of the Bank Club), as applicable, being released from their whole obligations under or pursuant to such Letter of Credit; or

11.1.2 obtain and deliver to the Sellers and the Bank Club (if relevant) at Completion a letter of credit issued by a financial institution (approved by the third party (including any member of the Bank Club) acting reasonably) in favour of the third party (including any member of the Bank Club) with respect to the obligations of the Group under or in respect of each such Letter of Credit or Foreign Exchange Contract;

and the Sellers shall provide such assistance as the Purchaser may reasonably require to enable the Purchaser to perform its obligations under Clauses 11.1.1 and 11.1.2 above provided that the Purchaser shall meet the Sellers’ reasonable external costs in relation to such assistance up to a maximum of £20,000 (excluding VAT) without the approval of the Purchaser and such higher amount with the Purchaser’s approval.

12. **CONFIDENTIALITY**

12.1 The parties shall for a period of five years after the Signing Date preserve the confidentiality of the Confidential Information and except to the extent otherwise expressly permitted by this Agreement, not directly or indirectly reveal, report, publish, disclose, transfer or use such Confidential Information for its own or any other purpose and if for any reason Completion shall not take place in accordance with this Agreement, all documents supplied containing such Confidential Information will be returned to the Sellers, no copies will be retained by the Purchaser and the Purchaser will, subject to Clause 12.2, continue to treat all such information as strictly private and confidential.

12.2 Notwithstanding any other provision in this Agreement, any party may after prior consultation with the other parties whenever practicable, disclose Confidential Information if and to the extent:

12.2.1 required by law; or

12.2.2 required by any securities exchange on which any party’s securities are listed or traded; or

12.2.3 required by any regulatory or governmental or other authority with relevant powers to which any party is subject or submits (whether or not the authority has the force of law); or

12.2.4 required to enable that party to enforce its rights under this Agreement by judicial process; or

12.2.5 required by its professional advisers, officers, employees, consultants, sub-contractors or agents to provide their services (and subject always to similar duties of confidentiality); or

12.2.6 that information is in or has come into the public domain through no fault of that party; or

12.2.7 the other parties have given prior written consent to the disclosure; or

12.2.8 it is necessary to obtain any relevant tax clearances from any appropriate tax authority.

13. ANNOUNCEMENTS

The Sellers and the Purchaser authorise the issue of such press releases and other announcements and communications as the issuing party deems necessary to fulfil legal, governmental, regulatory or other authority or any securities exchange on which its securities are listed or traded requirements or to provide its investors or other stakeholders with an appropriate level of information. Each of the Sellers and the Purchaser agree to make reasonable efforts to notify the other parties sufficiently in advance of any public communication to permit the other parties to comment on such disclosure. To the extent that any information is contained in an announcement or communication agreed pursuant to this Clause 13, the Parties (and any of their advisers) shall be entitled to use it in future communications without any further agreement being required.

14. FURTHER ASSURANCE

Without prejudice to any restriction or limitation on the extent of any party's obligations under this Agreement, each party shall from time to time, upon the request and at the expense of the another party, use all reasonable endeavours to execute or procure the execution of any additional documents or do or procure any other acts or things which may be required to give full effect to this Agreement in a form reasonably satisfactory to the parties concerned.

15. TIME OF THE ESSENCE

Time is of the essence both as regards any time, date or period specified in this Agreement and as regards any time, date or period which may be substituted for them in accordance with this Agreement or by agreement in writing between the Sellers and the Purchaser.

16. NOTICES

16.1 Any notice or other communication to be given in connection with this Agreement ("**notice**") shall be in writing. The Sellers hereby appoint Clyde as their representative who may authorise the making of any consent, approval or request expressed to be made on behalf of the Sellers to the Purchaser pursuant to the terms of this Agreement and such Sellers' representative can be changed from time to time provided such change is notified to the Purchaser in writing prior to the change taking effect. Any notice served on Clyde will be treated as validly given to all of the Sellers.

16.2 The Management hereby appoints Allan Dowie as its representative who may authorise the making of any consent, approval or request expressed to be made on behalf of the Management to the Purchaser pursuant to the terms of this Agreement and such Management representative can be changed from time to time provided such change is notified to the Purchaser in writing prior to the change taking effect. Any notice served on Allan Dowie will be treated as validly given to all of the Management.

16.3 A notice shall either be sent by fax or first class recorded post.

16.4 A notice marked for the attention of the relevant Person shall be sent to the address or the fax number set out below or to such other address or fax number as may previously have been communicated to the other party in accordance with this Clause 16.4 and Clause 16.7.

Party and Address	**For the attention of**	**Fax Number**
Clyde Blowers Capital S.à r.l 37, rue d' Anvers L-1130 Luxembourg	Samia Rabia With a copy to Shauna Powell 1 Redwood Crescent East Kilbride G74 5PA and a copy to: Graeme Bruce Dundas & Wilson CS LLP 191 West George Street Glasgow G2 2LD	+(352) 24 87 37 41
SCF-VI Offshore LP Maples Corporate Services Limited PO Box 309 Ugland House Grand Cayman KY1-1104 Cayman Islands	Anthony F. DeLuca With a copy to Peter Stuart 15 Rubislaw Terrace Aberdeen AB10 1XE	+(713) 227 7850
Thomas Burley 9 Deaconsgrange Road Thornliebank Glasgow G46 7UL	With a copy to Shauna Powell 1 Redwood Crescent East Kilbride G74 5PA	
Allan Dowie 7 Arkaig Place Newton Mearns	With a copy to Shauna Powell 1 Redwood Crescent	

Glasgow	East Kilbride G74 5PA	
Stephen Gilbey Laurel House Cornsland Brentwood Essex CM14 4JN	With a copy to Shauna Powell 1 Redwood Crescent East Kilbride G74 5PA	
Crawford Gorrie 7 Glebe Road Newton Mearns Glasgow G77 6DU	With a copy to Shauna Powell 1 Redwood Crescent East Kilbride G74 5PA	
Chadwick Tuttle 1007 Rabbit Ear Pass Victor NY 14564 USA	With a copy to Shauna Powell 1 Redwood Crescent East Kilbride East Kilbride	
Appleby Nominees (Jersey) Limited PO Box 207 13-14 Esplanade St Helier Jersey JE1 1BD	Patrick Jones	01543 837729
SPX Corporation 13515 Ballantyne Corporate Place Charlotte North Carolina 28277 United States	General Counsel	+1 704 752 7412

16.5 A notice sent according to Clause 16.4 shall be deemed to have been served:

16.5.1 if delivered personally at the address referred to in Clause 16.4, at the time of delivery;

16.5.2 if sent by first class recorded post to the address referred to in Clause 16.4, at the expiration of two clear days after the time of posting in the case of inland post, and five clear days after the time of posting in the case of international post; or

16.5.3 if sent by fax to the number referred to in Clause 16.4, at the time of completion of transmission by the sender.

If, under the preceding provisions of this Clause 16.5, a notice would otherwise be deemed to have been delivered in the place of receipt outside normal business hours (being 9.00 a.m. to 5.00 p.m. in the time zone of the territory of the recipient), it shall be deemed to have been received at 9:00am on the next opening of such business hours in the territory of the recipient.

16.6 In proving receipt of the notice, it shall be sufficient to show:

16.6.1 that personal delivery was made;

16.6.2 that the envelope containing the notice was properly addressed and posted as a first class pre-paid recorded letter; or

16.6.3 that the fax was despatched and a confirmatory transmission report received.

16.7 A party shall notify the other parties to this Agreement of a change to its name, address, fax number or the relevant Person to whom notices should be sent for the purposes of Clause 16.4, provided that such notification shall only be effective:

16.7.1 on the date specified in the notification as the date on which the change is to take place; or

16.7.2 if no date is specified (or if the date specified is less than five clear Business Days after the date on which notice is deemed to have been served), five clear Business Days after notice of any such change is deemed to have been given.

16.8 For the avoidance of doubt, the parties agree that the provisions of this Clause 16 shall not apply in relation to the service of any claim form, application notice, order, judgment or other document relating to or in connection with any proceeding, suit or action arising out of or in connection with this Agreement.

17. **ASSIGNMENT**

17.1 Subject to Clauses 17.2, 2.1.2 and 2.2 no party may:

17.1.1 assign any of its rights under this Agreement; or

17.1.2 transfer any of its obligations under this Agreement; or

17.1.3 sub-contract or delegate any of its obligations under this Agreement; or

17.1.4 charge any of its rights or obligations under this Agreement.

17.2 except with the prior consent in writing of the other parties, or as set out below, any purported assignment, transfer, sub-contracting, delegation or charging in contravention of this Clause 17 shall be ineffective but the Purchaser may:

17.2.1 subject to Clause 17.3, assign (in whole or in part) the benefit of this Agreement to any other member of the Purchaser's Group provided that (a) the burden is also so assigned (or novated) in the agreed form and the Purchaser guarantees to the Sellers the assignee's obligations in the agreed form and (b) if such assignee ceases to be a member of the Purchaser's Group, the Purchaser will procure that all the benefits and burdens relating to this Agreement that have been assigned to such assignee are re-assigned to the Purchaser immediately before such cessation; and/or

17.2.2 assign (in whole or in part) the benefit of this Agreement to any bank or financial institution by way of security for the purposes of or in connection with the financing or refinancing (whether in whole or in part) by the Purchaser of the acquisition of the Shares;

Provided that nothing in this Clause 17 shall increase the liability of any of the Sellers or the Management under this Agreement following such assignation.

17.3 The Sellers and the Management agree to execute or procure the execution of any agreed form assignment (or novation) of the burden in relation to the assignment of the Purchaser to any other member of the Purchaser's Group in accordance with Clause 17.2.1 subject to the provision of a guarantee by the Purchaser, in the agreed form, of the obligations of the assignee.

18. **COSTS**

The parties shall each pay their own costs, charges and expenses in relation to the negotiation, preparation, execution, implementation and performance of this Agreement and each document referred to in it and other agreements forming part of the transaction, except that this Clause shall not prejudice the right of any party to seek to recover its costs in any litigation or dispute resolution procedure which may arise out of this Agreement. No Group Company will bear any part of the Sellers' or the Management's costs, charges and expenses.

19. **ENTIRE AGREEMENT**

19.1 This Agreement and the documents referred to or incorporated in it constitute the entire agreement between the parties relating to the subject matter of this Agreement and supersede and extinguish any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, between the parties in relation to the subject matter of this Agreement.

19.2 Each of the parties acknowledges and agrees that it has not entered into this Agreement in reliance on any statement or representation of any Person (whether a party to this Agreement or not) other than as expressly incorporated in this Agreement.

19.3 Without limiting the generality of the foregoing, each of the parties irrevocably and unconditionally waives any right or remedy it may have to claim damages and/or to rescind this Agreement by reason of any misrepresentation (other than a fraudulent misrepresentation) having been made to it by any Person (whether party to this Agreement or not) and upon which it has relied in entering into this Agreement.

19.4 Except in the event of fraud, the Purchaser shall have no right to rescind this Agreement in respect of any breach of Warranty or of any other provisions of this Agreement and its sole remedy in respect of such breach shall be damages for breach of contract under English law.

19.5 Nothing contained in this Agreement or in any other document referred to or incorporated in it shall be read or construed as excluding any liability or remedy as a result of fraud.

19.6 Unless otherwise provided, any outstanding obligation contained in this Agreement will remain in force notwithstanding Completion.

20. **VARIATION**

Any variation of this Agreement or of any of the documents referred to in it is valid only if it is in writing and signed by or on behalf of each party.

21. **SURVIVAL OF PROVISIONS**

Notwithstanding Completion, the provisions of this Agreement (and in particular, the Warranties) shall, to the extent that they remain to be performed or are capable of subsisting, remain in full force and effect and shall be binding on, and enforceable by, the parties or their respective successors or assigns.

22. INVALIDITY

22.1 If any provision of this Agreement is held to be invalid or unenforceable by any judicial or other competent authority, all other provisions of this Agreement will remain in full force and effect and will not in any way be impaired.

22.2 If any provision of this Agreement is held to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, or the period of the obligation reduced in time, or the range of activities or area covered, reduced in scope, the provision in question will apply with the minimum modifications necessary to make it valid and enforceable.

23. WAIVERS

23.1 A waiver of any right, power, privilege or remedy provided by this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor. For the avoidance of doubt, any omission to exercise, or delay in exercising, any right, power, privilege or remedy provided by this Agreement shall not constitute a waiver of that or any other right, power, privilege or remedy.

23.2 A waiver of any right, power, privilege or remedy provided by this Agreement shall not constitute a waiver of any other breach or default by the other party and shall not constitute a continuing waiver of the right, power, privilege or remedy waived or a waiver of any other right, power, privilege or remedy.

23.3 Any single or partial exercise of any right, power, privilege or remedy arising under this Agreement shall not preclude or impair any other or further exercise of that or any other right, power, privilege or remedy.

24. NO SET OFF

Except as expressly provided in this Agreement, the Purchaser shall have no rights of set off whatsoever in respect of any sums or otherwise due to the Sellers, whether on Completion or at any time thereafter and the Purchaser and the Sellers shall pay all sums due to the Sellers or the Purchaser, respectively pursuant to this Agreement in full free from any deduction or withholding whatsoever except as may be required by law but excluding any withholding arrangements in relation to the payments to the Beneficial Owners.

25. COUNTERPARTS

This Agreement may be entered into in any number of counterparts and by the parties on separate counterparts, but shall not be effective until each party has executed and delivered at least one counterpart. Each counterpart, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute one and the same instrument.

26. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with English law. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement in respect of any claim (including any non-contractual claim) brought against the Sellers and shall have non-exclusive jurisdiction in respect of any claim (including any non-contractual claim) brought by the Sellers.

27. RIGHTS OF THIRD PARTIES

A Person who is not a party to this Agreement is not entitled to enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 except where this Agreement expressly provides that such a Person is entitled to enforce any of its terms under that Act.

---

28. SERVICE OF PROCESS

Any legal action arising out of or in connection with this Agreement may be commenced against any party by proceedings being served on that party by being delivered to in accordance with Clause 16 *(Notices)*. Nothing in this Schedule affects the right to serve process in any manner permitted by law.

29. EXECUTION

This Agreement is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Agreement.

SCHEDULES

Schedules will be provided to the Securities and Exchange Commission upon request

Executed as a Deed for and on behalf of **SCF-VI OFFSHORE L.P.** by **SCF-VI OFFSHORE G.P. L.P**. in its capacity as general partner of **SCF-VI OFFSHORE L.P.**

Signature: /s/ Peter Stuart

Full Name: Peter Stuart

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **CLYDE BLOWERS CAPITAL S.A.R.L.** acting by

Signature: /s/ James McColl

Full Name: James McColl

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SPX CORPORATION** acting by its Attorney Stephen Tsoris by Power of Attorney dated 22 August 2011.

Signature: /s/ Stephen Tsoris

Full Name: Stephen Tsoris

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAKIL AHMED**

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **FRANCIS BARRETT**

Signature: /s/ Francis Barrett

Full Name: Francis Barrett

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **APPLEBY NOMINEES (JERSEY) LIMITED** acting by

Signature: /s/ Patrick Jones

Full Name: Patrick Jones

in the presence of:

Signature: /s/ Jason Dillon

Full Name: Jason Dillon

Address: Chateau Du Port
St. Peter Jersey

Signature: /s/ Brendon Dowling

Full Name: Brendon Dowling

in the presence of:

Signature: /s/ Jason Dillon

Full Name: Jason Dillon

Address: Chateau Du Port
St. Peter Jersey

Executed as a Deed by **THOMAS BURLEY**

Signature: /s/ Thomas Burley

Full Name: Thomas Burley

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **ALLAN DOWIE**

Signature: /s/ Allan Dowie

Full Name: Allan Dowie

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **ZILLAH DOYLE** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **JOHN FLEMING** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **MICHEL FOUCHE** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **STEPHEN GILBEY** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **CRAWFORD GORRIE**

Signature: /s/ Crawford Gorrie

Full Name: Crawford Gorrie

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **MARK HANNIGAN** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **DANIEL HOLSTEGGE** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **JOHN IAN MORRISON** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **GRAHAM ROBERTSON** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **BRIAN SCORER** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Executed as a Deed by **SHAUNA POWELL** as Attorney for **CHADWICK TUTTLE** under Power of Attorney dated

Signature: /s/ Shauna M. Powell

Full Name: Shauna M. Powell

in the presence of:

Signature: /s/ Graeme M. Bruce

Full Name: Graeme M. Bruce

Address: 191 West George Street
Glasgow

Exhibit 10.5

EXECUTION VERSION

DEED OF AMENDMENT

among

(1) CLYDE BLOWERS CAPITAL S.À R.L.

(2) SCF-VI OFFSHORE L.P.

(3) APPLEBY NOMINEES (JERSEY) LIMITED

(4) THE MANAGEMENT

(5) SPX CORPORATION

and

(6) THE RESTRICTED PERSONS

Relating to the Share Purchase Agreement dated 24 August 2011 in connection with the sale of the issued share capital of Clyde Union (Holdings) S.à r.l.

Dated: 1 November 2011

INDEX

1.	Definitions and Interpretation	3
2.	Amendments	4
3.	Counterparts	5
4.	Governing Law and Jurisdiction	5

THIS DEED is made on 1 November 2011

AMONG

(1) **CLYDE BLOWERS CAPITAL S.À R.L** a private limited liability company ("**société a responsibilité limitée**") incorporated in Luxembourg (registered number B141248) and having its registered address at 37 Rue d'Anvers L-1130, Luxembourg ("**Clyde**");

(2) **SCF-VI OFFSHORE L.P.** a limited partnership registered in the Cayman Islands and having its registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands ("**SCF**");

(3) **APPLEBY NOMINEES (JERSEY) LIMITED** a company incorporated in Jersey (registered number 3051), whose registered office is at PO Box 207, 13-14 Esplanade, St Helier, Jersey, JE1 1BD ("**Appleby**");

Clyde, **SCF** and **Appleby** are hereinafter collectively referred to as the "**Sellers**"

(4) **THE PERSONS** whose names and addresses are set out in Section 2 (*The Management*) of Schedule 1 of the SPA (the "**Management**");

(5) **SPX CORPORATION** a company incorporated in Delaware, USA and having its principal place of business at 13515 Ballantyne Corporate Place, Charlotte, North Carolina 28277, United States (the "**Purchaser**"); and

(6) **THE PERSONS** whose names and addresses are set out in Section 3 *(The Restricted Persons)* of Schedule 1 of the SPA (the "**Restricted Persons**").

INTRODUCTION

A. On 24 August 2011, the Sellers, the Management, the Purchaser and the Restricted Persons entered into an agreement (the "**SPA**") to sell all of the corporate units in the capital of **CLYDE UNION (HOLDINGS) S.À R.L,** a private limited liability company ("**société a responsibilité limitée**") incorporated in Luxembourg (registered number B140256), (the "**Company**") details of which are set out in Section 1 *(Particulars of the Company)* of Schedule 2 of the SPA.

B. The parties wish to make certain amendments to the SPA as described in this Deed.

C. In accordance with Clause 20 of the SPA, the parties wish to amend the SPA to reflect these changes.

NOW IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Deed, unless the context requires otherwise or unless otherwise specified, the words and expressions defined in the SPA shall have the same meanings in this Deed.

1.2 In this Deed, the provision of Clauses 1, 12 to 24 (inclusive), 27 and 28 of the SPA shall be deemed to be incorporated herein *brevitatis causa*.

2. **AMENDMENTS**

2.1 **Consideration**

Clauses 3.1, 3.2 and 3.3 of the SPA shall be deleted in their entirety with effect from the time of signing of the SPA on 24 August 2011 (the "**Amendment Effective Time**") and replaced with the following Clauses:

"3.1 Subject to any adjustment in respect of the Completion Net Debt as set out in Clause 3.5, the Consideration shall be an amount equal to:

3.1.1 £565,000,000 payable at Completion in the manner set out in Clause 6 (Completion);

3.1.2 The First Earn Out Payment as defined and set forth in Clause 3.2.1; and

3.1.3 The Second Earn Out Payment as defined and set forth in Clause 3.2.2.

3.2 The Sellers shall be entitled to the First Earn Out Payment and the Second Earn Out Payment (collectively, the "**Earn Out Payments**") as follows:

3.2.1 If the LTM March 2012 Group EBITDA exceeds £47,881,356, the Sellers shall be entitled to an earn out payment (the "**First Earn Out Payment**") calculated in accordance with the following formula:

LTM March 2012 Group EBITDA less £47,881,356 x 11.8

provided that in no event shall the First Earn Out Payment be less than zero or more than £185,000,000.

3.2.2 If the Annual 2012 Group EBITDA exceeds the Earn Out Threshold as defined below, the Sellers shall be entitled to an earn out payment (the "**Second Earn Out Payment**") equal to the following formula:

$$\frac{\text{Annual 2012 Group EBITDA less Earn Out Threshold}}{\text{£10,000,000}} \times \text{Earn Out Multiple}$$

provided that in no event shall the Second Earn Out Payment be less than zero or more than the Earn Out Multiple. As used in this Clause, (i) the "**Earn Out Threshold**" shall equal £65,000,000 unless the LTM March 2012 Group EBITDA is less than £47,881,356, in which event the Earn Out Threshold shall equal £112,881,356 minus the LTM March 2012 Group EBITDA, and (ii) the "**Earn Out Multiple**" shall equal £185,000,000 minus the amount of the First Earn Out Payment.

3.2.3 In no event shall the sum of the First Earn Out Payment and the Second Earn Out Payment exceed £185,000,000.

3.3 The Earn Out Payments shall be calculated in accordance with the principles set out in Schedule 15 and, if either is payable, shall be paid within 10 Business Days after (i) the date of the final determination of the LTM March 2012 Group EBITDA, in the case of the First Earn Out Payment, and (ii) the date of the final determination of the Annual 2012 Group EBITDA, in the case of the Second Earn Out Payment, in each case in accordance with this Clause 3 and Schedule 15.

2.2 **Earn Out**

Schedule 15 of the SPA is shall be deleted, with effect from the Amendment Effective Time, and replaced in its entirety with the provisions of the replacement Schedule 15 as set forth in the Schedule to this Deed.

3. **COUNTERPARTS**

This Deed may be entered into in any number of counterparts and by the parties on separate counterparts, but shall not be effective until each party has executed and delivered at least one counterpart. Each counterpart, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute one and the same instrument.

4. **GOVERNING LAW AND JURISDICTION**

This Deed shall be governed by and construed in accordance with English law. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed in respect of any claim (including any non-contractual claim) brought against the Sellers and shall have non-exclusive jurisdiction in respect of any claim (including any non-contractual claim) brought by the Sellers.

This Deed is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Deed.

SCHEDULE(Replacement Schedule 15)

SCHEDULE 15

SECTION 1
EARN OUT

1. **Definitions**

In this Schedule the following terms shall have the meanings ascribed to them-

"Annual 2012 Group EBITDA" means the net income of the Group (before deduction of dividends and distributions to the extent expensed in the financial statements of the Group) for the Relevant Year ending 31 December 2012 determined on a consolidated basis in accordance with (1) the principles set out in paragraphs (a) to (c) and (i) to (xii) below (2) to the extent not inconsistent with paragraph (1) above the accounting principles, policies and procedures used in the preparation of the Financial Statements (as defined in Schedule 5) consistently applied and (3) to the extent not inconsistent with (1) and (2), IFRS in force as at 31 December 2012 consistently applied, plus the sum of the following (to the extent deducted from net income for such period): (a) any Tax expense (including deferred tax expense) based on income; (b) depreciation, amortisation or impairment of fixed asset expense (including goodwill and intangible assets) and revaluation of assets and (c) interest expense (including but not limited to bank interest and finance lease interest) and similar charges (including any charge, expense or provision for financing fees, amortisation of debt issuance costs or fees or charges for bonding, bank guarantees or letters of credit). In calculating Annual 2012 Group EBITDA:

(i) the Group shall be accounted for as a separate and independent accounting entity, and unconsolidated with the Purchaser or any of its Affiliates outside of the Group ("**non-Group Entities"**);

(ii) sharing or allocation of overhead with or from any non-Group Entities shall be excluded, and any expenses on the Purchaser's corporate books that have typically not been recorded on the Group's books shall be excluded, save to the extent that such costs replace existing costs of the Group;

(iii) all costs, fees and expenses incurred in connection with the transaction contemplated herein (including any costs of integration or restructuring) shall be excluded;

(iv) to the extent ay Annual 2012 Group EBITDA is attributable to acquisitions and joint ventures completed after Completion this shall be excluded;

(v) all transfer pricing from or to non-Group Entities shall be on an arm's length basis;

(vi) costs and expenses of Segment Management personnel (being all management senior to the Management) shall be excluded;

(vii) any extraordinary or exceptional items shall be excluded;

(viii) the calculation of Annual 2012 Group EBITDA shall be adjusted to exclude the impact of the operation of the Group during 2012 other than in the ordinary course of business consistent with past practice. The parties agree to use their reasonable good faith efforts to determine the amount of any such adjustment;

(ix) there shall be excluded from such calculation any benefit of any synergies which can be demonstrably gained by the Group in connection with the operation of the business of the Group by virtue of the Group being part of the Purchaser's Group following Completion (compared with being part of the Seller's Group prior to Completion) which benefit would not otherwise be available to the Group, provided that in each Quarterly Report (as hereinafter defined) there shall be identified the nature and amount of such synergy in the relevant month provided that such amounts shall only be included in the Annual 2012 Group EBITDA (and the Draft Second Earn Out Statement) if the amount of such synergy has been agreed by Clyde acting reasonably or has been determined by the Independent Accountant;

(x) to the extent that the Purchaser increases its percentage holding in any joint venture vehicle of the Group following Completion the amount of such increase (and the Group's corresponding increased percentage share of the Annual 2012 Group EBITDA attributable to such joint venture vehicle) shall be ignored in the calculation, but not, for the avoidance of doubt the share of the Annual 2012 Group EBITDA attributable to the Group's percentage share of the joint venture vehicle to the extent funded as at Completion;

(xi) any unrealised foreign exchange gains and foreign exchange losses shall be excluded; and

(xii) if the Purchaser is in breach of the provisions set out in this Schedule and the Sellers have not consented in writing to such breach then the Draft Second Earn Out Statement and the Annual 2012 Group EBITDA shall be adjusted as if the breach had not occurred for the purpose of determining the Second Earn Out Payment.

"**Business Plan**" means the business plan for the Group Companies for the Relevant Year a copy of which is in the agreed form.

"LTM March 2012 Group EBITDA" means the net income (before deduction of dividends and distributions to the extent expensed in the financial statements of the Group) for the Relevant Period determined on a consolidated basis in accordance with (1) the principles set out in paragraphs (a) to (c) and (i) to (xvi) below (2) to the extent not inconsistent with paragraph (1) above the accounting principles, policies and procedures used in the

preparation of the management accounts of the Group consistently applied and as adjusted for any identified audit adjustments relating to the Relevant Period and (3) to the extent not inconsistent with (1) and (2), IFRS in force as at 31 March 2012 consistently applied, plus the sum of the following (to the extent deducted from net income for such period): (a) any Tax expense (including deferred tax expense) based on income; (b) depreciation, amortisation or impairment of fixed asset expense (including goodwill and intangible assets) and revaluation of assets and (c) interest expense (including but not limited to bank interest and finance lease interest) and similar charges (including any charge, expense or provision for financing fees, amortisation of debt issuance costs or fees or charges for bonding, bank guarantees or letters of credit). In calculating LTM March 2012 Group EBITDA:

(i) the Group shall be accounted for as a separate and independent accounting entity, and unconsolidated with the Purchaser or any of its Affiliates outside of the Group ("**non-Group Entities**");

(ii) sharing or allocation of overhead with or from any non-Group Entities shall be excluded, and any expenses on the Purchaser's corporate books that have typically not been recorded on the Group's books shall be excluded, save to the extent that such costs replace existing costs of the Group;

(iii) all costs, fees and expenses incurred in connection with the transaction contemplated herein (including, but not exhaustively, any costs of integration or restructuring; staff or management bonuses payable on completion of the transaction (where these are either (i) payable by parties other than the Group or the Purchaser or (ii) Debt); contributions, costs or charges incurred relating to financing of any pension scheme as a result of the transaction and the Deferred Consideration) shall be excluded;

(iv) to the extent any LTM March 2012 Group EBITDA attributable to acquisitions and joint ventures completed after Completion this shall be excluded;

(v) all transfer pricing from or to non-Group Entities shall be on an arm's length basis;

(vi) costs and expenses of Segment Management personnel (being all management senior to the Management) shall be excluded;

(vii) any extraordinary or exceptional items shall be excluded;

(viii) the calculation of the LTM March 2012 Group EBITDA shall be adjusted to exclude the impact of the operation of the Group for the period from Completion to March 31, 2012 other than in the ordinary course of business consistent with past practice. The parties agree to use their reasonable good faith efforts to determine the amount of any such adjustment;

(ix) to the extent that the Purchaser increases its percentage holding in any joint venture vehicle of the Group following Completion the amount of such increase (and the Group's corresponding increased percentage share of the LTM March 2012 Group EBITDA attributable to such joint venture vehicle) shall be ignored in the calculation, but not, for the avoidance of doubt the share of the LTM March 2012 Group EBITDA attributable to the Group's percentage share of the joint venture vehicle to the extent funded as at Completion;

(x) any unrealised foreign exchange gains and foreign exchange losses shall be excluded;

(xi) if the Purchaser is in breach of the provisions set out in this Schedule and the Sellers have not consented in writing to such breach then the Draft First Earn Out Statement and the LTM March 2012 Group EBITDA shall be adjusted as if the breach had not occurred for the purpose of determining the First Earn Out Payment;

(xii) any costs, expenses or charges in relation to acquisition accounting as set out in IFRS 3 (Revised) shall be excluded;

(xiii) if the total cost of remuneration (including bonuses) payable to employees of the Group is more than that which would have been payable if the Group had applied those remuneration and bonus arrangements or policies in place immediately prior to Completion, then an amount equal to the difference shall be added;

(xiv) any costs or charges incurred related to the financing or settlement of any pension deficit initiated or caused by the Purchaser shall be excluded;

(xv) any losses arising or costs associated with closing out foreign exchange contracts shall be excluded; and

(xvi) there shall be excluded from such calculation any benefit of any synergies which can be demonstrably gained by the Group in connection with the operation of the business of the Group by virtue of the Group being part of the Purchaser's Group following Completion (compared with being part of the Seller's Group prior to Completion) which benefit would not otherwise be available to the Group, provided that in each Quarterly Report (as hereinafter defined) there shall be identified the nature and amount of such synergy in the relevant month provided that such amounts shall only be included in the LTM March 2012 Group EBITDA (and the Draft First Earn Out Statement) if the amount of such synergy has been agreed by Clyde acting reasonably or has been determined by the Independent Accountant;

"**Relevant Period**" means the twelve month period ending on 31 March 2012;

"**Relevant Year**" means the financial year of the Group Companies commencing on 1 January 2012 and ending on 31 December 2012;

2. **Draft Earn Out Statements**

2.1 Delivery of Draft Earn Out Statements.

2.1.1 Within 45 days after 31 March 2012, the Purchaser shall procure to be prepared and delivered to the Sellers' representative (as appointed from time to time in accordance with Clause 16.1) a calculation of the LTM March 2012 Group EBITDA along with a calculation of the First Earn Out Payment (the **"Draft First Earn Out Statement"**). The Draft First Earn Out Statement shall be prepared in accordance with the provisions of this Agreement. The Sellers will have 25 Business Days after receipt of the Draft First Earn Out Statement, to notify the Purchaser in writing that they dispute the calculation of the LTM March 2012 Group EBITDA or the calculation of the First Earn Out Payment, and such notice (the "**First Statement Dispute Notice**") shall set forth in reasonable detail any objections to the Draft First Earn Out Statement and the calculation of the respective First Earn Out Payment, if any. If the Sellers do not serve the First Statement Dispute Notice within such 25 Business Day period, the Draft First Earn Out Statement shall be deemed to be final, binding and conclusive on the Sellers and the Purchaser.

2.1.2 Within 75 days after 31 December 2012, the Purchaser shall procure to be prepared and delivered to the Sellers' representative (as appointed from time to time in accordance with Clause 16.1) a calculation of the Annual 2012 Group EBITDA along with a calculation of the Second Earn Out Payment (the **"Draft Second Earn Out Statement"**). The Draft Second Earn Out Statement shall be prepared in accordance with the provisions of this Agreement. The Sellers will have 60 Business Days after receipt of the Draft Second Earn Out Statement, to notify the Purchaser in writing that they dispute the calculation of the LTM March 2012 Group EBITDA or the calculation of the Second Earn Out Payment, and such notice (the "**Second Statement Dispute Notice**") shall set forth in reasonable detail any objections to the Draft Second Earn Out Statement and the calculation of the respective Second Earn Out Payment, if any. If the Sellers do not serve the Second Statement Dispute Notice within such 60 Business Day period, the Draft Second Earn Out Statement shall be deemed to be final, binding and conclusive on the Sellers and the Purchaser.

2.2 The Sellers may dispute the Draft First Earn Out Statement and the Draft Second Earn Out Statement only on the grounds that it has not been prepared in accordance with the basis, methods, procedures, assumptions and adjustments set forth in this Agreement. In the event of such a dispute, the Sellers and the Purchaser shall in good faith attempt to resolve any such dispute, and any resolution by them as to any disputed amounts shall be final, binding and conclusive on the Sellers and the Purchaser for all purposes. If the Sellers and the Purchaser are unable to resolve any such dispute within 30 Business Days after the First Statement Dispute Notice or the Second Statement Dispute Notice, as applicable, has been given by the Sellers to the Purchaser, the Sellers and the Purchaser shall submit the items remaining in dispute for resolution to an internationally recognised independent public accounting firm that currently does not audit and has not audited within the past two years the Sellers or the Purchaser, or any of their respective Affiliates, as shall be agreed upon by the Sellers and the Purchaser (the **"Independent Accountant"**). If an agreement cannot be reached within 10 Business Days of the expiration of the 30 Business Day period set forth in the preceding sentence, the Independent Accountant shall be selected by the London Court of International Arbitration upon the request of either the Sellers or the Purchaser. Promptly, but no later than 20 Business Days after the dispute is submitted to the Independent Accountant, the Independent Accountant shall determine, based solely on presentations by the Sellers and the Purchaser, and not by independent review, only those issues remaining in dispute and shall render a report as to the dispute and the resulting computation of the LTM March 2012 Group EBITDA and the First Earn Out Payment, or the Annual 2012 Group

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EBITDA and the Second Earn Out Payment, as applicable, which shall be final, binding and conclusive on the Sellers and the Purchaser.

2.3 The fees, costs and expenses of the Independent Accountant: (a) shall be borne by the Sellers in the proportion that the aggregate pounds sterling amount of such remaining disputed items so submitted that are unsuccessfully disputed by the Sellers (as finally determined by the Independent Accountant) bears to the aggregate pounds sterling amount of such items so submitted; and (b) shall be borne by the Purchaser in the proportion that the aggregate pounds sterling amount of such remaining disputed items so submitted that are unsuccessfully disputed by the Purchaser (as finally determined by the Independent Accountant) bears to the aggregate pounds sterling amount of such items so submitted.

2.4 The Purchaser shall provide the Sellers and the Independent Accountant with reasonable access to all relevant books, records and workpapers and Purchaser's Group (as the successor entity to any Group Company) employees and management necessary for reviewing and verifying either the Draft First Earn Out Statement or the Draft Second Earn Out Statement as the case may be and the calculation of the applicable Earn Out Payment, including the workpapers of the Purchaser's Group's (as the successor entity to any Group Company) auditor. In the event of a dispute in accordance with paragraph 2, the Sellers will provide the Purchaser with their workpapers generated in connection with their review of the Draft Earn Out Statement in dispute and the calculation of the applicable Earn Out Payment.

SECTION 2
COVENANTS

1. The Purchaser covenants with the Sellers that during the period commencing on Completion and ending on 31 December 2012, the Purchaser will procure that none of the following will occur in respect of any Group Company unless otherwise agreed in writing by the Sellers:

1.1 the winding up or administration of any Group Company;

1.2 the sale, merger or other disposal of the whole or any part of the business, undertaking of assets of any Group Company to any person that is not an Affiliate of the Purchaser;

1.3 the sale or issuance in the whole or any part of the issued share capital of any Group Company to any person that is not an Affiliate of the Purchaser;

1.4 any Group Company ceasing to be a wholly owned subsidiary of the Purchaser (save where a subsidiary is not wholly owned at Completion and remains so to the same extent during such period from Completion);

1.5 any act which is intended to diminish the LTM March 2012 Group EBITDA or the Annual 2012 Group EBITDA and thereby reduce the First Earn Out Payment or the Second Earn Out Payment;

1.6 in respect of the LTM 2012 Group EBITDA any actions-

1.6.1 that would, directly or indirectly, defer or have the effect of deferring the recognition of any revenues of any Group Company for the Relevant Period (save as consistent with past practice of the Group); or

1.6.2 that would, directly or indirectly, accelerate or have the effect of accelerating expenses of any Group Company into the Relevant Period (save as consistent with past practice of the Group), including through increasing the provision of salary or benefits to any employee;

1.7 in respect of the Annual 2012 Group EBITDA any actions-

1.7.1 that would, directly or indirectly, defer or have the effect of deferring the recognition of any revenues of any Group Company for the Relevant Year to any subsequent financial year (save as consistent with past practice of the Group), including through influencing customers or timing the delivery or receipt of products or services or that would, directly or indirectly, pull forward or have the effect of pulling forward the recognition of any revenues of any Group Company to an earlier financial year; or

1.7.2 that would, directly or indirectly, accelerate or have the effect of accelerating expenses of any Group Company into the Relevant Year from any subsequent financial year (save as consistent with past practice of the Group), including through increasing the provision of salary or benefits to any employee or that would, directly or indirectly, defer or have the effect of deferring expenses of any Group Company into the Relevant Year from 2011;

1.8 taking or agreeing to take any actions which would, or would reasonably be expected to, assign, confer or otherwise transfer any material right, benefit or business opportunity of any Group Company, including through the operation of any other business or the engagement in other activities that compete with any Group Company;

2. The Purchaser covenants with the Sellers that during the period commencing on Completion and ending on 31 December 2012, the Purchaser will:

2.1 operate the Group in the ordinary course of business, consistent with past practice and the Business Plan (save to the extent necessary to take account of the then market conditions);

2.2 ensure that each member of the Group is sufficiently capitalised and has sufficient working capital to support the growth plans of the Group as set out in the Business Plan, provided however that nothing herein shall obligate Purchaser to fund any capital expenditures that are not included in the Business Plan;

2.3 ensure that all transactions between Purchaser or any of its Affiliates, on the one hand, and any of the Group Companies, on the other hand, shall be at cost or shall be adjusted to be upon fair and reasonable terms no less favourable to either party than would be obtained in a comparable arm's-length transaction with an unaffiliated third person;

2.4 maintain business interruption and casualty insurance with respect to the Group in accordance with the Purchaser's standard practice, and apply any proceeds of such insurance relating to rebuilding;

3. From Completion until the final resolution of the both of the Earn Out Payments the Purchaser shall:

3.1 provide and deliver to Clyde (1) each month (commencing the month following the month in which Completion occurs) an operational and financial review and management accounts for that month of the Group prepared substantially in the same form as prepared prior to Completion (the "**Monthly Report**") (save that they are prepared in accordance with US GAAP) and (2) each quarter (commencing in December 2011 if Completion has occurred before then and if not the quarter immediately following that in which Completion occurs) an operational and financial review and management accounts of the Group for that quarter prepared substantially in the same form as prepared prior to Completion (the "**Quarterly Report**") (prepared in accordance with IFRS and reconciled to show the changes from the Monthly Reports in that quarter (which Monthly Reports have been prepared under US GAAP)); and

3.2 attend quarterly face to face meetings between Jim McColl and Don Canterna, Jeremy Smeltser, Allan Dowie, Thomas Burley and Keith Mitchell, which meeting shall comprise a review of the previous quarterly financial performance and an update review of full year projected performance.

Executed as a Deed for and on behalf of **SCF-VI OFFSHORE L.P.** by **SCF-VI OFFSHORE G.P. L.P**. in its capacity as general partner of **SCF-VI OFFSHORE L.P.**

Signature: /s/ Anthony F. Deluca

Full Name: Anthony F. Deluca

in the presence of:

Signature: /s/ Kristy Stone

Full Name: Kristy Stone

Address: 1732 Flat Rock Street

Friendswood, TX 77546

Executed as a Deed by **CLYDE BLOWERS CAPITAL S.À R.L** acting by

Signature: /s/ Francois Brouxel

Full Name: Samla Rabia and Francois Brouxel, managers

in the presence of:

Signature: /s/ Carmine Reho

Full Name: Carmine Reho

Address: 69 Ben de la Petrine

L-2320 Luxembourg

Executed as a Deed by **SPX CORPORATION** acting by its Attorney Stephen Tsoris by Power of Attorney dated 22 August 2011

Signature: /s/ Stephen A. Tsoris

Full Name: Stephen A. Tsoris

in the presence of:

Signature: /s/ Cassandra Ridenhour

Full Name: Cassandra Ridenhour

Address: 13515 Ballantyne Corporate Pl.

Charlotte, NC 28277

Executed as a Deed by S Powell as attorney for **SHAKIL AHMED** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Crescent

East Kilbride G74 5PA

Executed as a Deed by **FRANCIS BARRETT**

Signature: /s/ Francis Barrett

Full Name: Francis Barrett

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Crescent

East Kilbride G74 5PA

Executed as a Deed by **APPLEBY NOMINEES (JERSEY) LIMITED** acting by

Signature: /s/ Brendan Dowling

Full Name: Brendan Dowling

in the presence of:

Signature: /s/ A Riccio

Full Name: Adam Riccio

Address: 8 Le Clos Lauren

La Route Des Quemeros

St. Brelade, Jersey JE3 8NF

Signature: /s/ Patrick Jones

Full Name: Patrick Jones

in the presence of:

Signature: /s/ Ross Crick

Full Name: Ross Crick

Address: Apt 7, Richmond House

8 David Place, St. Helier, Jersey JE2 4TD

Executed as a Deed by **THOMAS BURLEY**

Signature: /s/ Thomas Burley

Full Name: Thomas Burley

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Crescent

East Kilbride G74 5PA

Executed as a Deed by **ALLAN DOWIE**

Signature: /s/ Allan Dowie

Full Name: Allan Dowie

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **ZILLAH DOYLE** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **JOHN FLEMING** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by S. Powell as attorney for **MICHEL FOUCHE** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by S. Powell as attorney for **STEPHEN GILBEY** under power of attorney

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **CRAWFORD GORRIE**

Signature: /s/ Crawford Gorrie

Full Name: Crawford Gorrie

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by**S. Powell** as attorney for **MARK HANNIGAN** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **DANIEL HOLSTEGGE** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **JOHN IAN MORRISON** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **GRAHAM ROBERTSON** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by **S. Powell** as attorney for **BRIAN SCORER** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

Executed as a Deed by S. Powell as attorney for **CHADWICK TUTTLE** under power of attorney dated

Signature: /s/ Shauna Powell

Full Name: Shauna Powell

in the presence of:

Signature: /s/ Audrey Tallen

Full Name: Audrey Tallen

Address: 1 Redwood Circle

East Kilbride G74 5PA

EXHIBIT 31.1

Certification

I, Christopher J. Kearney, certify that:

1. I have reviewed this report on Form 10-Q of SPX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusion about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2011

/s/ CHRISTOPHER J. KEARNEY
President and Chief Executive Officer

EXHIBIT 31.2

Certification

I, Patrick J. O'Leary, certify that:

1. I have reviewed this report on Form 10-Q of SPX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusion about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2011

/s/ PATRICK J. O'LEARY
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

The following statement is being made to the Securities and Exchange Commission solely for purposes of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), which carries with it certain criminal penalties in the event of a knowing or willful misrepresentation.

Securities and Exchange Commission
100 F. Street N.E.
Washington, DC 20549

Re: SPX Corporation

Ladies and Gentlemen:

In accordance with the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), each of the undersigned hereby certifies that:

(i) this Quarterly Report on Form 10-Q, for the period ended October 1, 2011, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(ii) the information contained in this report fairly presents, in all material respects, the financial condition and results of operations of SPX Corporation.

Dated as of this 2nd day of November, 2011.

/s/ CHRISTOPHER J. KEARNEY	/s/ PATRICK J. O'LEARY
Christopher J. Kearney	Patrick J. O'Leary
President and Chief Executive Officer	Executive Vice President
	and Chief Financial Officer