



SPX

September 2016

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- Although SPX believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. In addition, estimates of future operating results are based on the company's existing operations and complement of businesses, which are subject to change.
- Particular risks facing SPX include risks relating to economic, business and other risks stemming from changes in the economy, legal and regulatory risks, cost of raw materials, pricing pressures, our international operations, our recent spin-off transaction, the effectiveness, success and timing of restructuring and divestiture plans related to our power generation businesses, our ability to manage changes and measure and estimate the expected revenue and cost associated with our power projects in South Africa, pension funding requirements, and integration of acquisitions. More information regarding such risks can be found in SPX's Annual Report on Form 10-K and other SEC filings.
- Statements in this presentation are only as of the time made, and SPX disclaims any responsibility to update or revise such statements except as required by regulatory authorities.
- This presentation includes non-GAAP financial measures. We believe that these non-GAAP measures are useful to investors in evaluating our operating performance and our management of business from period to period.
- "Core" and "Base Power" results in this presentation are non-GAAP financial measures that exclude the results of the South African projects.



SPX Corporation: Company Overview

September 2016





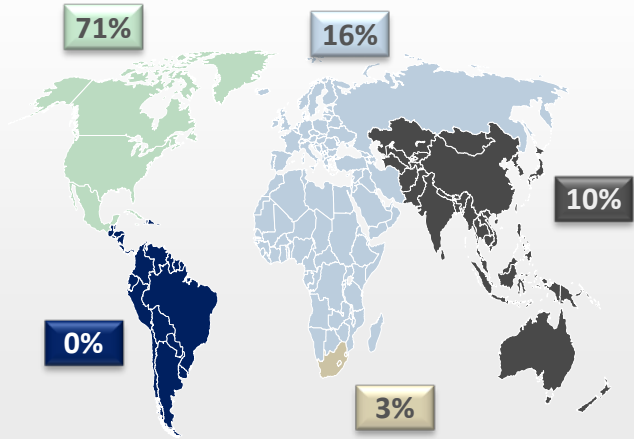
Company Overview



The "New" SPX Corporation

- Headquartered in Charlotte, NC
- A leading supplier of:
 - HVAC products,
 - Detection & Measurement technologies, and
 - Power equipment
- ~\$1.7b of revenue in 2015
- ~6,000 employees
- NYSE Ticker: **SPXC**

2015 Revenue by Region



SPX Corporation is a Leading Supplier of HVAC, Detection & Measurement and Power Equipment; More than 2/3 of Revenue is Generated by Sales Into North America



Key Product Offerings and Financial Profile by Segment

HVAC

- ✓ Package cooling units
- ✓ Fluid coolers
- ✓ Residential and non-residential boilers
- ✓ Electrical heating products

2015:

- \$529m revenue
- Segment Income margin: 15%

DETECTION & MEASUREMENT

- ✓ Locators
- ✓ Fare collection systems
- ✓ Communication technologies
- ✓ Obstruction lighting

2015:

- \$232m revenue
- Segment Income margin: 20%

POWER

- ✓ Power transformers
- ✓ Cooling towers
- ✓ Heat exchangers
- ✓ Pollution filters

2015 base power business⁽¹⁾:

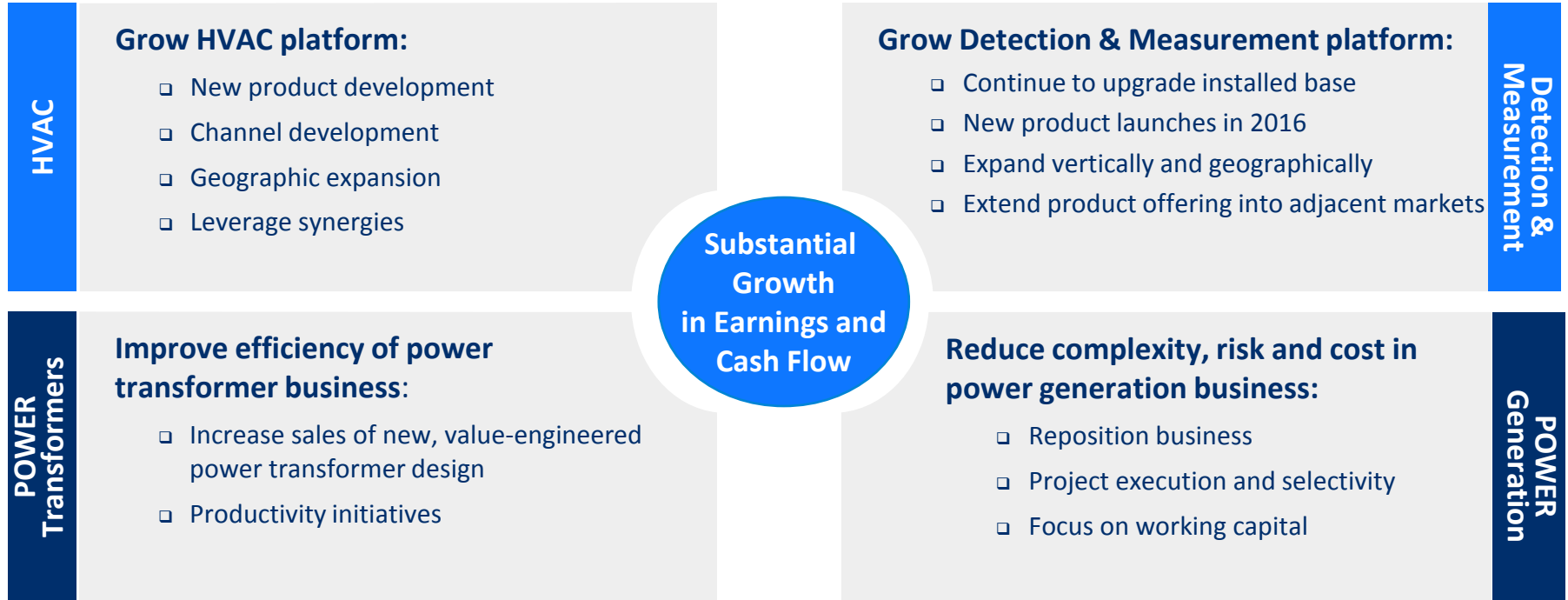
- \$931m revenue
- Segment Income margin: 1%

⁽¹⁾ Base Power results are non-GAAP financial measures that exclude results of the South African projects.

Segment Income is Predominantly Generated by the HVAC and Detection & Measurement Segments



Value Creation in Core Businesses



Expanding in Attractive Markets While Reducing Exposure to Lower Return Markets



Progress On Value Creation Strategies



HVAC

- ✓ Launch of new evaporative condenser product (industrial refrigeration)
- ✓ Launch of new high-efficiency boiler (residential heating)
- ✓ Launch of Everest (large cooling tower) for commercial and industrial markets

DETECTION & MEASUREMENT

- ✓ New Genfare Link fare collection system live in key reference market
- ✓ Launch of RD8100 GPS-enabled cable and pipe locator
- ✓ Launch of Model 709 Compact Spectrum Monitoring System (CSMS)

POWER

- ✓ Transformer business tracking ahead of schedule to achieve long-term margin target of 10%
-
- ✓ Engaged BNP Paribas to pursue sale of European-based portion of our power generation business
- ✓ Completed sale of Global Dry Cooling business in Q1 2016
- ✓ South African Projects: GE agreement amendment completed in Q4 2015

Eliminating the Losses from the Underperforming Portions of Power Generation Adds More than \$0.30 to Our 2016 Guidance Model Adjusted EPS of \$0.95-\$1.25



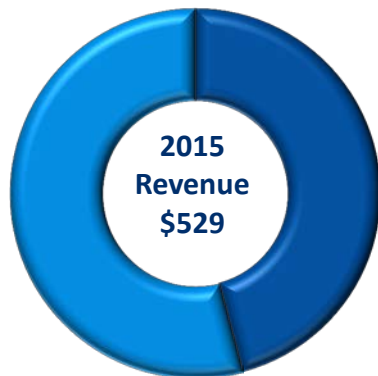
Segment Overview

September 2016



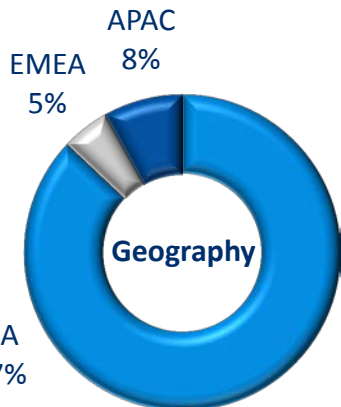


HVAC Segment Overview



Cooling
46%

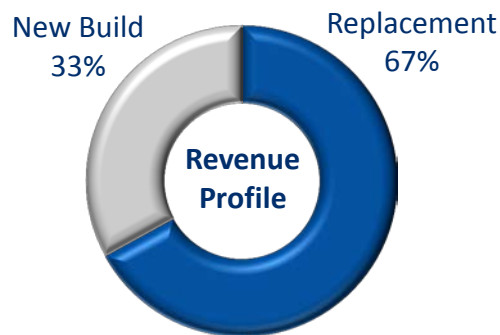
Heating
54%



NA
87%

APAC
8%

EMEA
5%



Replacement
67%

New Build
33%

(\$ millions)

	2014	2015	3-Yr Target
Revenue	\$536	\$529	2-4% CAGR
Segment Income %	13.0%	15.2%	15-16%

2016 Outlook Considerations

- EMEA and APAC market environments
- Timing of start of Q4'15 winter heating season
- Growth from 2015/2016 new product launches
- Commercial construction sensitivity
- Favorable mix effect on 2015 margins
- **High degree of replacement sales and North American-focused footprint**

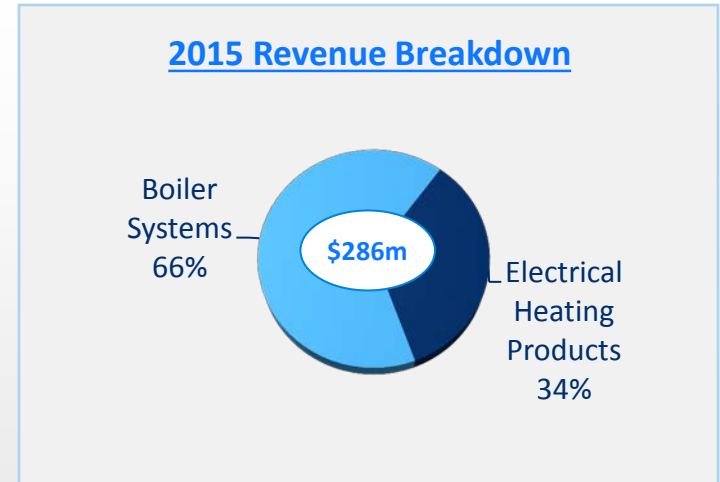
Note: Revenue Profile breakdown is based on Management's best estimates of end-market uses



Heating Products Overview



- North American businesses with strong brands
- Products used in residential and non-residential markets and sold primarily through distributors
- End customers concentrated in the Northeast and Midwest
- Demand for boiler systems is seasonal:
 - ❑ Concentrated in the second half
 - ❑ Sensitive to heating season degree days
- Key organic growth opportunities:
 - ❑ Product portfolio expansion
 - ❑ Sales channel management



Strong Product Brands and Leading Market Positions in North America



Heating Product Examples

Residential Boilers

- ✓ Standard cast iron
- ✓ High efficiency
- ✓ Natural gas and oil



Commercial Boilers

- ✓ Standard cast iron
- ✓ High efficiency
- ✓ Natural gas and oil



Electrical Heating Products



Wash-down, corrosion resistant heaters

Digital wall heaters



Aluminum convection heaters

Broad Product Offering of Heating Solutions for Residential and Light Commercial Applications

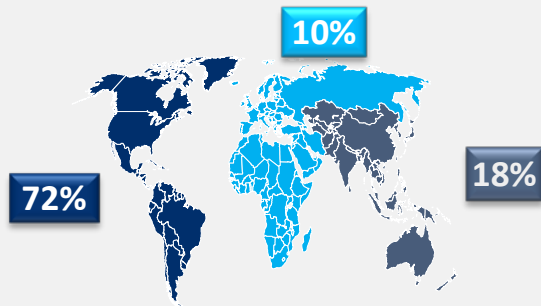


Cooling Products Overview

2015 Revenue Breakdown



2015 Revenue by Geography



- Cooling products used in non-residential, commercial construction, process cooling and refrigeration applications
- Well-recognized product brands: Marley and Recold
- Well-established sales channel including reps and distributors
- Demand generally follows construction trends (e.g., Dodge Index)
- Key growth opportunities:
 - ❑ Expand in adjacent markets
 - ❑ New product development
 - ❑ Channel expansion
 - ❑ Geographic expansion

**Strong Product Brands and Leading Market Positions
Across Cooling Product Portfolio**



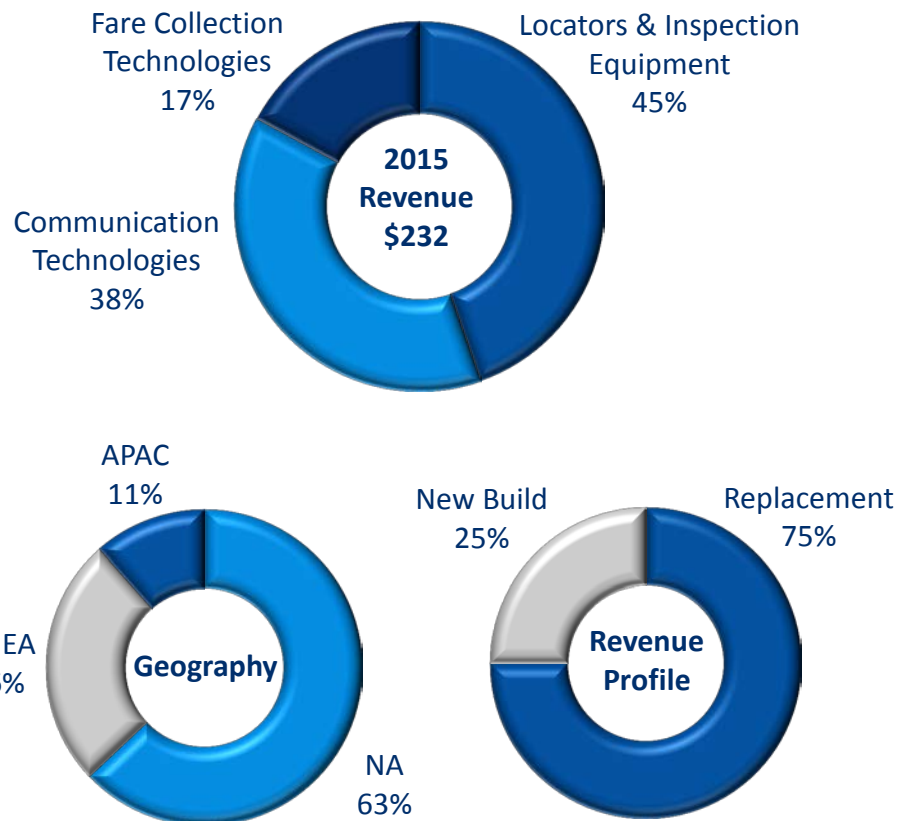
Cooling Product Examples



**Over 90 Years of Experience Engineering and Manufacturing Cooling Towers;
Marley Sets a High Standard for Efficiency and Quality**



Detection & Measurement Segment Overview



(\$ millions)

	2014	2015	3-Yr Target
Revenue	\$244	\$232	2-6% CAGR
Segment Income %	22.6%	19.8%	22-24%

2016 Outlook Considerations

- U.S. federal transportation funding
- Industrial and commercial construction
- Global government spending
- Growth from 2015/2016 new product launches
- Currency fluctuation
- **High degree of replacement sales; strong operating leverage and growth in infrastructure-based project businesses**

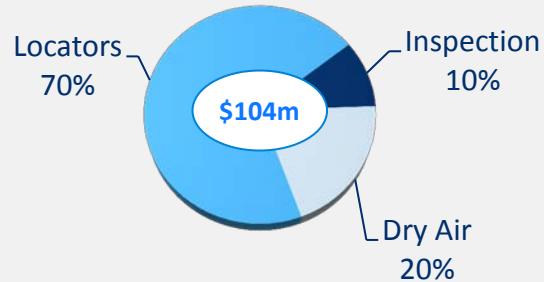
Note: Revenue Profile breakdown is based on Management's best estimates of end-market uses



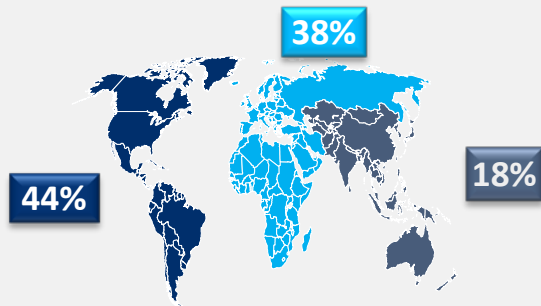
Locators & Inspection Equipment



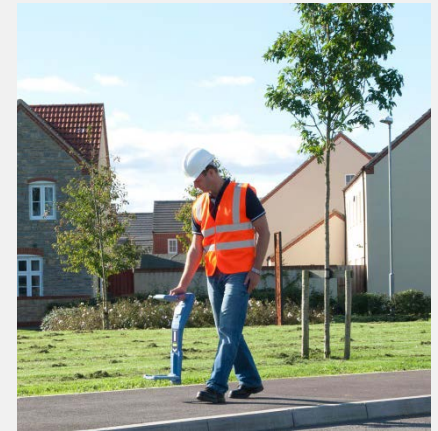
2015 Revenue by Product



2015 Revenue by Geography



- Based in the U.K., a leading global supplier of underground pipe and conduit locators and inspection equipment
- Continuous new product enhancements and loyal customer base
- ~6% revenue CAGR from 2010-2015
- Key demand drivers:
 - Global infrastructure growth
 - Construction growth
 - Telecommunications growth

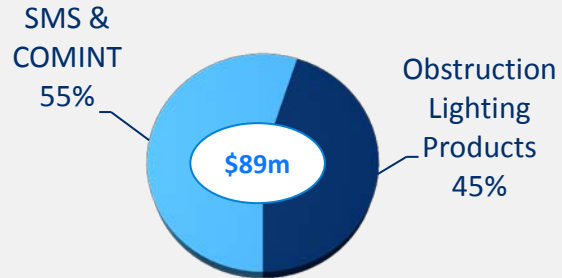


**Leading Global Supplier of
Underground Pipe and Conduit Detection Equipment**

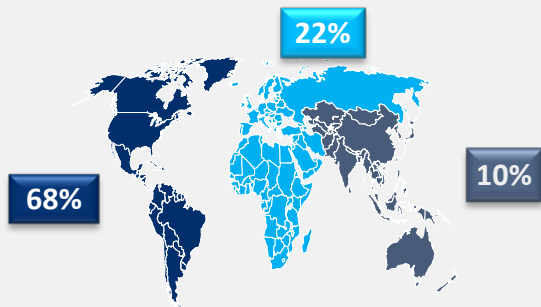


Communication Technologies

2015 Revenue by Product



2015 Revenue by Geography



- A leading global supplier of spectrum monitoring (SMS) and communications intelligence (COMINT) systems
- A leading North American supplier of obstruction lighting products
- Key demand drivers:
 - ❑ Global growth of wireless usage
 - ❑ Increased spectrum provisioning and monitoring
 - ❑ Anti-terrorism and drug interdiction efforts
 - ❑ Maintenance and replacement of installed base

Leading Brands and Technologies



Communication Technologies



Spectrum Monitoring (SMS)



Communications Intelligence (COMINT)



**From Borders to Battlefields and From Urban Landscapes to Wide Open Spaces,
Our Products Empower Customers to Monitor, Analyze and Manage the RF Spectrum**



Communication Technologies



Flash Lighting Systems



Flash Lighting Systems



We Provide High-Quality LED and Xenon Lighting Systems for a Variety of Tower Applications



Fare Collection Technologies

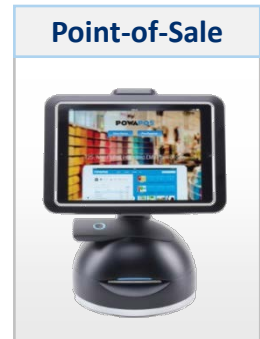
- A leading North American supplier in fare collection:
 - Historical market position concentrated on fare box installations
- Rapidly evolving technology in the market has driven a transformation in our business:
 - Evolved from “fare box supplier” to “fare collection system provider”
 - Invested in software, product development, program management and marketing
 - Strategic relationships with larger public infrastructure system integrators
- New product introductions have expanded product offering to include:
 - ✓ Mobile ticketing
 - ✓ Cloud-based data hosting
 - ✓ Remote ticket validator
 - ✓ Point-of-sale delivery systems



A Leading North American Supplier of Fare Collection Technologies



Next Generation Fare Collection System



Cloud-Based Software Support

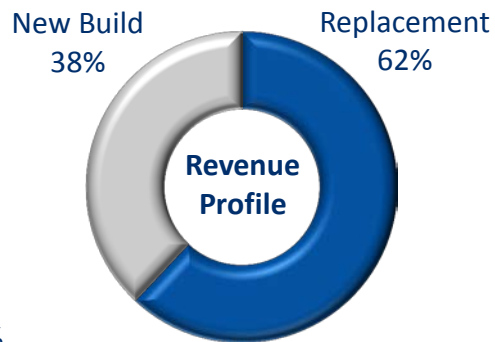
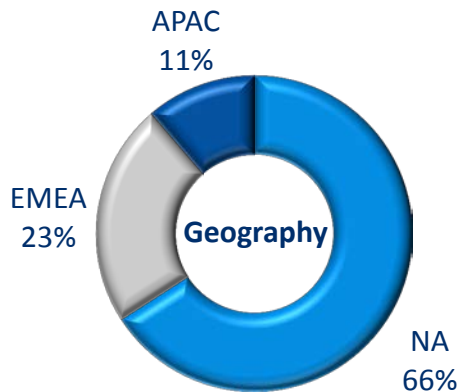
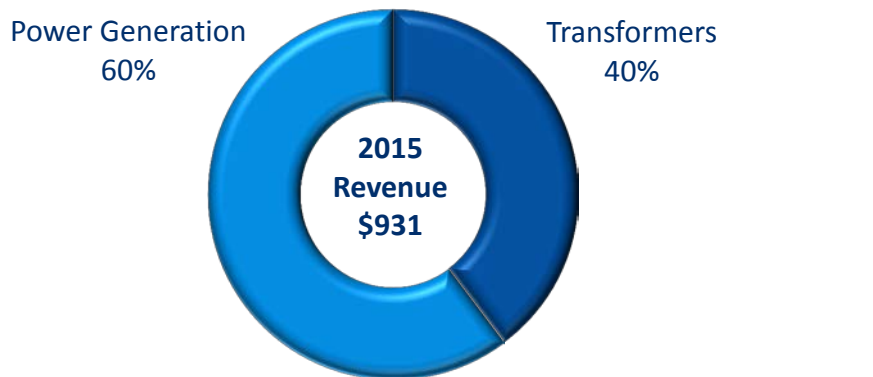
Software Support >Genfare

Field Support >Genfare

**Fast Fare Suite of Products Integrated With Back-End Support;
We Believe This is The New Industry Standard**



Base Power Overview



(\$ millions)

	2014	2015	3-Yr Target
Revenue	\$1,097	\$931	(3%)-0% CAGR
Segment Income %	3.5%	1.1%	4-5%

2016 Outlook Considerations

- Transformer pricing and lead times
- Impact of transformers' operational initiatives
- Restructuring savings in power generation
- Additional cost reduction opportunities
- Global power demand
- **Margin growth in Transformers business; portfolio re-shaping and cost reduction initiatives in power generation**

Note: Revenue Profile breakdown is based on Management's best estimates of end-market uses

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



Power Transformers



- SPX is a leading supplier of power transformers into North America with strong brand equity
 - Locations: Waukesha, WI and Goldsboro, NC
- Demand largely driven by replacement of aging installed base:
 - Average age of installed base is ~40 years
- Recent end market trends:
 - Replacement demand has been strong
 - Market pricing remains competitive with stable lead times
- Commercial initiatives:
 - Marketing new, value engineered transformer design
 - Focusing on the market segments that best leverage our manufacturing and engineering value



Our Focus is on Creating Higher Margins through Operational Efficiencies and Commercial Initiatives



Power Generation Equipment



- Leading supplier of cooling systems, large scale heat exchangers and pollution control systems
- Highly engineered products
- Equipment and technological solutions for several types of power generation plants
- Large installed base with recurring service opportunities
- Focused on specific strategic actions to significantly reduce our cost base and improve operational efficiency

Hybrid Cooling (ClearSky)

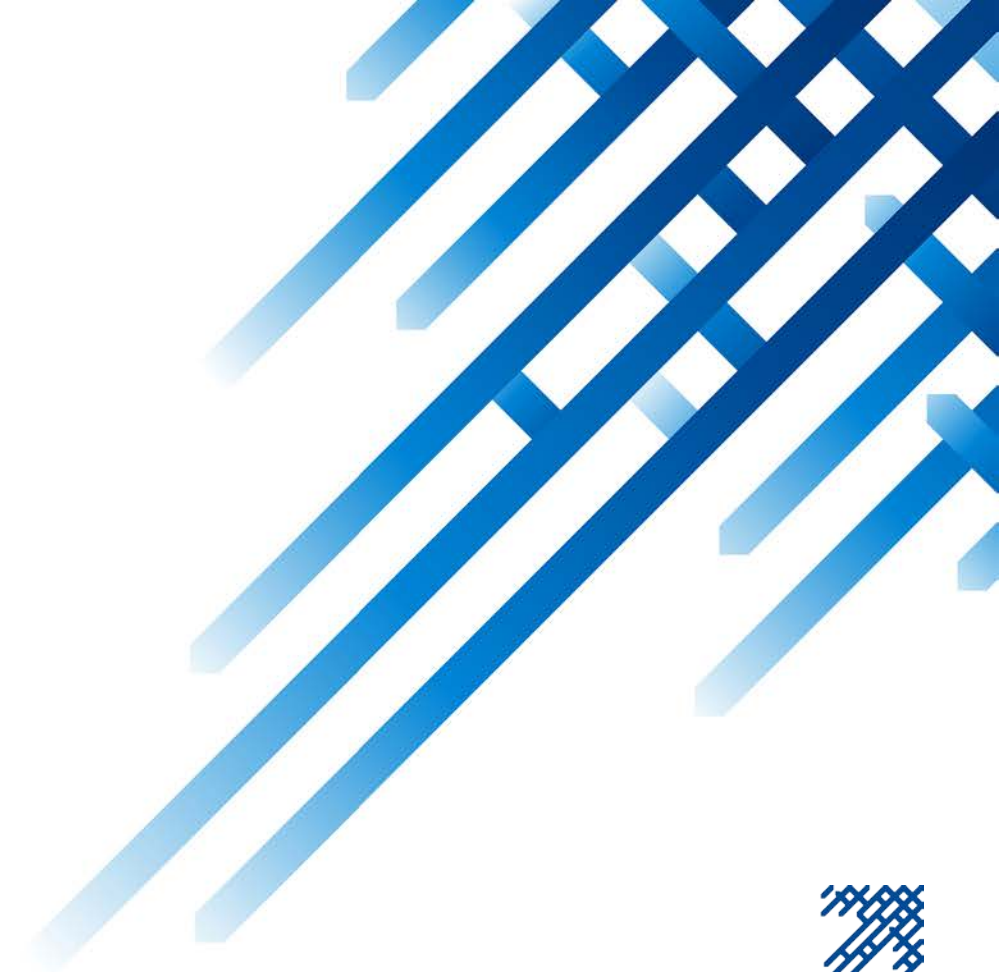


We Provide Highly Engineered Products that Serve Several Types of Power Generation Plants



South Africa

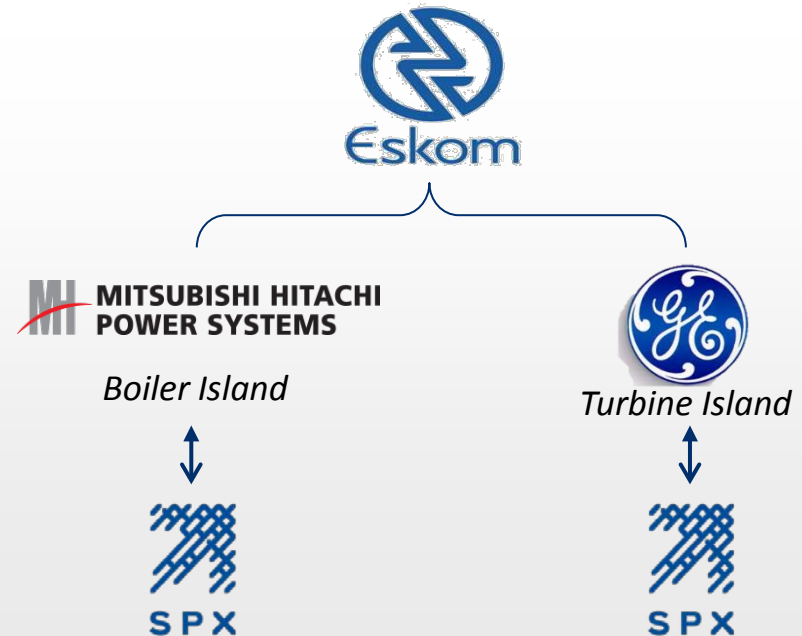
September 2016



South African Projects Overview

Medupi & Kusile Power Stations

- Medupi and Kusile are the two mega-projects:
 - Twelve 800 mega-watt coal-fired plants (six at each project site)
- Eskom is a state-owned South African utility
- Alstom and Mitsubishi Hitachi are the primary contractors
- The final unit is expected to be commercially operational around 2021
- Four primary phases: manufacturing, construction, commissioning and warranty



These Two Power Stations Expected to Add ~10 GW of Power Capacity When Completed



Q2 Results & 2016 Guidance

September 2016



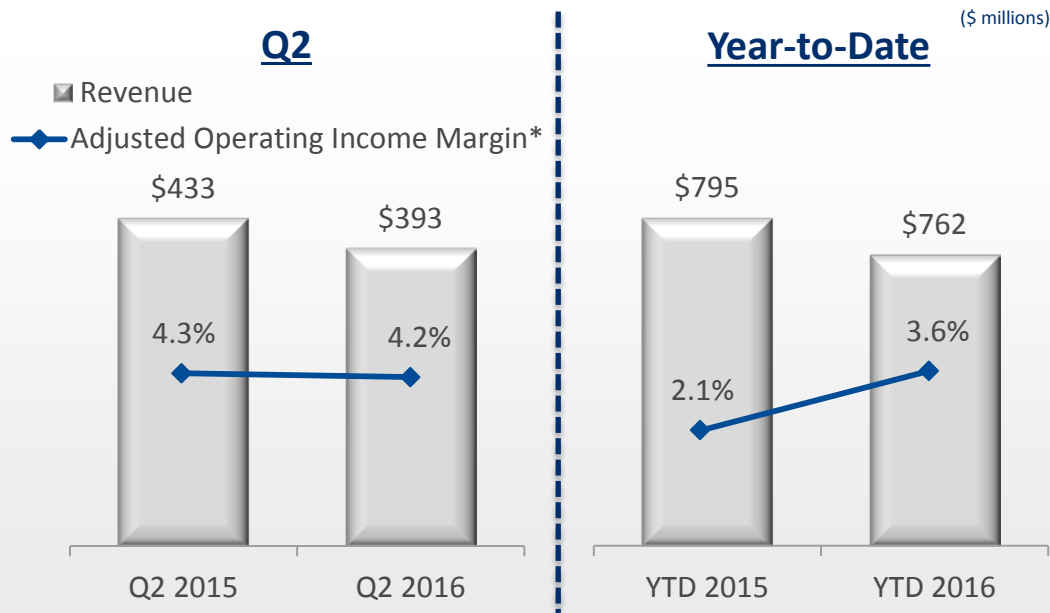


Core Q2 2016 Results



Year-over-Year Analysis

- ~2/3rds of revenue decline driven by the Dry Cooling business (sold in Q1 2016)
- Organic revenue* decline primarily driven by recent completion of a large, unique power project that contributed to Q2'15
- Power generation declines offsetting expansion in strategic platforms
- Modestly lower restructuring and corporate related costs



Note: Core results are non-GAAP financials measures that exclude the results of the South African projects.
*Non-GAAP measure.

Q2 Adjusted EPS* of \$0.26

HVAC Q2 2016 Results



Year-over-Year Analysis

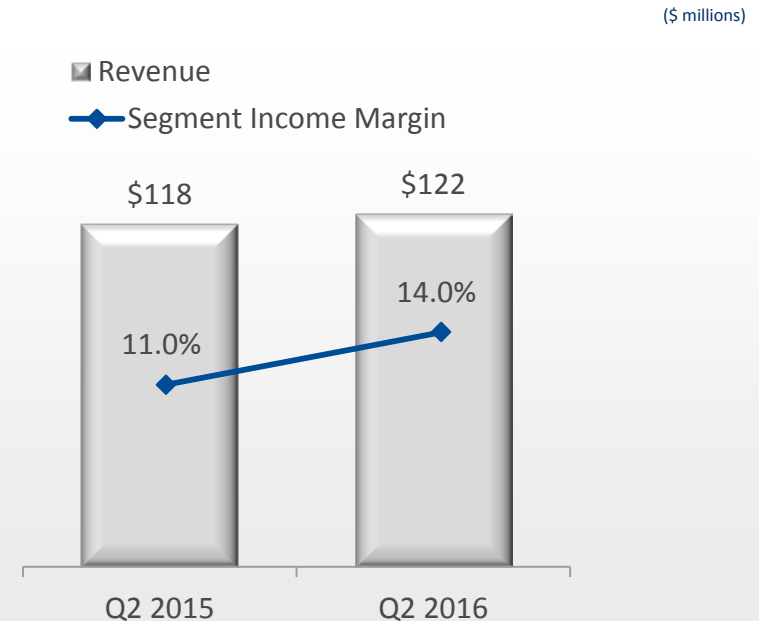
Q2 Revenue:

- +3.0% year-over-year improvement:
 - +4.5% organic growth* due to the strength of cooling products sales in commercial markets
 - (1.5%) currency impact

Q2 Segment Income and Margin:

- \$4.1m increase in Segment Income
- 300 basis points of margin improvement due to higher sales and continued benefits from operational initiatives

*Non-GAAP measure.



4.5% Organic Revenue Growth* and 300 Basis Points of Margin Expansion

Detection & Measurement Q2 2016 Results



Year-over-Year Analysis

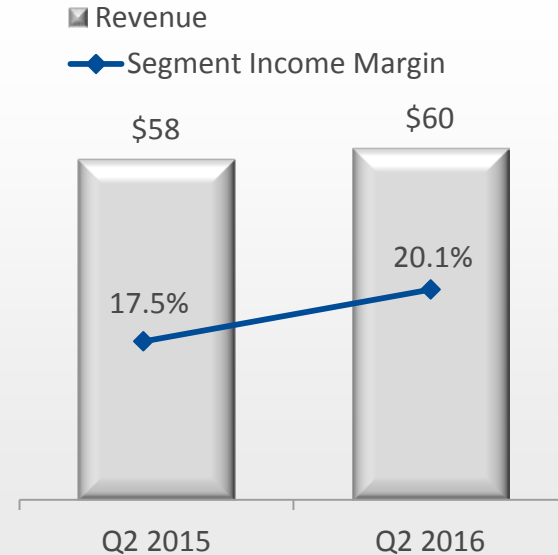
Q2 Revenue:

- +3.3% year-over-year growth:
 - +5.0% organic growth*, largely due to higher sales of fare collection products
 - (1.7%) currency impact

Q2 Segment Income and Margin:

- \$1.9m increase in Segment Income
- 260 basis points of margin improvement
 - Margin expansion across multiple product lines
 - More favorable sales mix in Q2 2016

*Non-GAAP measure.



5% Organic Revenue Growth* and 260 Points of Margin Improvement



Base Power Q2 2016 Results

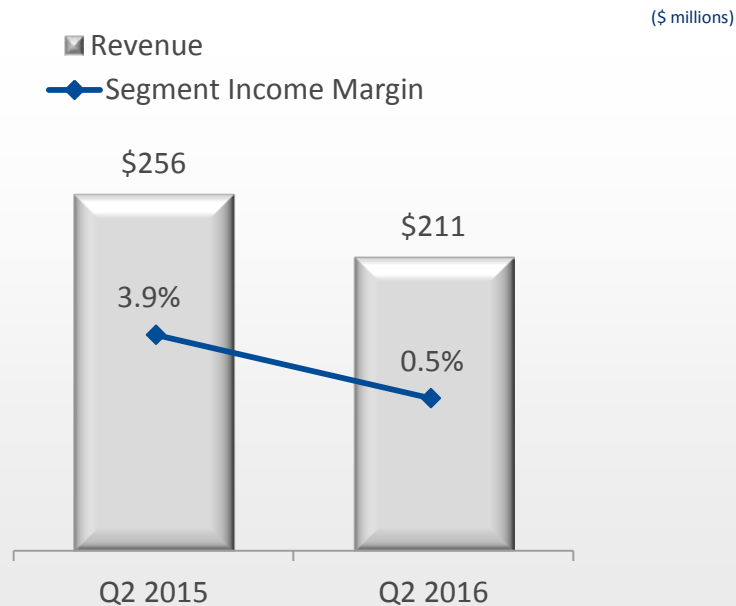
Year-over-Year Analysis

Q2 Revenue:

- (17.6%) year-over-year decline:
 - (10.2%) decline from sale of Dry Cooling business
 - (6.5%) organic decline* primarily driven primarily by the completion of a large, unique power project that contributed favorably to the prior year period
 - (0.9%) currency impact

Q2 Segment Income and Margin:

- \$8.8m decrease in Segment Income
- 340 basis points of margin decline
 - Transformer margin up year-over-year and on-track to exceed full-year 2016 margin target



Note: Base Power results are non-GAAP financials measures that exclude the results of the South African projects.
*Non-GAAP measure.

**Strong Margin Performance in Our Transformer Business,
More than Offset by Further Challenges in Power Generation Market**



Market Commentary



Segment/Business	Commentary
HVAC Segment	<ul style="list-style-type: none">➤ Cooling: Continued strength from commercial markets➤ Heating: Slow 1H 2016 due to the mild 2015/2016 winter
Detection & Measurement Segment	<ul style="list-style-type: none">➤ Demand for run-rate products remains steady; healthy frontlog activity➤ Elongated sales cycle for some project-related products (within expectations)
Transformer Business	<ul style="list-style-type: none">➤ Steady lead times and pricing➤ Taking orders into 2017
Power Generation Business	<ul style="list-style-type: none">➤ Challenged markets, particularly in Europe and for heat exchange products➤ Focused on repositioning the business

**Markets for Strategic Platforms Remain Stable; Repositioning Business
Away from Challenged Power Generation Markets**



2016 Core Guidance Update (Changes in Bold)

	Revenue	Segment Income Margin
HVAC	<ul style="list-style-type: none"> Towards the lower-end of LT annual growth targets of 2-4% 	<ul style="list-style-type: none"> Approaching 16%
Detection & Measurement	<ul style="list-style-type: none"> In-line with LT annual growth targets of 2-6% 	<ul style="list-style-type: none"> At least 100 bps increase driven by commercial efforts in fare collection systems
Base Power	<ul style="list-style-type: none"> Transformer revenues up modestly Decline in power generation revenues Sale of Dry Cooling (completed in Q1) 	<ul style="list-style-type: none"> At least 150 bps improvement in Transformer business Further challenges in power generation operating environment
Total SPX Core	<ul style="list-style-type: none"> \$1.5-1.7 billion (lower revenues in power generation, the sale of Dry Cooling and FX headwinds) 	<ul style="list-style-type: none"> 9-10% with improvements in our strategic platforms

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Non-service pension items, the gain on the sale of Dry Cooling, a non-cash impairment of intangible assets and an adjustment related to the value of the minority interest stake in our South African subsidiary have also been excluded from 1H'16 results.

**Adjusted Operating Income Range of \$80 million to \$100 million;
Adjusted EPS Range of \$0.95-1.25**

2016 Modeling Considerations

Metric	Commentary/Assumptions
Corporate costs	~\$40M
Long-term incentive comp	\$13-15M
Restructuring costs	~\$6M
Interest cost	\$13-14M
Tax rate	35-40%, jurisdictionally sensitive
Capex	\$18-20M
Cash cost of pension + OPEB	~\$16M ongoing cash cost
D&A	~\$30M, mostly in COGS
Share count	42-43M
FCF Conversion	~100% of Core Net Income (i.e., ex South African projects)



Financial Position & Capital Allocation

September 2016



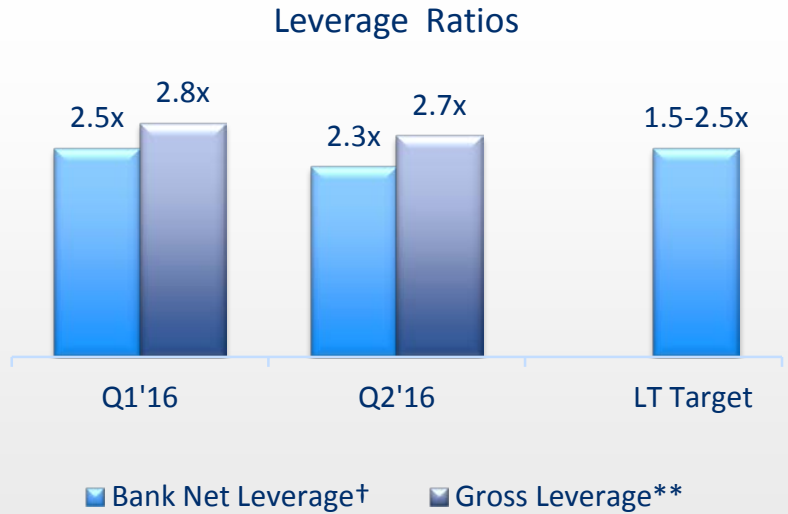


Financial Position



Capital Structure Update

	Q2 2016
(\$ millions)	
Short-term debt	\$22
Current maturities of long-term debt	18
Long-term debt	334
Gross Debt	\$374
Less: Cash on hand	(\$102)
Net Debt	\$272



†Calculated as defined by SPX's credit facility agreement. Net debt subtracts cash in excess of \$50 million.
 ** Uses gross debt and LTM EBITDA as defined by SPX's credit facility agreement.

*Non-GAAP measure.

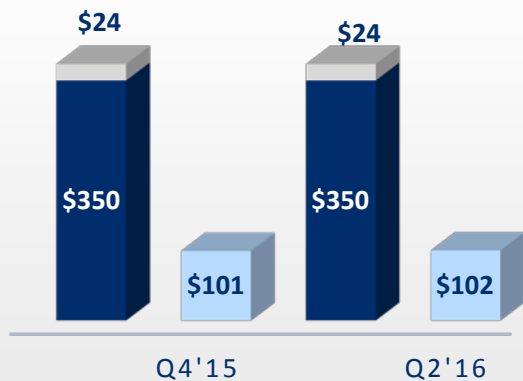
**Strong Free Cash Flow* and Debt Reduced by \$16m in Q2;
 Net Leverage of 2.3x Within Target Range**



Financial Position

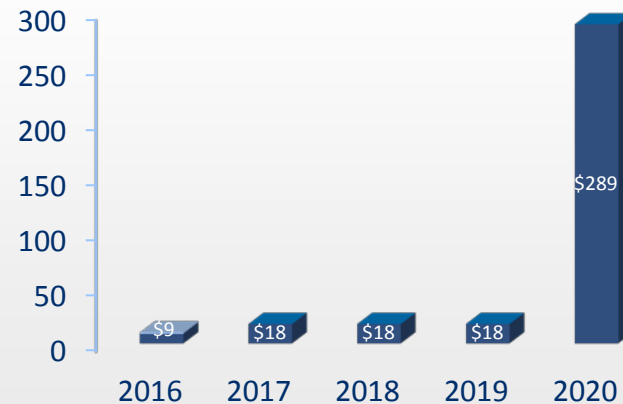
Capital Structure Update

■ Term Debt ■ Cash ■ Other ST Debt



(\$ millions)

Term Debt Repayment Schedule



No Significant Debt Repayment Requirement Until 2020



Capital Allocation Discipline



Methodology	Expected Outcome
1) Utilize strategic planning process to evaluate future revenue and earnings growth	<ul style="list-style-type: none">Quantify projected future cash flows and estimate total company valuation
2) Maintain target capital structure	<ul style="list-style-type: none">Net Debt to EBITDA⁽¹⁾ target range: <u>1.5x to 2.5x</u>
3) Invest available capital in highest, risk-adjusted, return opportunities: <ul style="list-style-type: none">ROIC & EVA models continue to drive allocation decision-making	<ul style="list-style-type: none">Cost reduction initiativesOrganic business developmentBolt-on acquisitions (HVAC and Detection & Measurement)Return of capital to shareholders

⁽¹⁾ Net Debt and EBITDA as defined in SPX Corporation's credit facility

Evaluating Highest, Risk-Adjusted Return Opportunities



Capital Allocation

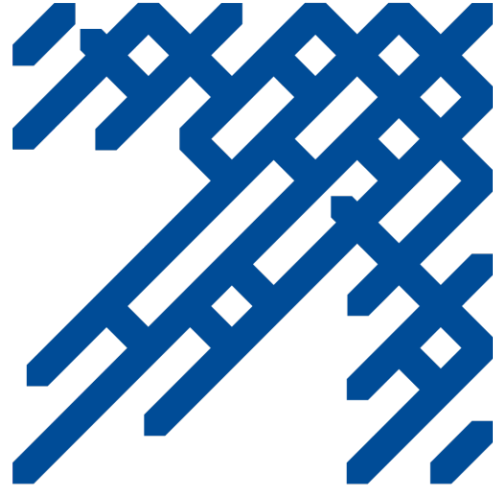


Capital Allocation Strategy

Incremental Liquidity of \$200m by YE 2018

- Growth Investments in Core Businesses
- Return of Capital to Shareholders
- Reduction in Debt and Equivalents

Expect At Least \$200m of Cumulative Incremental Liquidity by Year-End 2018



SPX[®]