SPX Corporation Investor Presentation

What's Next for Industrials?
- Hosted by William Blair -

September 25, 2020

- Certain statements contained in this presentation that are not historical facts, including any statements as to future market conditions, results of operations, products introductions, and financial projections, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to safe harbor created thereby. These forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future express or implied results. 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, forward-looking statements 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, including changes resulting from the impact of the COVID-19 pandemic; market specific cycles and weather related fluctuations; legal and regulatory risks; cost of raw materials; pricing pressures; our reliance on U.S. revenues and international operations; our ability to successfully resolve various claims and disputes associated with our large power projects in South Africa; legacy liability (including asbestos, environmental and pension); liabilities retained in connection with dispositions; integration of acquisitions and achievement of anticipated synergies; our 2015 spin-off transaction; the effectiveness, success, and timing of restructuring plans; and other risks and uncertainties arising from impact of the COVID-19 pandemic or related government responses on SPX's businesses and the businesses of its customers and vendors, including whether SPX's businesses and those of its customers and vendors will continue to be treated as "essential" operations under government orders restricting business activities or, even if so treated, whether health and safety concerns might otherwise require certain operations to be halted for some period of time. More information regarding such risks can be found in SPX's most recent Annual Report on Form 10-K, most recent quarterly report on Form 10-Q and other SEC filings.

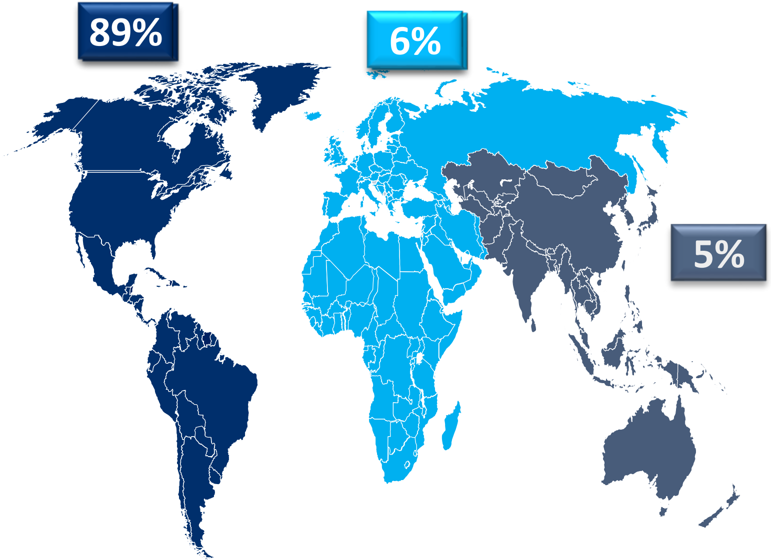
- Statements in this presentation are only as of the time made, and SPX disclaims any responsibility to update or revise such statements except as required by regulatory authorities.

- This presentation includes non-GAAP financial measures. Reconciliations of the non-GAAP financial measures with the most comparable measures calculated and presented in accordance with GAAP are available in the appendix to this presentation. 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.

Company Overview

- Headquartered in Charlotte, NC
- A leading supplier of:
  - ✓ HVAC products
  - ✓ Detection & Measurement technologies, and
  - ✓ Engineered Solutions
- ~$1.5b Adjusted Revenue* in 2019
- ~4,500 employees
- NYSE Ticker: **SPXC**

2019 Adjusted Revenue* by Region



SPX is a Leading Supplier of HVAC, Detection & Measurement and Engineered Solutions;
The Majority of Revenue is Generated by North American Sales

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

Attractiveness of SPX for Long-Term Holders

SPX®

Attractive Core	Well positioned key platforms in growth markets
Growth	Favorable long-term secular trends and business mix; growth initiatives in early innings
Cash Flow	100-110% conversion of adjusted net income*
Business System	Consistent repeatable process to drive improvement
Capital Deployment	Substantial available capital and liquidity

Well Positioned to Navigate Current Uncertainty;
Poised to Continue Growth journey as Crisis Abates

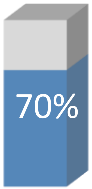
*Non-GAAP financial measure. Reconciliations from US GAAP are available in the appendix of this presentation. Based on historical conversion rates.

Strong Product Offerings and Attractive Market Dynamics

SPX

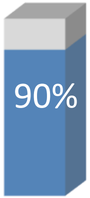
	2019	
	REVENUE	ADJUSTED EBITDA MARGIN*
HVAC ✓ Cooling towers ✓ Refrigeration ✓ Boilers ✓ Electrical heating	**$593m**	**17%**
DETECTION & MEASUREMENT ✓ Location & inspection ✓ Fare collection ✓ Communication technologies	**$385m**	**25%**
ENGINEERED SOLUTIONS ✓ Transformers ✓ Process cooling & components	**$549m**	**10%**

2019 REVENUE FROM REPLACEMENT SALES†



2019 REVENUE FROM #1 OR #2 MARKET POSITION†

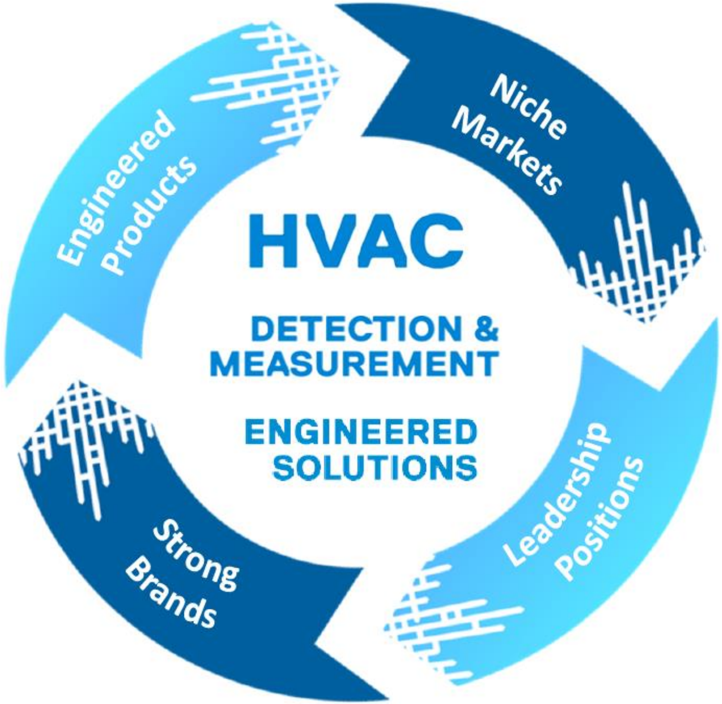
WAUKESHA
RADIODETECTION
SPX COOLING TECHNOLOGIES
CUES
Marley Engineered Products



GENFARE
MARLEY
TCI
SGS REFRIGERATION
FLASH TECHNOLOGY
WEIL-McLAIN
SABIK
PATTERSON-KELLEY

*Non-GAAP financial measure. Reconciliations from US GAAP financial measures are available in the appendix of this presentation.
†Based on management estimates.
Note: Weil-McLain is a division of The Marley-Wylain Company

Value Creation Framework



Organic Growth

- New products
- Channel expansion
- Adjacent markets

SPX Business System

- Policy deployment
- Operational excellence
- Due diligence/integration

Inorganic Growth

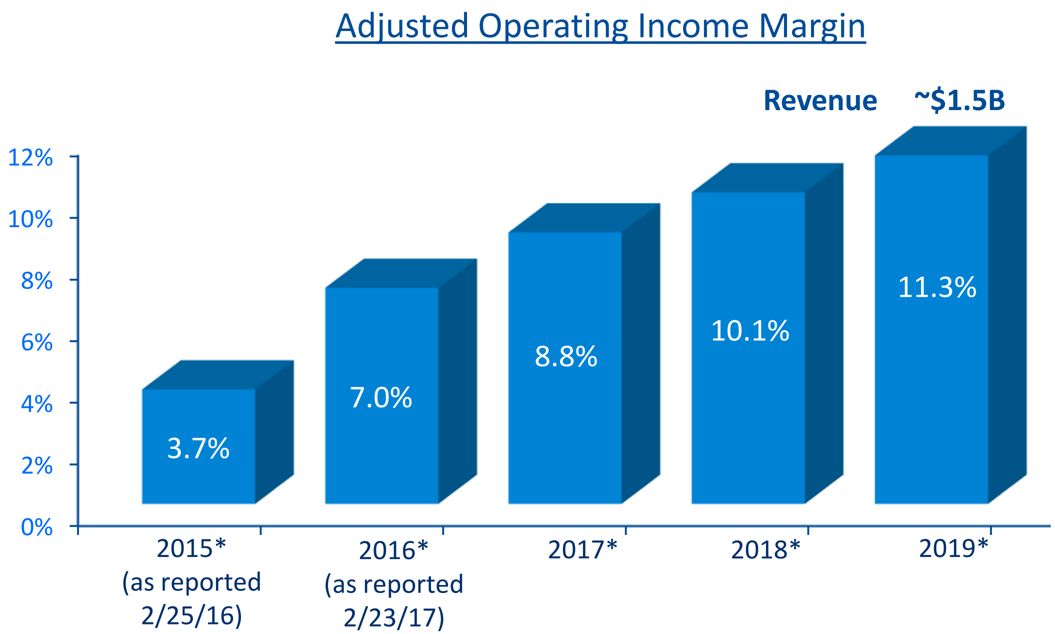
- Focus in HVAC and D&M
- Significant capital to deploy
- Large target pipeline

Culture & Values

- Employee development
- Results/accountability
- Integrity

Transformation of SPX - 2015 Through 2019

SPX®



Adjusted EPS*	**N/A**	**$1.47**	**$1.74**	**$2.27**	**$2.76**

Actions Taken in Last Four Years Have Significantly Strengthened SPX's Financial Profile

*Non-GAAP financial measure. Reconciliations from US GAAP financial measures are available in the applicable period's earnings release or slide presentation.

Note: Adjusted results are non-GAAP financial measures that exclude, among other items, the results of the South African and Heat Transfer operations categorized as "All Other" in the company's reporting structure.

Multiple Growth Initiatives in Early Stages

SPX

Revenue & Margin Enhancement - Tools & Drivers

Product Innovation

Technology

Software

Robotics

AI

M&A

SCHONSTEDT

CUES

SGS REFRIGERATION

PK PATTERSON-KELLEY

SABIK

ULC

Channel

Geography

Service

Digital

Loyalty

CI

Lean

80/20

Sourcing

Growth & Margin Accretive Investment Focus

Growth Investment Focus Zone

SABIK

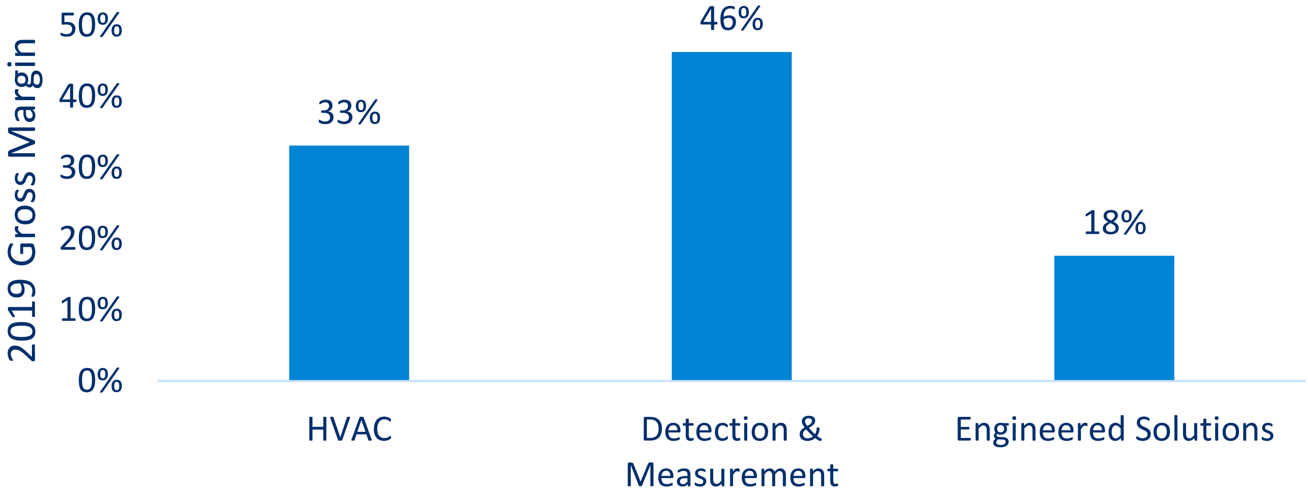
ULC

SCHONSTEDT

PATTERSON-KELLEY

CUES

SPX has acquired >$210M of revenue in ~2 ½ years



Building Strategic Platforms - Location & Inspection

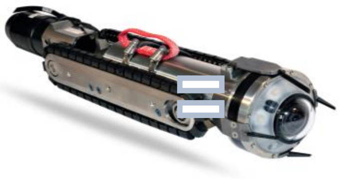
RADIODETECTION

Radiodetection Location & Inspection Equipment

SCHONSTEDT

Schonstedt Magnetic Locators Equipment

CUES



CUES Market Leading Inspection Equipment

ULC

ULC Gas Pipeline Inspection Robotics

The Leading Underground Location & Inspection Company

Building Strategic Platforms – HVAC Cooling and Heating

SPX

MARLEY

+

SGS REFRIGERATION

=

Strengthened Industrial Refrigeration Solutions

WEIL-McLAIN

+

PATTERSON-KELLEY

=

Accelerated Growth Strategy in Commercial High Efficiency Boilers

Building Strategic Platforms – Aids to Navigation

Flash Technology Obstruction Lighting Equipment

+

Sabik Market Leading Marine Lighting Products

=

Global Leader in Aid to Navigation Lighting Solutions

Environmental Social & Governance (ESG) Commitment

E

- Efficiency and safety-focused product innovation
- GHG intensity[1] down 15% since 2016

S

- Ethics-centered compliance training
- Focused on diversity (board is 37.5% female)

G

- Strong, independent board
- Shareholder-aligned incentive structure

Publish detailed annual sustainability reports

[1] Metric tons of CO2 equivalents per million dollars of revenue

Q&A

Appendix

FY 2019 Adjusted Earnings Per Share to U.S. GAAP Reconciliation

($ millions)

	GAAP	Adjustments	Adjusted
Segment income [(1)]	$ 174.0	$ 57.0	$ 231.0
Corporate expense [(2)]	(46.7)	2.6	(44.1)
Long-term incentive compensation expense	(13.6)	-	(13.6)
Special charges, net [(3)]	(4.0)	3.0	(1.0)
Other operating expenses [(4)]	(1.8)	1.8	-
Operating income	107.9	64.4	172.3
Other income (expense), net [(5)]	(4.9)	6.4	1.5
Interest expense, net [(6)]	(19.2)	(0.1)	(19.3)
Loss on amendment/refinancing of senior credit agreement [(7)]	(0.6)	0.6	-
Income from continuing operations before income taxes	83.2	71.3	154.5
Income tax provision [(8)]	(13.5)	(16.9)	(30.4)
Income from continuing operations	69.7	54.4	124.1
Less: Net loss attributable to redeemable noncontrolling interest	-	-	-
Net income from continuing operations attributable to SPX Corporation common shareholders	69.7	54.4	124.1
Adjustment related to redeemable noncontrolling interest [(9)]	5.6	(5.6)	-
Net income from continuing operations attributable to SPX Corporation common shareholders after adjustment to redeemable noncontrolling interest	$ 75.3	$ 48.8	$ 124.1
Dilutive shares outstanding	44.957		44.957
Earnings per share from continuing operations	$ 1.67		$ 2.76

[(1)] Adjustment represents the removal of (i) operating losses associated with the South Africa and Heat Transfer businesses ($46.1), (ii) amortization expense associated with acquired intangible assets ($8.9), and (iii) inventory step-up charges related to the Sabik and Cues acquisitions of ($2.0).

[(2)] Adjustment represents the removal of acquisition related expenses incurred during the period.

[(3)] Adjustment primarily represents removal of restructuring charges associated with the South Africa and Heat Transfer businesses.

[(4)] Adjustment represents removal of charges associated with revisions to estimates of certain liabilities retained in connection with the 2016 sale of the dry cooling business, with such revisions resulting from settlement activity during the first quarter of 2019.

[(5)] Adjustment primarily represents the removal of non-service pension and postretirement charges ($14.0), foreign currency losses associated with the South Africa business ($0.6), and a gain on equity security associated with a fair value adjustment ($7.9).

[(6)] Represents removal of interest income associated with the South Africa business.

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

[(8)] Adjustment represents the tax impact of items (1) through (7) above and the removal of certain income tax benefits that are considered non-recurring.

[(9)] Adjustment represents removal of non-controlling interest amounts associated with our South Africa business.

FY 2018 Adjusted Earnings Per Share to U.S. GAAP Reconciliation

($ millions)

	GAAP	Adjustments	Adjusted
Segment income [(1)]	$ 178.5	$ 28.1	$ 206.6
Corporate expense [(2)]	(48.5)	4.9	(43.6)
Long-term incentive compensation expense	(15.5)	-	(15.5)
Special charges, net [(3)]	(6.3)	5.0	(1.3)
Loss on sale of dry cooling	(0.6)	0.6	-
Operating income	107.6	38.6	146.2
Other income (expense), net [(4)]	(7.6)	8.5	0.9
Interest expense, net	(20.0)	-	(20.0)
Loss on amendment/refinancing of senior credit agreement [(5)]	(0.4)	0.4	-
Income from continuing operations before income taxes	79.6	47.5	127.1
Income tax (provision) benefit [(6)]	(1.4)	(24.5)	(25.9)
Income from continuing operations	$ 78.2	$ 23.0	$ 101.2
Dilutive shares outstanding	44.660		44.660
Earnings per share from continuing operations	$ 1.75		$ 2.27

[(1)] Adjustment primarily represents the removal of (i) operating losses associated with the South Africa and Heat Transfer businesses ($18.9), (ii) the inventory step-up charge related to the Cues and Schonstedt acquisitions ($4.7), and (iii) amortization charges associated with acquired intangible assets ($4.1).

[(2)] Adjustment represents the removal of acquisition related expenses incurred during the period.

[(3)] Adjustment represents removal of restructuring charges associated with the South Africa and Heat Transfer businesses.

[(4)] Adjustment represents the removal of non-service pension and postretirement items and removal of foreign currency losses associated with the South Africa and Heat Transfer businesses.

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

[(6)] Adjustment represents the tax impact of items (1) through (5) above and the removal of certain income tax benefits that are considered non-recurring.

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

($ millions)

	GAAP		Adjustments		Adjusted	
Segment income (1)	$	124.9	$	57.4	$	182.3
Corporate expense		(46.2)		(0.9)		(47.1)
Long-term incentive compensation expense		(15.8)		—		(15.8)
Pension service cost		(0.3)		—		(0.3)
Special charges, net (2)		(2.7)		1.5		(1.2)
Operating income		59.9		58.0		117.9
Other expense, net (3)		(7.1)		5.4		(1.7)
Interest expense, net (4)		(15.8)		0.6		(15.2)
Loss on amendment/refinancing of senior credit agreement (5)		(0.9)		0.9		—
Income from continuing operations before income taxes		36.1		64.9		101.0
Income tax provision (benefit) (6)		47.9		(72.4)		(24.5)
Income from continuing operations		84.0		(7.5)		76.5
Dilutive shares outstanding		43.905				43.905
Earnings per share from continuing operations	$	1.91			$	1.74

(1) Adjustment represents the removal of (i) operating losses associated with the South Africa business and the operating income of the Heat Transfer business, and (ii) amortization charges associated with acquired intangible assets ($0.4).

(2) Adjustment represents removal of restructuring charges associated with the South Africa and Heat Transfer businesses.

(3) Adjustment represents removal of a gain on interest rate swaps, as these swaps no longer qualified for hedge accounting in connection with an amendment to our senior credit agreement, foreign currency losses associated with the South Africa and Heat Transfer businesses, and the removal of non-service pension and postretirement items.

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

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

(6) Adjustment represents the tax impact of items (1) through (5) above and the removal of certain income tax benefits that are considered non-recurring.

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

($ millions)

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

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

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

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

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

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

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

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

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

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

FY 2019 Adjusted Segment EBITDA to U.S. GAAP Reconciliation

($ millions)

	FY 2019	
HVAC Segment		
Segment income	$	95.4
Exclude: Depreciation & amortization		(6.9)
HVAC Segment EBITDA	$	102.3
Detection & Measurement Segment		
Segment income	$	81.7
Exclude: Depreciation & amortization		(13.2)
Exclude: One time acquisition related costs (1)		(2.0)
Adjusted Detection & Measurement Segment EBITDA	$	96.9
Engineered Solutions Segment		
Adjusted Segment income	$	43.0
Exclude: Depreciation & amortization		(10.7)
Engineered Solutions Segment EBITDA	$	53.7

(1) Primarily represents additional "Cost of products sold" recorded during the twelve months ended December 31, 2019 related to the step-up of inventory (to fair value) acquired in connection with the Sabik acquisition