SPX Technologies

Q4 2023

Earnings Presentation

February 22, 2024

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- This presentation includes non-GAAP financial measures. Reconciliations of historical 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.

Introductory Comments

Gene Lowe

Executive Summary

- Strong close to 2023
  - ✓ 50% Adjusted EBITDA* growth y/y
  - ✓ Solid performance from acquisitions
- Ingénia further builds attractive EAM position
  - ✓ Preferred applications in key growth markets
  - ✓ Flexible, rapid design and automated production
- Introducing 2024 Guidance
  - ✓ ~25% Adjusted EBITDA* growth y/y
  - ✓ Adjusted EPS* growth of ~16% at midpoint

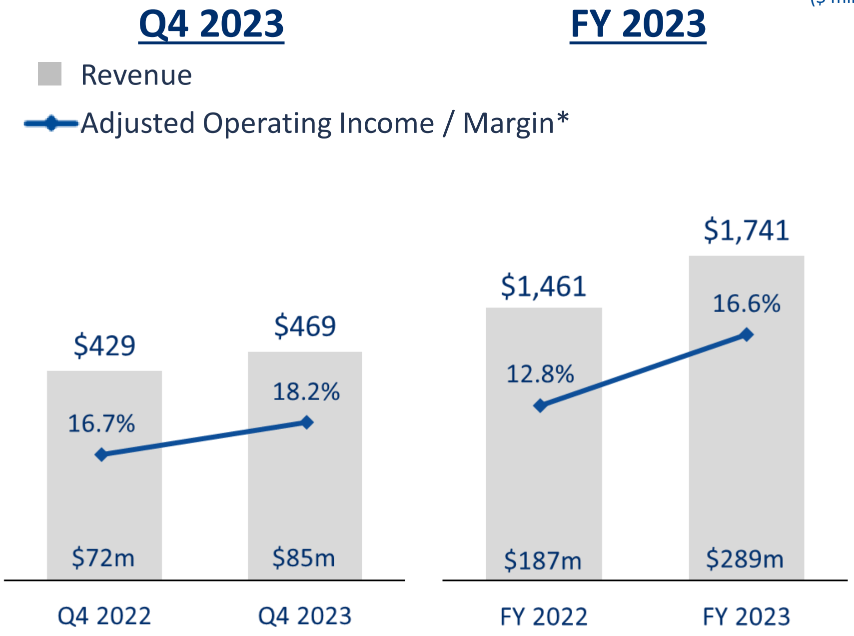
Strong Execution on Value Creation Roadmap

*Adjusted EPS and Adjusted EBITDA are non-GAAP financial measures. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation. Adjusted EBITDA as presented differs from the similarly titled measure calculated under the company's credit agreement, which was included in prior-period presentations. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix of the presentation.

Q4 2023 Results Summary

($ millions)

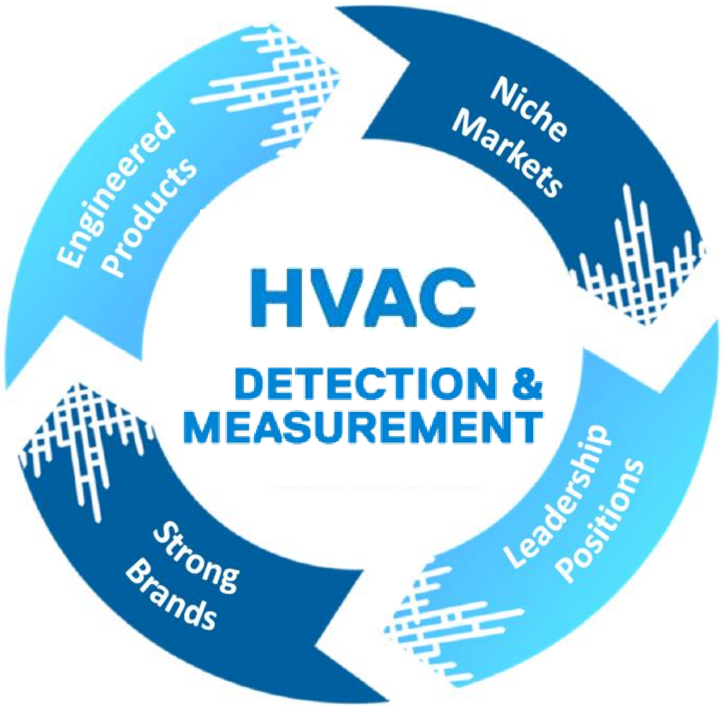
- Revenue growth of 9.3%
  - ✓Growth driven by acquisitions in HVAC
- Strong margin performance
  - ✓18.7% growth in Adj. Operating Income*
  - ✓150 bps of margin* expansion



Solid Demand Trends and Strong Operational Performance

*Adjusted results are non-GAAP financial measures. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.

Value Creation Framework



Organic Growth

- New products
- Channel expansion
- Adjacent markets

Inorganic Growth

- Strategic platform focus
- Significant capital to deploy
- Large target pipeline

SPX Business System

- Digital initiatives
- Continuous Improvement
- Sustainability

Culture & Values

- Integrity
- Results/accountability
- Diversity & Inclusion
- Employee development

Building Strategic Platforms – Cooling EAM

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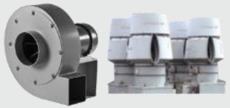
CINCINNATI FAN

Custom Fans, Blowers, and Critical Exhaust Systems



+

TAMCO

High Performance Industrial and Commercial Air Control Solutions

+

ingenia
INNOVATION & TECHNOLOGIES

High Performance Industrial and Commercial Air Handling Systems

=

~$250m Revenue*

Comprehensive Engineered Air Movement Solutions

Extending Positioning in Attractive Engineered Air Movement Space

*Estimated annualized run-rate revenue in 2024.

Q4 Financial Review
Mark Carano

Adjusted Earnings Per Share

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	Q4 2022	Q4 2023	FY 2022	FY 2023
GAAP EPS from continuing operations	**($0.55)**	**$0.67**	**$0.43**	**$3.10**
Amortization	$0.09	$0.18	$0.46	$0.71
Acquisition-related	$0.02	$0.02	$0.06	$0.21
Asbestos-related	$1.65	-	$2.03	-
Non-service pension & other*	($0.04)	$0.38	$0.12	$0.29
Adj EPS from continuing operations	**$1.17**	**$1.25**	**$3.10**	**$4.31**

Q4 2023 Adjusted EPS of $1.25

Note: Adjusted results are non-GAAP financial measures. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.
*Primarily includes (i) the impact of non-cash mark-to-market pension and postretirement adjustments, (ii) costs associated with the reorganization of SPX Technologies' legal structure, (iii) the after-tax impact of a legal settlement, and (iv) certain discrete tax items that are considered non-recurring, among other items.

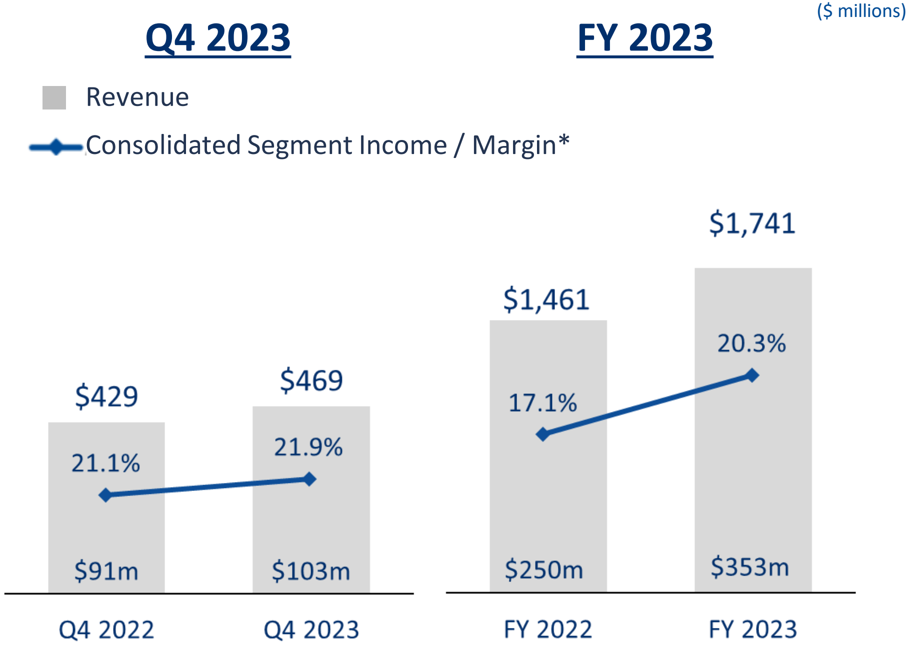
Q4 2023 Results

Q4 Revenue:

- 9.3% year-over-year increase:
  - ✓ **-1.4% organic** decline due primarily to lower Heating volumes
  - ✓ **10.0% acquisition** impact (TAMCO & ASPEQ)
  - ✓ **0.7% currency** impact

Q4 Consolidated Segment Income* and Margin*:

- $12.3m increase in Consolidated Segment Income* driven by HVAC
- 80 bps increase in margin* driven by HVAC



Continued Strength in HVAC

*Consolidated segment income and margin as shown above are non-GAAP financial measures, and represent the summation of our HVAC and D&M segments. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.

HVAC Q4 2023 Results

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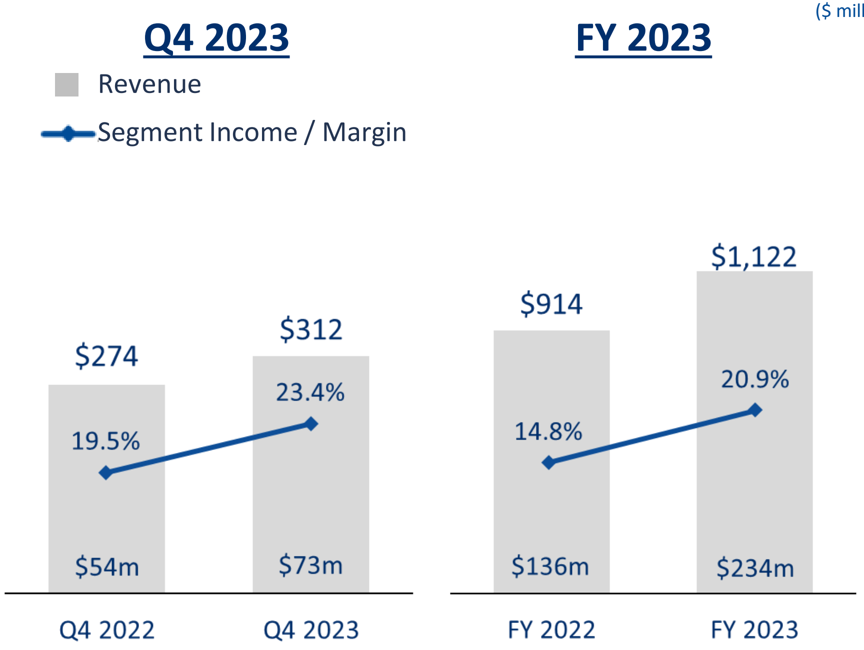
Q4 Revenue:

- 14.0% year-over-year increase:
  - ✓ **15.7% acquisition** impact *(TAMCO & ASPEQ)*
  - ✓ **-2.0% organic** decline, with growth in Cooling offset by a decline in Heating
  - ✓ **0.3% currency** impact

Q4 Segment Income and Margin:

- $19.7m increase in Segment Income
- 390 bps increase in margin primarily due to higher Cooling volumes and acquisitions

($ millions)



Strong Margin Performance

Detection & Measurement Q4 2023 Results

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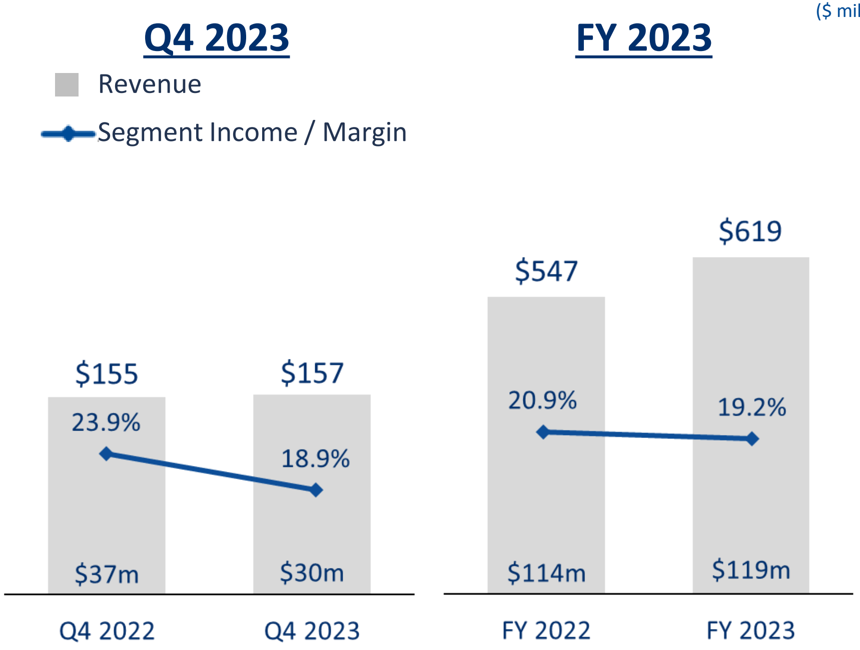
($ millions)

Q4 Revenue:

- ❑ 1.2% year-over-year increase:
  - ✓ **-0.2% organic** decline with lower run-rate sales offset by higher project sales
  - ✓ **1.4% currency** impact

Q4 Segment Income and Margin:

- ❑ -$7.4m decline in Segment Income
- ❑ -500 bps decrease in margin



Less Favorable Revenue Mix

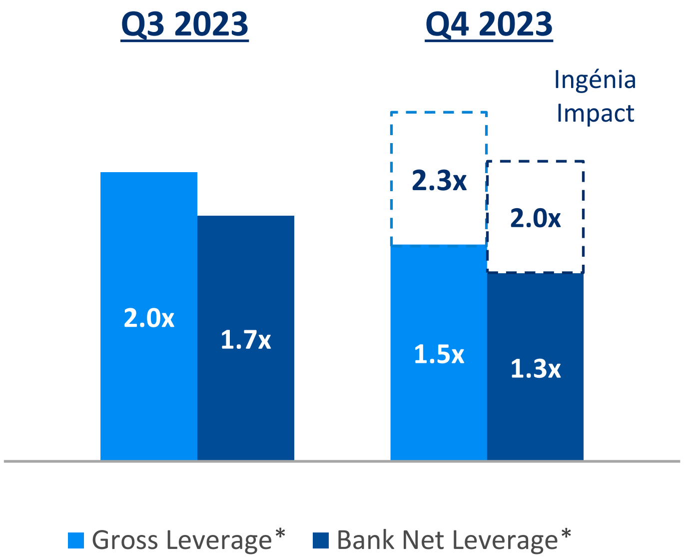
Financial Position and Liquidity Review

Mark Carano

Financial Position - Capital Structure & Liquidity Update

($ millions)

	Q3 2023	Q4 2023
Short-term debt	$130	$18
Current maturities of long-term debt	14	17
Long-term debt	530	523
Total Debt	$674	$558
Less: Cash on hand **	(102)	(104)
Net Debt*	$572	$454



Well-Positioned to Continue Growth Initiatives

* Calculated as provided in SPX Technologies' credit facility agreement.

** Includes cash related to discontinued operations of ~$1m in Q3 2023 and ~$5.5m in Q4 2023.

2024 Guidance

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	Total SPX	HVAC	Detection & Measurement
Revenue	**$1.93-$2.00B**	**$1,325-$1,375m**	**$605-$625m**
Prior year	*$1.74B*	*$1.12B*	*619m*
Segment Income Margin*	**21.0%-22.0%**	**21.25%-22.25%**	**20.0%-21.0%**
Prior year	20.3%	*20.9%*	*19.2%*

	Total SPX
Adj. EBITDA*	**$375-$405m**
Prior year	*$310M*
Adj. EBITDA Margin*	**19.5%-20.25%**
Prior year	*17.8%*
Adj. EPS*	**$4.85-$5.15**
Prior year	*$4.31*

Anticipate achieving key 'SPX 2025' targets a year ahead of plan

*Adjusted results and consolidated segment income margin are non-GAAP financial measures. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix of the presentation.

End Market Overview and Closing Remarks

Gene Lowe

Market Commentary

Market	Comments
HVAC	❑ **Cooling:** – Strong demand trends (data centers, semiconductors, etc.) – Stable labor and supply chain ❑ **Heating:** – Decarbonization driving commercial and industrial demand – Hydronics demand impacted by warm winter (Q4/Q1)
DETECTION & MEASUREMENT	❑ **Project-oriented:** – Overall project demand healthy; Lower pass-through project volumes in CommTech – Infrastructure spending on horizon ❑ **Run-rate:** – Uneven global demand

Overall Demand Trends Remain Solid

Executive Summary

- Solid close to 2023
- Ingénia further builds attractive EAM position
- Continued demand strength in core markets
- Well-positioned to achieve "SPX 2025" targets ahead of schedule

Significant Growth and Value-Creation Opportunities Ahead

Questions

Appendix

Modeling Considerations – Full Year 2024

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Metric	Considerations
Corporate expense	$46.0-48.0m
Long-term incentive comp	$14.5-15.5m
Restructuring costs	$1.0-2.0m
Interest cost	$44.0-47.5m
Other income/(expense), and Non-service pension benefit/(expense)	~$1-2m
Tax rate	24.0%-26.0%
Capex	~$40m
Cash cost of pension + OPEB	~$10-11m
Depreciation	~$29-30m
Amortization	~$49-51m
Share count	47.20m-47.35m
Currency effect	Topline sensitivity to USD-GBP and USD-CAD rate

2024 Adjusted EPS Guidance - Key Drivers

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- Favorable economic trends

$5.15

High Case

- Improving short-cycle conditions
- Accelerated project-related sales
- Favorable heating season

$5.00

Base Case

Low Case

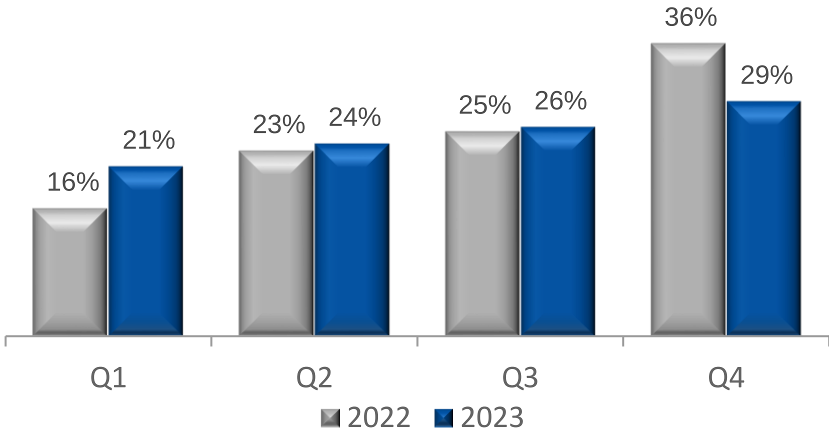
- Worsening short-cycle conditions
- Unfavorable heating season
- Delayed project-related sales

$4.85

- Unfavorable economic trends

Note: Adjusted results are non-GAAP financial measures. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in this Appendix.

Consolidated Segment Income* Phasing



*Consolidated Segment income margin for a period is calculated by dividing consolidated segment income for the period by revenue for the period.

GAAP Reconciliation Results by Quarter

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($ millions)

	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2022 FY	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY
Consolidated Segment income*	$ 39.6	$ 56.1	$ 63.4	$ 90.5	$ 249.6	$ 74.4	$ 84.4	$ 91.6	$ 102.8	$ 353.2
Corporate expense	(16.6)	(16.4)	(17.2)	(18.4)	(68.6)	(14.6)	(16.6)	(13.0)	(14.2)	(58.4)
Acquisition-related and other costs	(0.1)	(0.9)	(0.1)	(0.8)	(1.9)	(0.6)	(1.5)	(2.9)	(0.8)	(5.8)
Long-term incentive compensation expense	(3.1)	(2.5)	(2.1)	(3.2)	(10.9)	(3.1)	(3.5)	(3.4)	(3.4)	(13.4)
Intangible amortization	(9.3)	(7.1)	(6.7)	(5.4)	(28.5)	(6.3)	(11.5)	(14.6)	(11.5)	(43.9)
Impairment of goodwill and intangible assets	-	-	-	(13.4)	(13.4)	-	-	-	-	-
Special charges, net	-	(0.1)	-	(0.3)	(0.4)	-	-	-	(0.8)	(0.8)
Other operating income (expense), net	0.9	(1.9)	-	(73.9)	(74.9)	-	-	-	(9.0)	(9.0)
Operating income (loss)	11.4	27.2	37.3	(24.9)	51.0	49.8	51.3	57.7	63.1	221.9
Other income (expense), net	6.5	(1.7)	(24.6)	4.6	(15.2)	2.5	-	(0.2)	(12.4)	(10.1)
Interest expense, net	(2.3)	(2.0)	(1.6)	(1.7)	(7.6)	(1.9)	(5.2)	(9.4)	(9.0)	(25.5)
Loss on amendment/refinancing of senior credit agreement	-	-	(1.1)	-	(1.1)	-	-	-	-	-
Income (loss) from continuing operations before income taxes	15.6	23.5	10.0	(22.0)	27.1	50.4	46.1	48.1	41.7	186.3
Income tax (provision) benefit	(2.6)	(4.4)	2.5	(2.8)	(7.3)	(11.3)	(7.8)	(12.4)	(10.1)	(41.6)
Income (loss) from continuing operations	13.0	19.1	12.5	(24.8)	19.8	39.1	38.3	35.7	31.6	144.7
Income (loss) from discontinued operations, net of tax	-	-	-	-	-	-	-	-	-	-
Income (loss) on disposition of discontinued operations, net of tax	(1.6)	(6.1)	(9.4)	(2.5)	(19.6)	3.7	(2.3)	(56.1)	(0.1)	(54.8)
Income (loss) from discontinued operations, net of tax	(1.6)	(6.1)	(9.4)	(2.5)	(19.6)	3.7	(2.3)	(56.1)	(0.1)	(54.8)
Net income (loss)	$ 11.4	$ 13.0	$ 3.1	$ (27.3)	$ 0.2	$ 42.8	$ 36.0	$ (20.4)	$ 31.5	$ 89.9

*Consolidated Segment income margin for a period is calculated by dividing consolidated segment income for the period by revenue for the period.

Adjusted SPX Results by Quarter

($ millions, except per share values)

	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2022 FY	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2023 FY
HVAC segment income	$ 20.6	$ 28.3	$ 33.1	$ 53.5	$ 135.5	$ 47.7	$ 55.2	$ 58.3	$ 73.2	$ 234.4
Detection & Measurement segment income	19.0	27.8	30.3	37.0	114.1	26.7	29.2	33.3	29.6	118.8
Consolidated segment income	$ 39.6	$ 56.1	$ 63.4	$ 90.5	$ 249.6	$ 74.4	$ 84.4	$ 91.6	$ 102.8	$ 353.2
Operating income (loss) from continuing operations	$ 11.4	$ 27.2	$ 37.3	$ (24.9)	$ 51.0	$ 49.8	$ 51.3	$ 57.7	$ 63.1	221.9
Exclude: "Other" operating adjustments(1)	13.7	15.0	11.0	96.7	136.4	8.5	18.1	18.1	22.1	66.8
Adjusted operating income	$ 25.1	$ 42.2	$ 48.3	$ 71.8	$ 187.4	$ 58.3	$ 69.4	$ 75.8	$ 85.2	$ 288.7
Net income (loss) from continuing operations	$ 13.0	$ 19.1	$ 12.5	$ (24.8)	$ 19.8	$ 39.1	$ 38.3	$ 35.7	$ 31.6	$ 144.7
Exclude: "Other" income adjustments(2)	5.8	13.9	25.0	78.8	123.5	4.0	11.2	13.7	27.1	$ 56.0
Adjusted net income	$ 18.8	$ 33.0	$ 37.5	$ 54.0	$ 143.3	$ 43.1	$ 49.5	$ 49.4	$ 58.7	$ 200.7
Adjusted EPS	$0.40	$0.71	$0.81	$1.17	$3.10	$0.93	$1.06	$1.06	$1.25	$4.31

(1) Excludes amortization expense associated with acquired intangible assets, acquisition-related costs (including inventory step-up charges), strategic/transformation and integration costs, asset impairment charges, costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes, revisions of liabilities associated with contingent consideration on acquisitions, charges resulting from changes in estimates associated with asbestos product liability matters, the removal of a benefit related to long-term incentive compensation forfeitures and the removal of a charge related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses. In addition, includes a reclassification of transition services income from “Other non-operating income/expense”.

(2) Excludes items noted above, gains and losses on an equity security associated with fair value adjustments, removal of the loss related to the Asbestos Portfolio Sale, non-service pension items, reclassification of transition service income to operating income, non-cash charges, certain expenses incurred in connection with an amendment to our senior credit agreement, and the tax impacts of these items, as well as certain discrete tax items.

HVAC Segment Results

($ millions)

	2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue	$193.1	$218.7	$227.8	$274.2	$913.8	$251.6	$269.0	$289.2	$312.5	$1,122.3
Segment income	$20.6	$28.3	$33.1	$53.5	$135.5	$47.7	$55.2	$58.3	$73.2	$234.4
	11%	*13%*	*15%*	*20%*	*15%*	*19%*	*21%*	*20%*	*23%*	*21%*

Detection & Measurement Segment Results

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($ millions)

	2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue	$114.0	$135.3	$142.7	$155.1	$547.1	$148.2	$154.3	$159.5	$156.9	$618.9
Segment income	$19.0	$27.8	$30.3	$37.0	$114.1	$26.7	$29.2	$33.3	$29.6	$118.8
	17%	*21%*	*21%*	*24%*	*21%*	*18%*	*19%*	*21%*	*19%*	*19%*

Q4 2023 U.S. GAAP to Adjusted EPS Reconciliation

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($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	$ 102.8	$ —	$ 102.8
Corporate expense [1]	(14.2)	0.8	(13.4)
Acquisition-related and other costs [2]	(0.8)	0.8	—
Long-term incentive compensation expense	(3.4)	—	(3.4)
Amortization of acquired intangible assets [3]	(11.5)	11.5	—
Special charges, net	(0.8)	—	(0.8)
Other operating expense, net [4]	(9.0)	9.0	—
Operating income	63.1	22.1	85.2
Other income (expense), net [5]	(12.4)	12.5	0.1
Interest expense, net	(9.0)	—	(9.0)
Income from continuing operations before income taxes	41.7	34.6	76.3
Income tax provision [6]	(10.1)	(7.5)	(17.6)
Income from continuing operations	31.6	27.1	58.7
Diluted shares outstanding	46.873		46.873
Earnings per share from continuing operations	$ 0.67		$ 1.25

[1] Adjustment represents the removal of acquisition and strategic/transformation related costs of $0.8.

[2] Adjustment represents the removal of integration costs of $0.7 and $0.1 within the HVAC and Detection & Measurement reportable segments, respectively.

[3] Adjustment represents the removal of amortization expense associated with acquired intangible assets of $7.2 and $4.3 within the HVAC and Detection & Measurement reportable segments, respectively.

[4] Adjustment represents the removal of a charge related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses of $9.0.

[5] Adjustment represents the removal of non-service pension and postretirement charges of $12.5.

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

Q4 2022 U.S. GAAP to Adjusted EPS Reconciliation

($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	$ 90.5	$ —	$ 90.5
Corporate expense (1)	(18.4)	2.9	(15.5)
Acquisition-related and other costs (2)	(0.8)	0.8	—
Long-term incentive compensation expense	(3.2)	—	(3.2)
Amortization of acquired intangible assets (3)	(5.4)	5.4	—
Impairment of goodwill and intangible assets (4)	(13.4)	13.4	—
Special charges, net (5)	(0.3)	0.3	—
Other operating expense, net (6)	(73.9)	73.9	—
Operating income (loss)	(24.9)	96.7	71.8
Other income (expense), net (7)	4.6	(7.7)	(3.1)
Interest expense, net	(1.7)	—	(1.7)
Income (loss) from continuing operations before income taxes	(22.0)	89.0	67.0
Income tax provision (8)	(2.8)	(10.2)	(13.0)
Income (loss) from continuing operations	(24.8)	78.8	54.0
Diluted shares outstanding	45.236		46.311
Earnings (loss) per share from continuing operations	$ (0.55)		$ 1.17

(1) Adjustment represents the removal of acquisition and strategic/transformation related expenses ($2.2), costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes ($0.2), as well as a reclassification of transition services income ($0.5) from "Other income (expense), net."

(2) Adjustment represents the removal of integration costs of $0.4 and $0.4 within the HVAC and Detection & Measurement reportable segments, respectively.

(3) Adjustment represents the removal of amortization expense associated with acquired intangible assets of $1.2 and $4.2 within the HVAC and Detection & Measurement reportable segments, respectively.

(4) Adjustment represents the removal of non-cash charges related to the impairment of goodwill and intangible assets.

(5) Adjustment represents the removal of a non-cash asset write-down associated with acquisition integration activities.

(6) Adjustment represents the removal of the loss related to the Asbestos Portfolio Sale.

(7) Adjustment represents the removal of non-service pension and postretirement gains ($7.2), and the reclassification of income related to a transition services agreement ($0.5) to "Corporate expense."

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

FY 2023 U.S. GAAP to Adjusted EPS Reconciliation

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($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	$ 353.2	$ —	$ 353.2
Corporate expense [1]	(58.4)	8.1	(50.3)
Acquisition-related and other costs [2]	(5.8)	5.8	—
Long-term incentive compensation expense	(13.4)	—	(13.4)
Amortization of acquired intangible assets [3]	(43.9)	43.9	—
Special charges, net	(0.8)	—	(0.8)
Other operating expense, net [4]	(9.0)	9.0	—
Operating income	221.9	66.8	288.7
Other income (expense), net [5]	(10.1)	12.4	2.3
Interest expense, net	(25.5)	—	(25.5)
Income from continuing operations before income taxes	186.3	79.2	265.5
Income tax provision [6]	(41.6)	(23.2)	(64.8)
Income from continuing operations	144.7	56.0	200.7
Diluted shares outstanding	46.612		46.612
Earnings per share from continuing operations	$ 3.10		$ 4.31

[1] Adjustment represents the removal of acquisition and strategic/transformation related expenses of $7.8 and a reclassification of transition services income of $0.3 from "Other income (expense), net."

[2] Adjustment represents the removal of (i) an inventory step-up charge of $3.6 related to the ASPEQ acquisition within the HVAC reportable segment and (ii) integration costs of $1.7 and $0.5 within the HVAC and Detection & Measurement reportable segments, respectively.

[3] Adjustment represents the removal of amortization expense associated with acquired intangible assets of $26.7 and $17.2 within the HVAC and Detection & Measurement reportable segments, respectively.

[4] Adjustment represents the removal of a charge related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses of $9.0.

[5] Adjustment represents the removal of (i) non-service pension and postretirement losses ($16.1) and (ii) the removal of a charge related to the Asbestos Portfolio Sale of $0.2, partially offset by (i) a gain on an equity security associated with a fair value adjustment ($3.6) and (ii) the reclassification of income related to a transition services agreement ($0.3) to "Corporate expense."

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

FY 2022 U.S. GAAP to Adjusted EPS Reconciliation

SPX TECHNOLOGIES

($ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	$ 249.6	$ —	$ 249.6
Corporate expense [1]	(68.6)	18.2	(50.4)
Acquisition-related and other costs [2]	(1.9)	1.9	—
Long-term incentive compensation expense [3]	(10.9)	(0.8)	(11.7)
Amortization of acquired intangible assets [4]	(28.5)	28.5	—
Impairment of goodwill and intangible assets [5]	(13.4)	13.4	—
Special charges, net [6]	(0.4)	0.3	(0.1)
Other operating expense, net [7]	(74.9)	74.9	—
Operating income	51.0	136.4	187.4
Other income (expense), net [8]	(15.2)	16.7	1.5
Interest expense, net	(7.6)	—	(7.6)
Loss on amendment/refinancing of senior credit agreement [9]	(1.1)	1.1	—
Income from continuing operations before income taxes	27.1	154.2	181.3
Income tax provision [10]	(7.3)	(30.7)	(38.0)
Income from continuing operations	19.8	123.5	143.3
Diluted shares outstanding	46.221		46.221
Earnings per share from continuing operations	$ 0.43		$ 3.10

(1) Adjustment represents the removal of acquisition and strategic/transformation related expenses incurred during the period ($14.5), costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes ($0.8), as well as a reclassification of transition services income ($2.9) from "Other income (expense), net."

(2) Adjustment represents the removal of inventory step-up charges related to the ITL acquisition of $1.1 within the Detection & Measurement reportable segment and integration costs of $0.4 and $0.4 within the HVAC and Detection & Measurement reportable segments, respectively.

(3) Adjustment represents the removal of a gain of $0.8 related to long-term incentive compensation forfeitures.

(4) Adjustment represents the removal of amortization expense associated with acquired intangible assets of $11.5 and $17.0 within the HVAC and Detection & Measurement reportable segments, respectively.

(5) Adjustment represents the removal of non-cash charges related to the impairment of goodwill and intangible assets.

(6) Adjustment represents the removal of a non-cash asset write-down associated with acquisition integration activities.

(7) Adjustment represents the removal of (i) the loss related to the Asbestos Portfolio Sale ($73.9), (ii) a charge of ($2.3) related to revisions of recorded liabilities for asbestos-related claims, and (iii) a gain of ($1.3) related to a revision of the liability associated with contingent consideration on a recent acquisition.

(8) Adjustment represents the removal of (i) asbestos-related charges ($16.5), (ii) a loss on an equity security associated with a fair value adjustment ($3.0), and (iii) non-service pension and postretirement losses ($0.1), partially offset by the reclassification of income related to a transition services agreement ($2.9) to "Corporate expense."

(9) Adjustment represents the removal of a non-cash charge and certain expenses incurred in connection with an amendment to our senior credit agreement.

(10) Adjustment primarily represents the tax impact of items (1) through (9) above and the removal of certain discrete income tax items that are considered non-recurring.

U.S. GAAP to Adjusted Operating Income Reconciliation

SPX TECHNOLOGIES

($ millions)

	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Operating income (loss)	$ 63.1	$ (24.9)	$ 221.9	$ 51.0
Include - TSA Income [(1)]	—	0.5	0.3	2.9
Exclude:				
Acquisition-related and other costs [(2)]	(1.6)	(3.5)	(13.6)	(16.7)
Other operating expense, net [(3)]	(9.0)	(73.9)	(9.0)	(74.9)
Amortization of acquired intangible assets	(11.5)	(5.4)	(43.9)	(28.5)
Impairment of goodwill and intangible assets	—	(13.4)	—	(13.4)
Adjusted operating income	$ 85.2	$ 71.8	$ 288.7	$ 187.4
as a percent of revenues	18.2 %	16.7 %	16.6 %	12.8 %

[(1)] Represents transition services income related to the Asbestos Portfolio Sale for the twelve months ended December 31, 2023 and the Transformer Solutions disposition for the three and twelve months ended December 31, 2022. Amounts recorded in non-operating income for U.S. GAAP purposes. The Asbestos Portfolio Sale and Transformer Solutions disposition are described in the Company's most recent Form 10-K.

[(2)] For the three and twelve months ended December 31, 2023, represents (i) acquisition and strategic/transformation related costs of $0.8 and $7.8, respectively, (ii) certain integration costs of $0.8 and $2.2, respectively, and (iii) inventory step-up charges of $0.0 and $3.6, respectively, related to the ASPEQ acquisition. For the three and twelve months ended December 31, 2022, represents (i) acquisition and strategic/transformation related costs of $3.3 and $15.6, respectively, inclusive of "special charges" of $0.3, (ii) costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes of $0.2 and $0.8, respectively, (iii) inventory step-up charges related to our ITL acquisition of $0.0 and $1.1, respectively, and (iv) during the twelve months a gain of $0.8 related to forfeitures of long-term incentive compensation.

[(3)] For the three and twelve months ended December 31, 2023 represents a charge related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses of $9.0. For the three and twelve months ended December 31, 2022, represents (i) the loss of $73.9 related to the Asbestos Portfolio Sale, (ii) asbestos-related charges of $0.0 and $2.3, respectively, partially offset by (iii) a gain during the twelve months of $1.3 related to the revision of a liability associated with contingent consideration on a recent acquisition.

Q4 2023 Non-GAAP Reconciliation - Organic Revenue

SPX TECHNOLOGIES

	Three months ended December 31, 2023					
	HVAC		Detection & Measurement		Consolidated	
Net Revenue Growth	14.0	%	1.2	%	9.3	%
Exclude: Foreign Currency	0.3	%	1.4	%	0.7	%
Exclude: Acquisitions	15.7	%	-	%	10.0	%
Organic Revenue Decline	(2.0)	%	(0.2)	%	(1.4)	%

Adjusted EBITDA Reconciliation

SPX TECHNOLOGIES

($ millions)

	2022					2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Net income (loss)	$ 11.4	$ 13.0	$ 3.1	$ (27.3)	$ 0.2	$ 42.8	$ 36.0	$ (20.4)	$ 31.5	$ 89.9
Exclude:										
Income tax (provision) benefit	(2.6)	(4.4)	2.5	(2.8)	(7.3)	(11.3)	(7.8)	(12.4)	(10.1)	(41.6)
Interest expense, net	(2.3)	(2.0)	(1.6)	(1.7)	(7.6)	(1.9)	(5.2)	(9.4)	(9.0)	(25.5)
Amortization expense	(9.3)	(7.1)	(6.7)	(5.5)	(28.6)	(6.3)	(11.5)	(14.6)	(11.6)	(44.0)
Depreciation expense	(4.7)	(4.5)	(4.6)	(4.0)	(17.8)	(4.4)	(4.5)	(5.1)	(5.2)	(19.2)
Income (loss) from discontinued operations, net of tax	(1.6)	(6.1)	(9.4)	(2.5)	(19.6)	3.7	(2.3)	(56.1)	(0.1)	(54.8)
EBITDA	31.9	37.1	22.9	(10.8)	81.1	63.0	67.3	77.2	67.5	275.0
Exclude:										
Acquisition and strategic/transformation related costs	(4.3)	(4.2)	(4.4)	(2.4)	(15.3)	(1.5)	(5.0)	(0.5)	(0.8)	(7.8)
Acquisition-related and other costs	(0.1)	(0.9)	(0.1)	(0.8)	(1.9)	(0.6)	(1.5)	(2.9)	(0.8)	(5.8)
Long-term incentive compensation expense forfeitures	-	-	0.8	-	0.8	-	-	-	-	-
Impairment of goodwill and intangible assets	-	-	-	(13.4)	(13.4)	-	-	-	-	-
Special charges, net	-	-	-	(0.3)	(0.3)	-	-	-	-	-
Other operating expense, net	0.9	(1.9)	-	(73.9)	(74.9)	-	-	-	(9.0)	(9.0)
Non-service pension and postretirement adjustments	(0.4)	(3.8)	(3.1)	7.2	(0.1)	(1.2)	(1.2)	(1.2)	(12.5)	(16.1)
Asbestos-related charges	-	-	(16.5)	-	(16.5)	-	(0.1)	(0.1)	-	(0.2)
Fair value adjustments on an equity security	4.4	-	(7.4)	-	(3.0)	3.6	-	-	-	3.6
Loss on amendment/refinancing of senior credit agreement	-	-	(1.1)	-	(1.1)	-	-	-	-	-
Adjusted EBITDA	$ 31.4	$ 47.9	$ 54.7	$ 72.8	$ 206.8	$ 62.7	$ 75.1	$ 81.9	$ 90.6	$ 310.3
as a percent of revenues	10.2%	13.5%	14.8%	17.0%	14.2%	15.7%	17.7%	18.3%	19.3%	17.8%

Q4 2023 Adjusted Free Cash Flow Reconciliation

SPX TECHNOLOGIES

($ millions)

	FY 2023
Operating cash flow from continuing operations	$ 243.8
Capital expenditures	(23.9)
Free cash flow from continuing operations	219.9
Adjustments*	10.2
Adjusted free cash flow from continuing operations	$ 230.1

* Adjustments represent the removal of acquisition and strategic/transformation related expenses of $7.8m, the removal of a charge related to the Asbestos Portfolio Sale of $0.2m, and integration costs of $1.7m and $0.5m within our HVAC and Detection & Measurement reportable segments, respectively.