



2010 Fourth Quarter & Full Year Results

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

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- This presentation includes non-GAAP financial measures. A copy of this presentation, including a reconciliation of the non-GAAP financial measures with the most comparable measures calculated and presented in accordance with GAAP, is available on our website at www.spx.com.



Introductory Comments

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

- 25% of total revenue from sales into emerging markets:
 - Revenue into China grew 39%
 - Revenue into Africa grew 36%

- Test & Measurement segment achieved 15% organic revenue growth and 200 points of margin expansion

- Thermal Equipment's segment income margin improved 130 points to 12.1%

- Flow Technology completed 2 strategic acquisitions that broadened its food & beverage system offerings

- Improved financial position and liquidity:
 - Refinanced significant portion of debt
 - Reduced debt 6% and made a \$100m voluntary pension contribution
 - 113% conversion of Net Income* to Free Cash Flow*

*Adjusted to exclude certain items

Note: Data from continuing operations; see appendix for non-GAAP reconciliations

**Revenue Growth in Emerging Markets and Early Cycle Businesses; Margin Expansion in 3 of 4 Reporting Segments
Strategic Food & Beverage Acquisitions; Improved Financial Position**

Q4 2010 Financial Results



- **Revenue** **\$1.3b**
 - Flat versus Q4 2009

- **Segment Margins** **12.1%**
 - 70 point year-over-year decline primarily due to power related businesses

- **Adjusted EPS** **\$1.13**
 - Exceeded top end of guidance range
 - 17% year-over-year decline primarily due to power related businesses

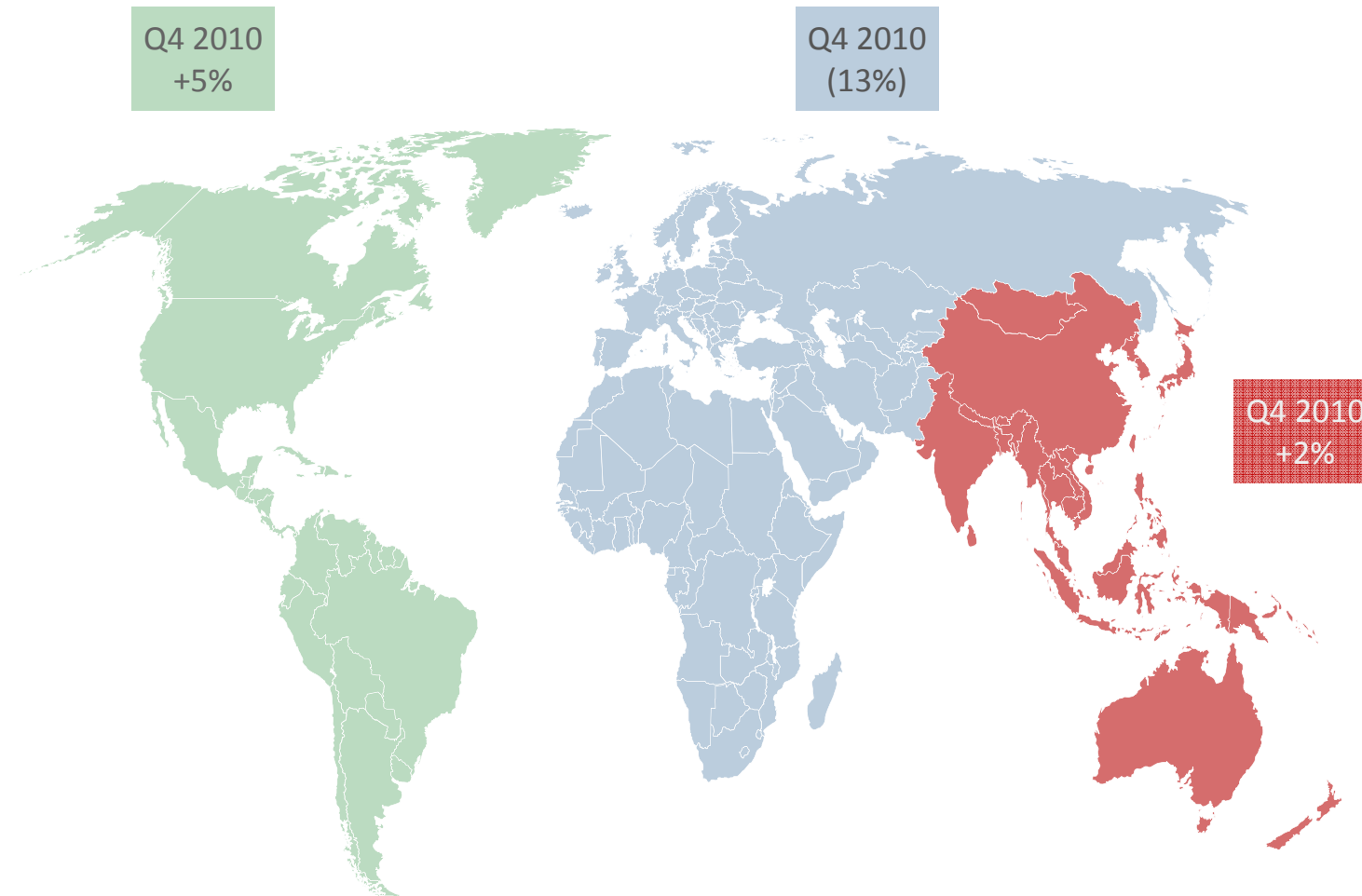
*Excludes \$0.17 tax benefit

- **Free Cash Flow** **\$174m**
 - After \$100m voluntary pension contribution
 - 303% conversion of Net Income

Note: Data from continuing operations; See appendix for non-GAAP reconciliations

**Q4 2010 Adjusted Earnings Per Share: \$1.13;
303% Free Cash Flow Conversion of Net Income**

Q4 Year-Over-Year Revenue Change by Region



Note: Data from continuing operations

**Revenue Growth in the Americas and Asia-Pacific Offset a Decline in EMEA;
52% of Q4 2010 Revenue From Sales Outside of North America**

Full Year 2010 Financial Results



- **Revenue** **\$4.9b**
 - 1% increase versus 2009

- **Segment Margins** **11.5%**
 - 60 point year-over-year decline primarily due to power transformer business

- **Adjusted EPS** **\$3.62**
 - Exceeded top end of guidance range
 - 8% year-over-year decline primarily due to power transformer business

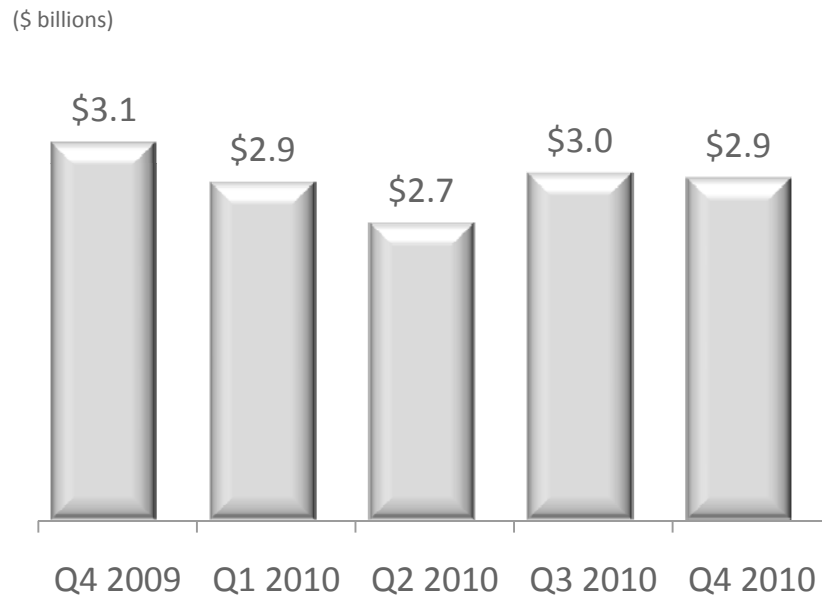
*Excludes \$0.57 of tax benefits and \$0.33 of refinancing charges

- **Adjusted Free Cash Flow** **\$206m**
 - 113% conversion of Adjusted Net Income
 - After \$100m voluntary pension contribution

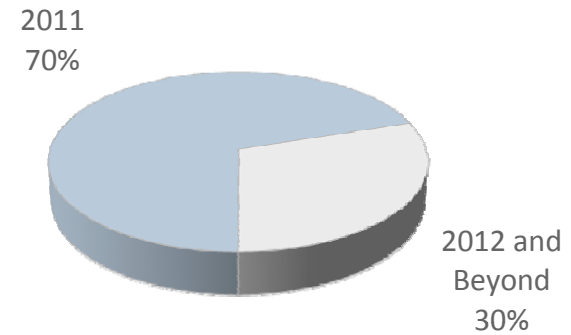
Note: Data from continuing operations; See appendix for non-GAAP reconciliations

2010 Adjusted Earnings Per Share: \$3.62;
113% Adjusted Free Cash Flow Conversion of Adjusted Net Income

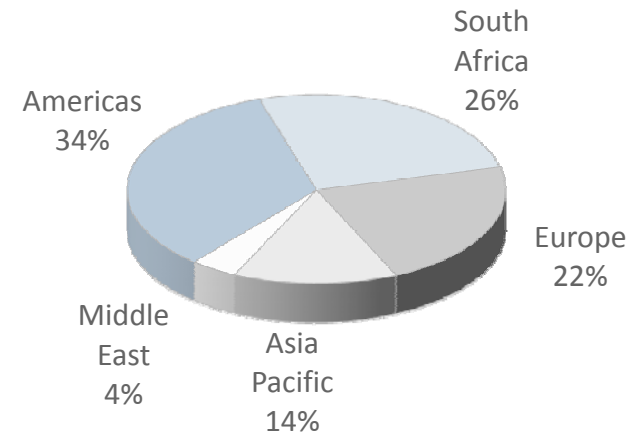
Quarter End Backlog



Aging of Q4 2010 Ending Backlog



Q4 2010 Ending Backlog by Geography



Note: Data from continuing operations

\$2b of the Ending 2010 Backlog is Expected to be Converted to Revenue in 2011

Balance Sheet and Debt Ratios

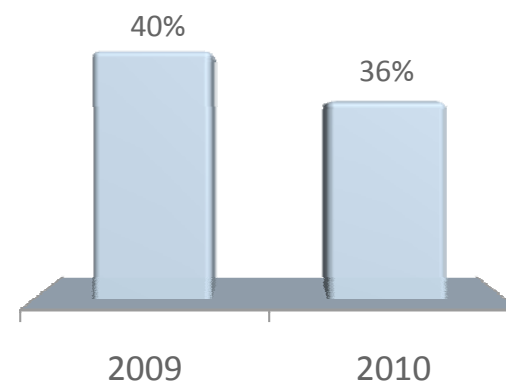


(\$ millions)

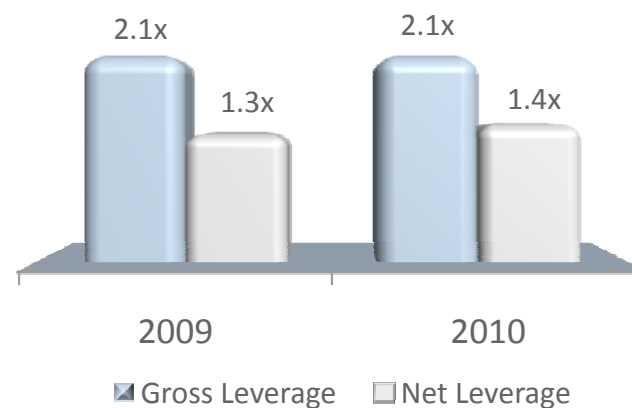
Key Balance Sheet Accounts

| | <u>12/31/09</u> | <u>12/31/10</u> |
|--------------|-----------------|-----------------|
| Cash | \$523 | \$455 |
| Total Assets | \$5,725 | \$5,883 |
| Total Debt | \$1,279 | \$1,198 |
| Total Equity | \$1,882 | \$2,104 |

Debt to Capital



Debt to Bank EBITDA ⁽¹⁾

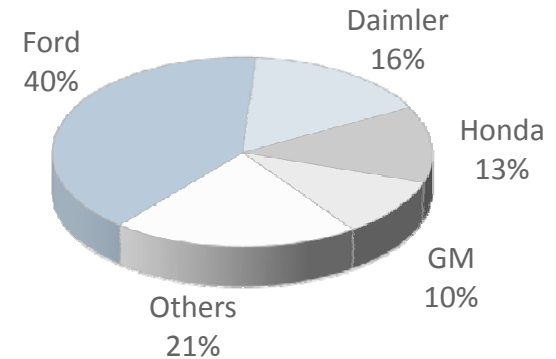


⁽¹⁾ Net and Gross Debt to EBITDA as defined in the credit facility, see appendix for reconciliation

**Reduced Debt 6% in 2010; Ending 2010 Net Debt at \$743m;
Ended 2010 in Solid Financial Position**

- A leading global supplier of diagnostic solutions to vehicle OEMs
- ~\$40m of annual revenue
- Supports more than 25,000 dealerships worldwide
- Strategic rationale:
 - Strengthens existing customer relationships
 - Broadens diagnostic design capabilities
 - Enhances global presence

2010 Service Diagnostics Revenue by OEM



**Teradyne Diagnostics Solutions is an Attractive Strategic Fit;
Expect to Complete this Acquisition in the Second Quarter**



Financial Analysis

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

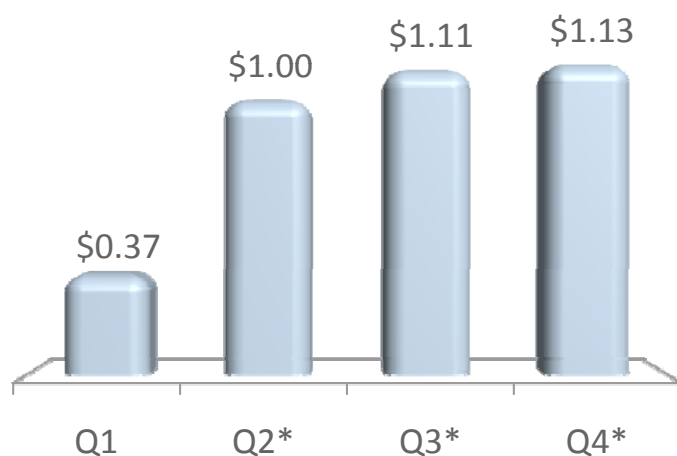
Earnings Per Share



| | 2010 | | | | |
|---|---------|---------|---------|---------|-----------|
| | Q1 | Q2 | Q3 | Q4 | Full Year |
| GAAP EPS from continuing operations | \$ 0.37 | \$ 1.40 | \$ 0.78 | \$ 1.30 | \$ 3.86 |
| Refinancing charges | - | - | 0.33 | - | 0.33 |
| Tax benefits | - | (0.40) | - | (0.17) | (0.57) |
| Adjusted EPS from continuing operations | \$ 0.37 | \$ 1.00 | \$ 1.11 | \$ 1.13 | \$ 3.62 |

**Q4 2010 Adjusted EPS of \$1.13 Per Share
Excludes \$0.17 of Legacy Matter Tax Benefits**

2010 Earnings Per Share



Q4 Adjusted Earnings Per Share Bridge

| | |
|--|----------------------|
| Q4 2009 adjusted EPS | \$1.36 |
| <ul style="list-style-type: none"> ▪ Power transformer operating profit ▪ Other items, net | (\$0.18) (\$0.05) |
| Q4 2010 adjusted EPS | \$1.13 |

*as adjusted; see appendix for non-GAAP reconciliations

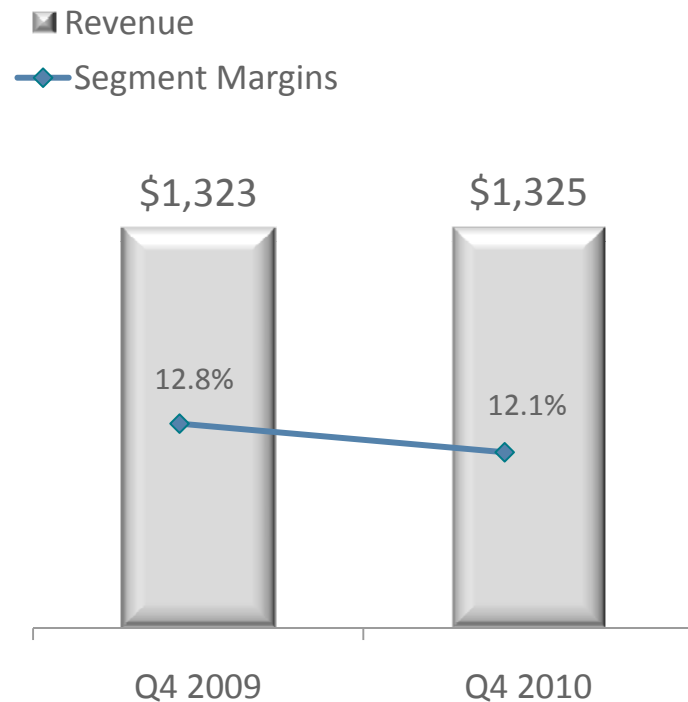
Note: data from continuing operations

**Lower Year-Over-Year Pricing on Power Transformer Shipments
Was the Primary Cause of Lower Adjusted Earnings Per Share**

Consolidated Q4 Financial Analysis



(\$ millions)



- Flat revenue:
 - 4% increase from acquisitions
 - (3%) organic decline
 - (1%) currency impact
- 5% decline in segment income
- 70 points of margin contraction:
 - 90 points of margin contraction due to power transformer business

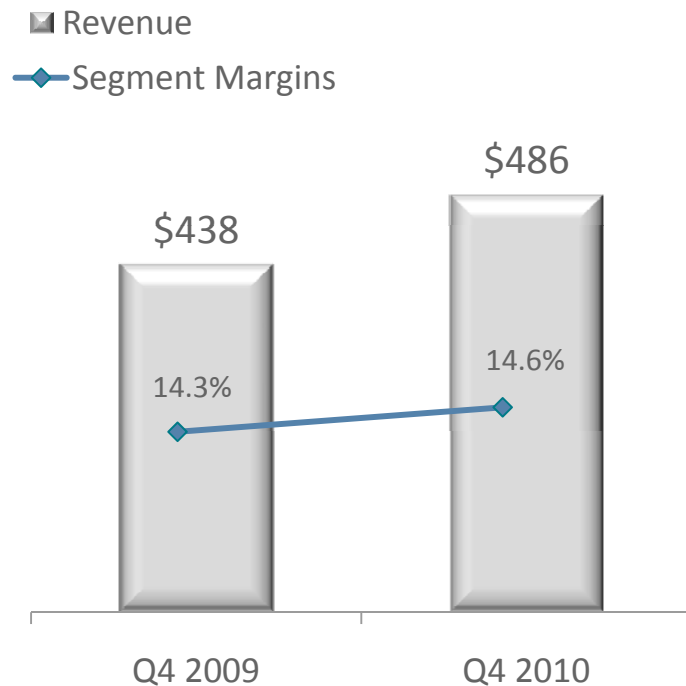
Note: Data from continuing operations

**Q4 Revenue Flat to Prior Year;
Margin Decline Due to Lower Pricing on Power Transformer Shipments**

Flow Technology Q4 Analysis



(\$ millions)



- 11% revenue growth:
 - 9% increase from acquisitions
 - 3% organic growth
 - (1%) currency impact
- 13% increase in segment income
- 30 points of margin expansion:
 - Leverage on organic revenue growth
 - Favorable sales mix
 - 50 points of dilution from acquisitions

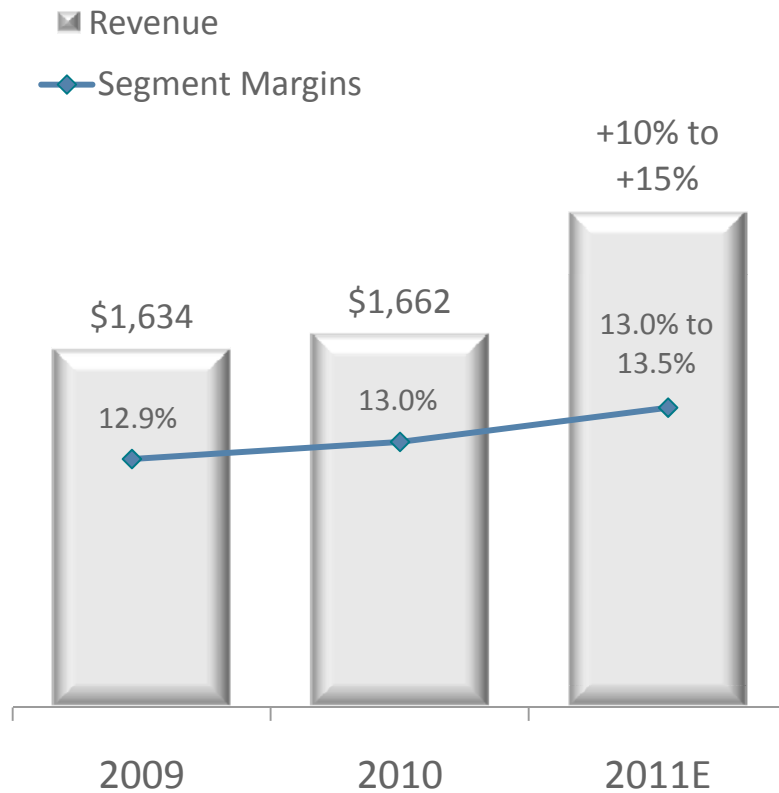
Note: Data from continuing operations

**11% Revenue Growth and 13% Increase in Segment Income;
Margins Expanded 30 Points Despite the Dilutive Impact of the 2010 Acquisitions**

Flow Technology Full Year Analysis



(\$ millions)



2010 vs. 2009

- 2% revenue growth:
 - 6% increase from acquisitions
 - (4%) organic decline
- 2% increase in segment income
- 10 points of margin expansion:
 - 50 points of dilution from acquisitions

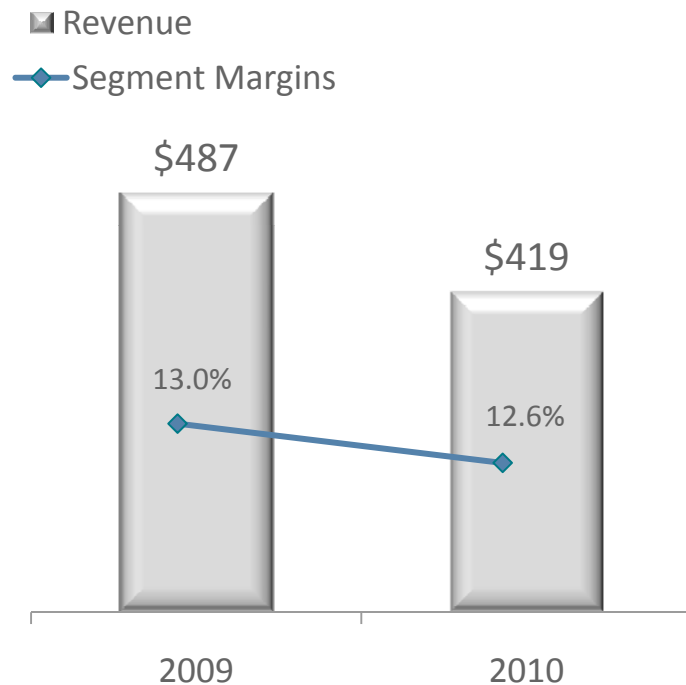
Note: Data from continuing operations

**Targeting 10% to 15% Revenue Growth and
13.0% to 13.5% Margins in 2011**

Thermal Equipment & Services Q4 Analysis



(\$ millions)



- 14% revenue decline:
 - 4% increase from acquisitions
 - (16%) organic decline
 - (2%) currency impact
- 17% decrease in segment income
- 40 points of margin contraction:
 - Reduced volume of power generation projects

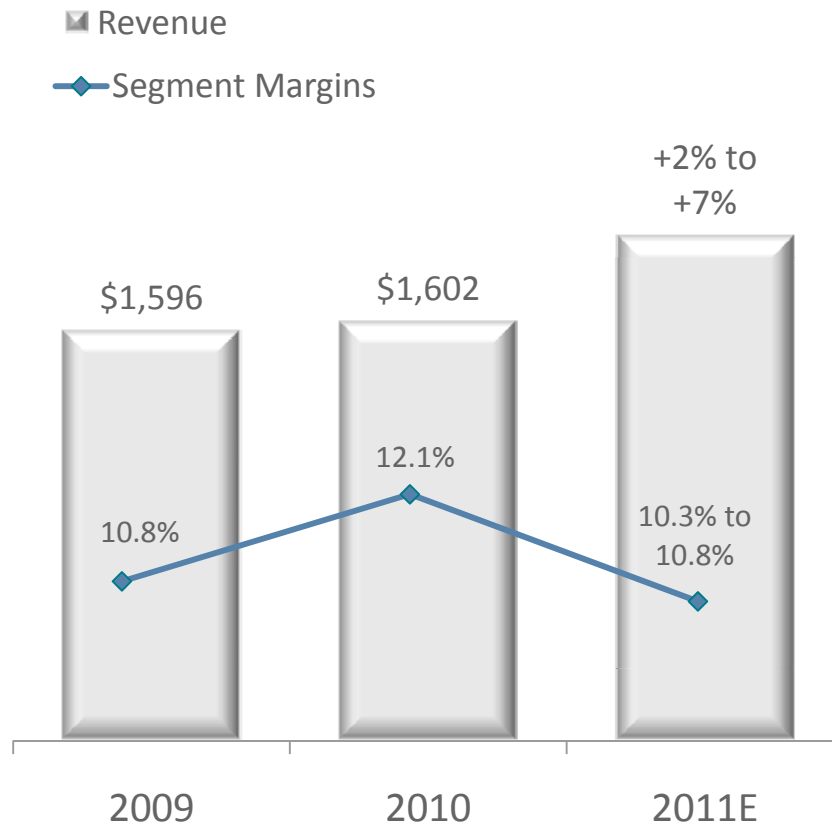
Note: Data from continuing operations

**14% Revenue Decline Due Primarily to Fewer Power Projects in China;
Margins Declined 40 points Due to Reduced Revenue into Power Generation Markets**

Thermal Equipment & Services Full Year Analysis



(\$ millions)



2010 vs. 2009

- 0.4% revenue growth:
 - 6% increase from acquisitions
 - (4%) organic decline
 - (1%) currency impact
- Segment income increased 13% and segment margins expanded 130 points:
 - Favorable project mix
 - Improved project execution
 - SPX Heat Transfer Inc. acquisition

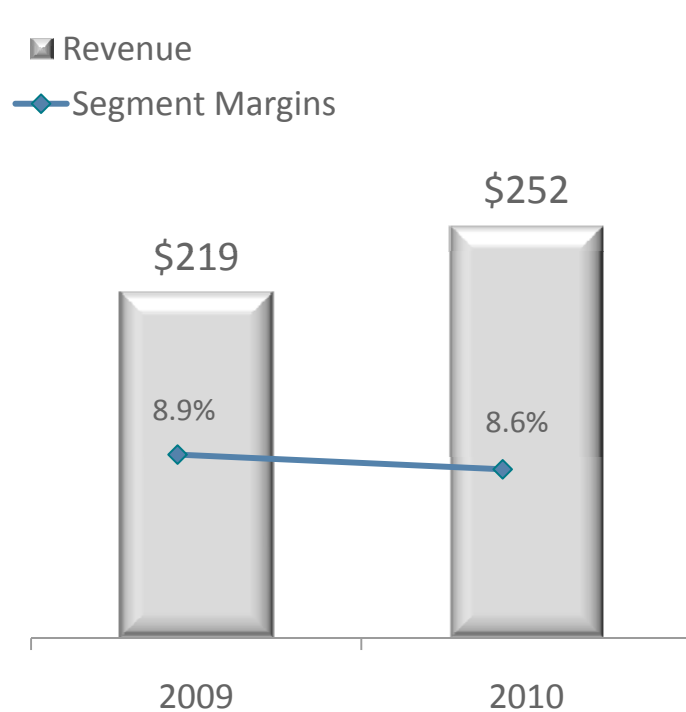
Note: Data from continuing operations

**Targeting Revenue Growth of 2% to 7%;
Expect Lower Margin Backlog to Impact 2011 Margins**

Test & Measurement Q4 Analysis



(\$ millions)



- 15% revenue growth:
 - 17% organic growth
 - (2%) currency impact
- 12% increase in segment income
- Year-end LIFO credit:
 - Q4 2009: \$4
 - Q4 2010: \$1
- 30 points of margin contraction:
 - Due to lower Q4 2010 LIFO adjustment

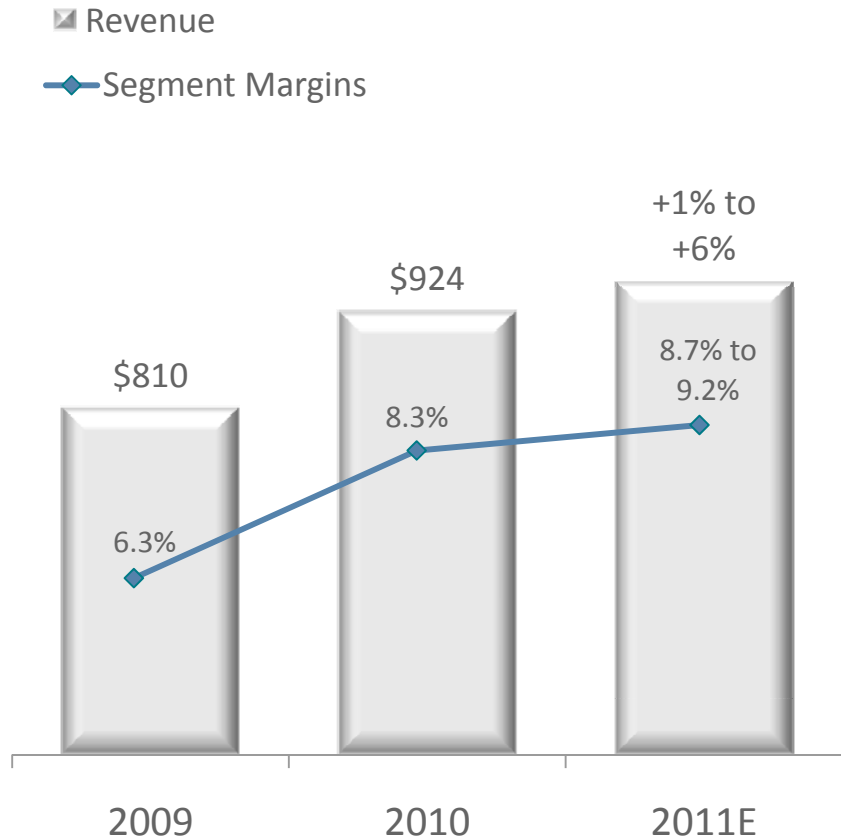
Note: Data from continuing operations

**15% Year-Over-Year Revenue Growth Driven by New Vehicle Program Launches;
Margins Increased 80 Points Sequentially**

Test & Measurement Full Year Analysis



(\$ millions)



2010 vs. 2009

- 14% revenue growth:
 - 15% organic growth
 - (1%) currency impact
- Segment income increased 49% and segment margins expanded 200 points:
 - Leverage on organic growth
 - Benefits from prior year's restructuring

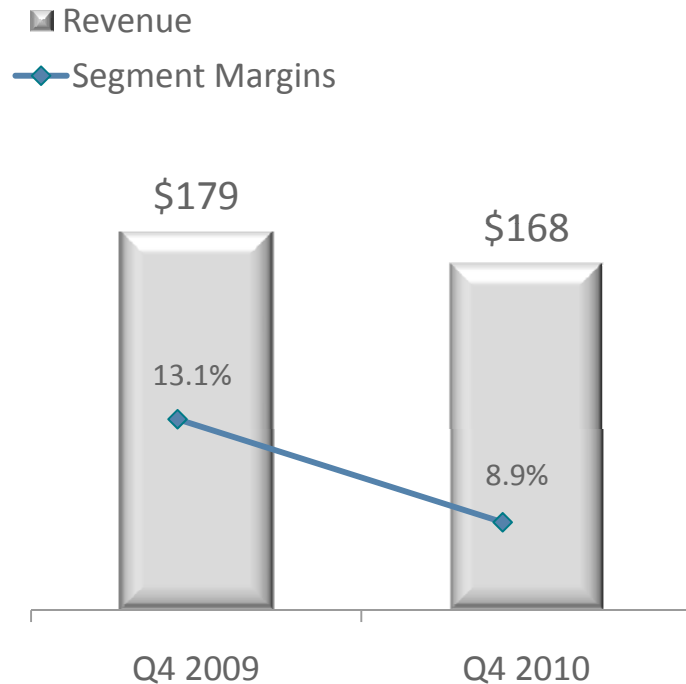
Note: Data from continuing operations

Targeting 1% to 6% Revenue Growth and 40 to 90 Points of Margin Expansion in 2011

Industrial Products & Services Q4 Analysis



(\$ millions)



- 6% revenue decline
- 36% decrease in segment income
- 420 points of margin contraction:
 - Lower pricing on power transformer shipments

Note: Data from continuing operations

**Revenue Decreased 6% and Margins Declined 420 Points to 8.9%
Due Primarily to Lower Pricing on Power Transformer Shipments**

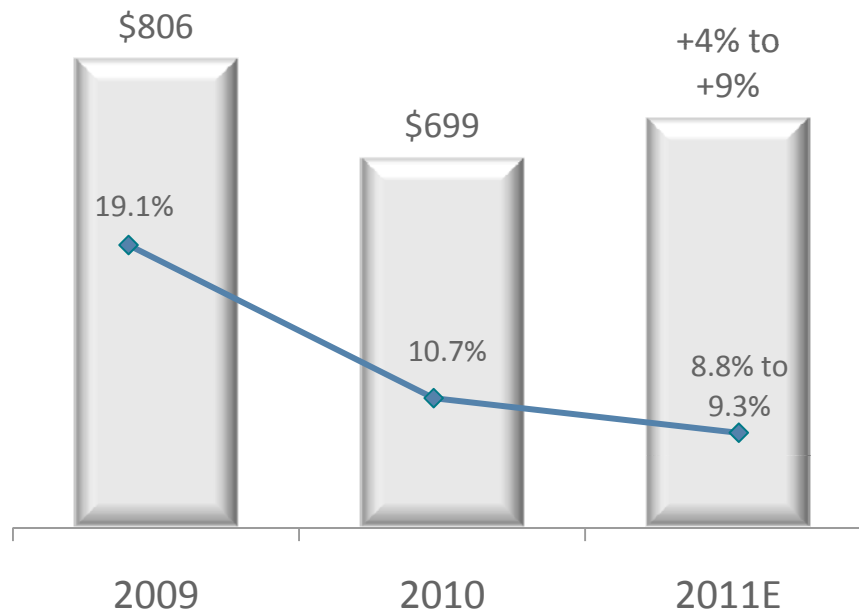
Industrial Products & Services Full Year Analysis



(\$ millions)

■ Revenue
◆ Segment Margins

2010 vs. 2009



- (13%) revenue decline:
 - (14%) organic decline
 - 0.4% acquisition growth
- Segment income decreased 52% and segment margins contracted 840 points:
 - Reduced volume and pricing of power transformer shipments

Note: Data from continuing operations

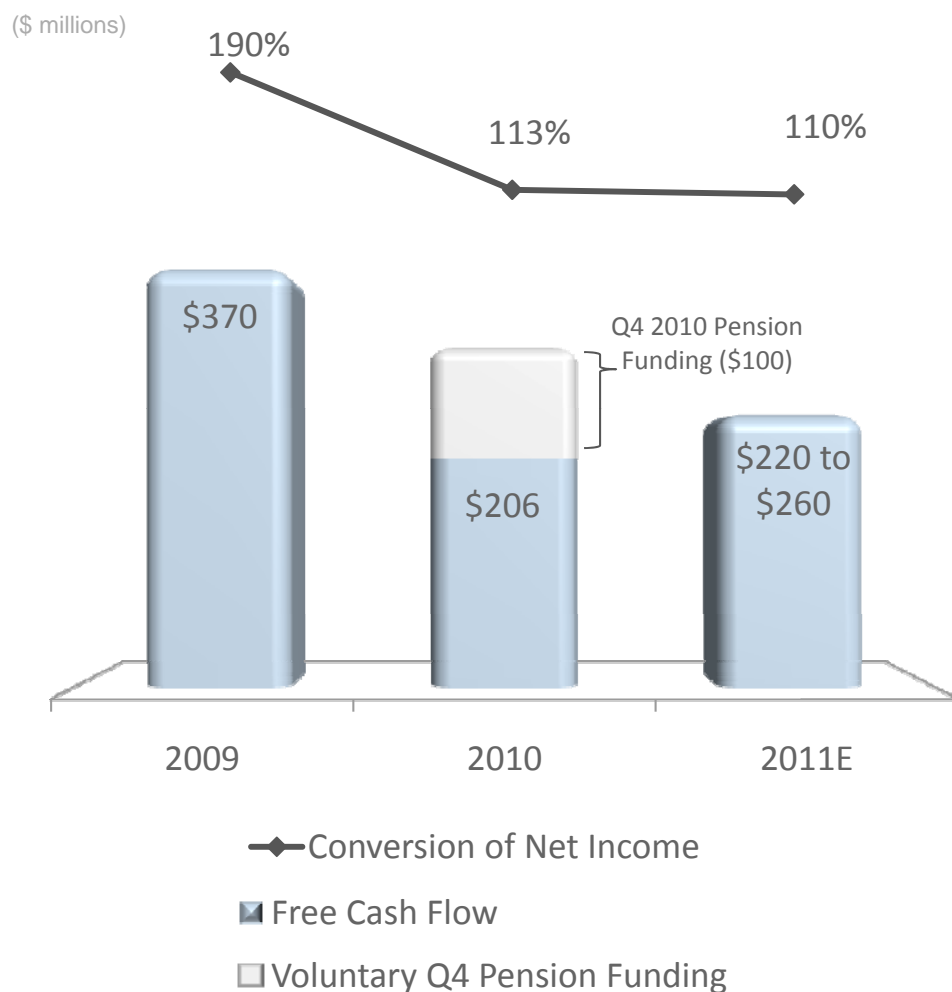
Targeting 4% to 9% Revenue Growth with Margins Between 8.8% and 9.3% in 2011



Free Cash Flow

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

Free Cash Flow



- \$174 of Free Cash Flow in Q4 2010
- \$206 of adjusted Free Cash Flow in 2010:
 - Net of \$100 Q4 2010 pension contribution
- 2011E Free Cash Flow is \$220 to \$260 and includes:
 - Elevated capital spending at \$150m
 - ~\$20m of pension funding
 - ~\$30m of restructuring

Note: Data from continuing operations; See appendix for non-GAAP reconciliations

**\$206m of Adjusted Free Cash Flow in 2010;
Targeting >100% Conversion of Net Income in 2011E**

Projected Liquidity



(\$ millions)

| | |
|--|-----------------|
| Cash on hand at 12/31/2010 | \$455 |
| Available credit lines | \$555 |
| | <hr/> |
| Liquidity at 12/31/2010 | \$1,010 |
| 2011E free cash flow | \$240 |
| Planned debt payments | (\$50) |
| Expected dividend payments | (\$51) |
| | <hr/> |
| Projected liquidity at 12/31/2011 | \$1,149* |

*Excludes future acquisitions and disposals

Note: Our ability to access these sources under our various facilities may be limited by the terms of our credit facility and by tax regulations that pertain to cash in overseas locations

Note: Data from continuing operations; See appendix for non-GAAP reconciliations

>\$1 Billion of Projected Liquidity in 2011



2011 Guidance and Summary

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

2011 Consolidated Financial Targets

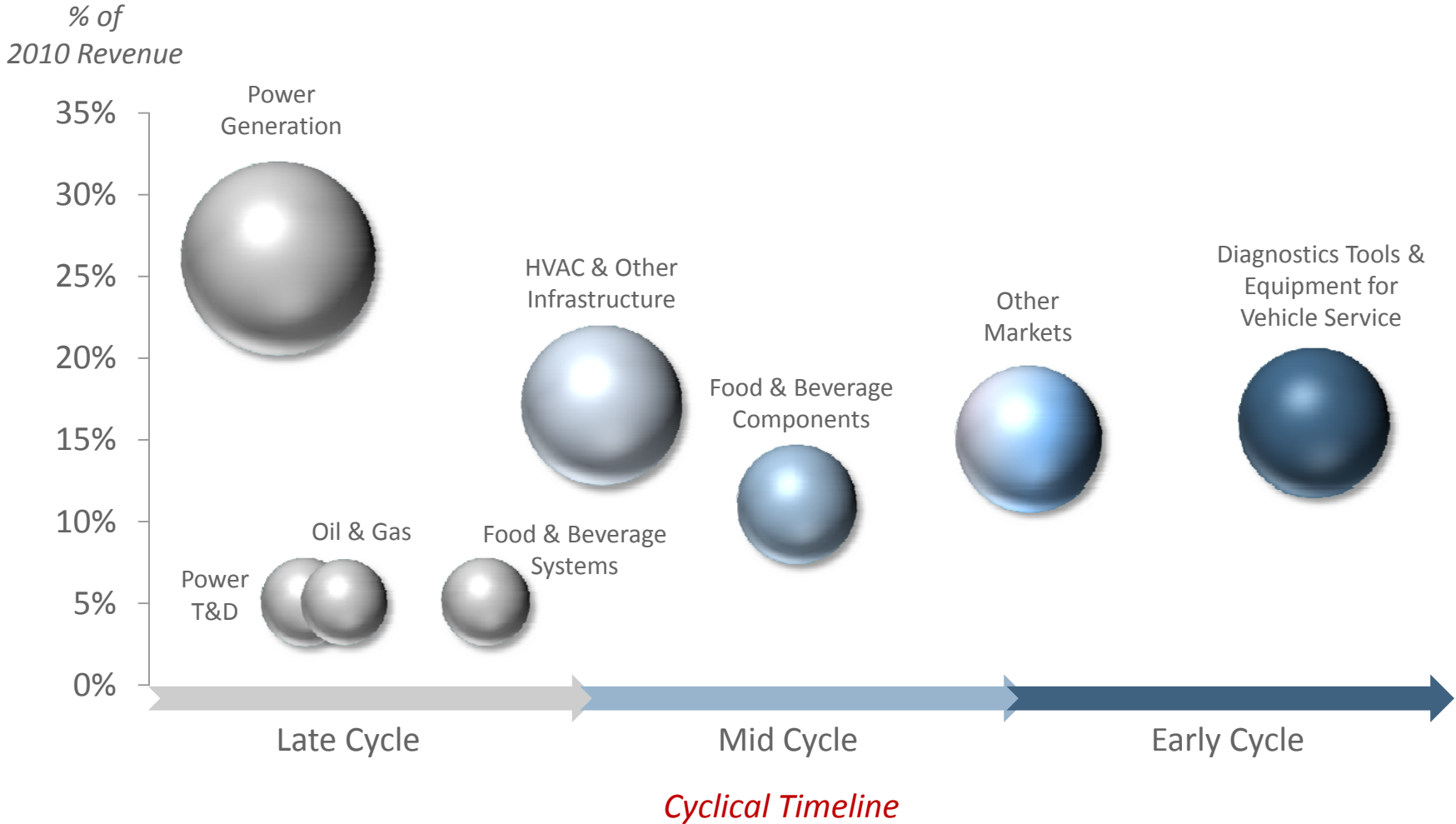


| | | |
|-----------------------|---|---|
| Revenue | \$5.2b to \$5.4b | total growth: +5% to 10% |
| Segment Income Margin | 10.8% to 11.3% | |
| Earnings Per Share | \$4.20 to \$4.50 EPS mid-point: \$4.35 | +16% to +24% |
| Free Cash Flow | \$220m to \$260m | 100% to 120% of net income |
| Capital Spending | ~\$150m | transformer plant expansion & China manufacturing campus |

Note: Data from continuing operations; see appendix for reconciliations

**Targeting Single Digit Organic Revenue Growth,
~20% EPS Growth and ~110% Conversion of Free Cash Flow**

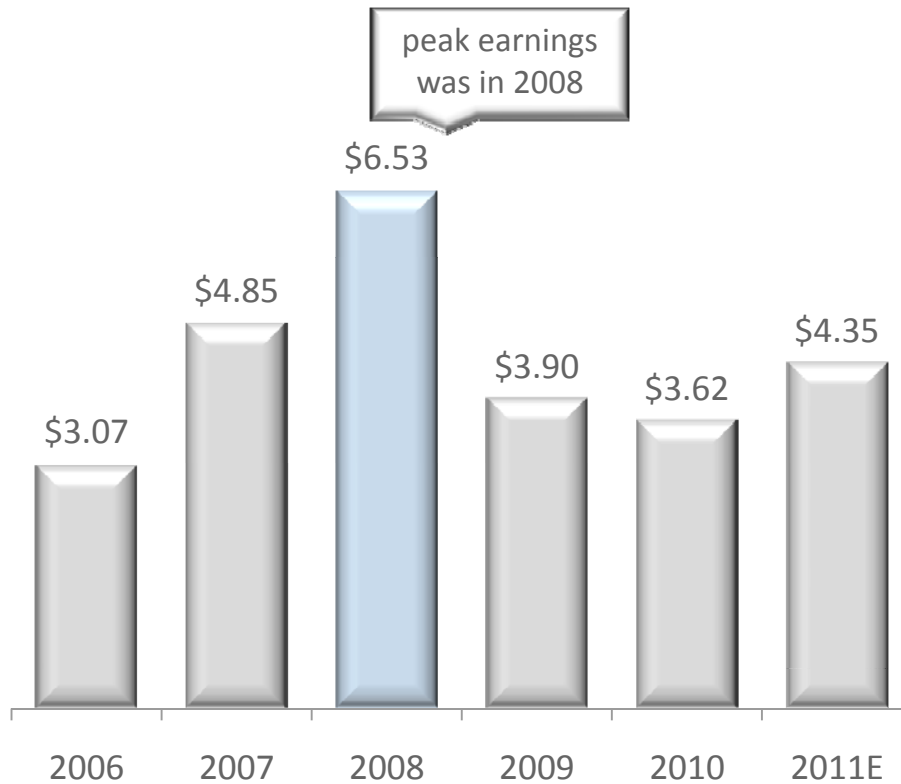
Cyclical Analysis by End Market



Note: Data from continuing operations

~2/3rds of SPX Business is Mid-to-Late Cycle

Earnings Per Share*



- Solid operating execution in 2010
- Expect to return to organic revenue and earnings growth in 2011
- Investing in:
 - Innovation
 - Large power transformer capacity
 - China manufacturing campus
- Positive medium to long-term growth expectations across most markets

*As adjusted numbers reported at the time, see appendix for non-GAAP reconciliations

Note: Data from continuing operations

**At the Early Point of Cyclical Recovery;
Continue to Invest in Long-Term Strategy**



Questions

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS



Appendix

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

EPS Mid-Point Model



(\$ millions, except per share data)

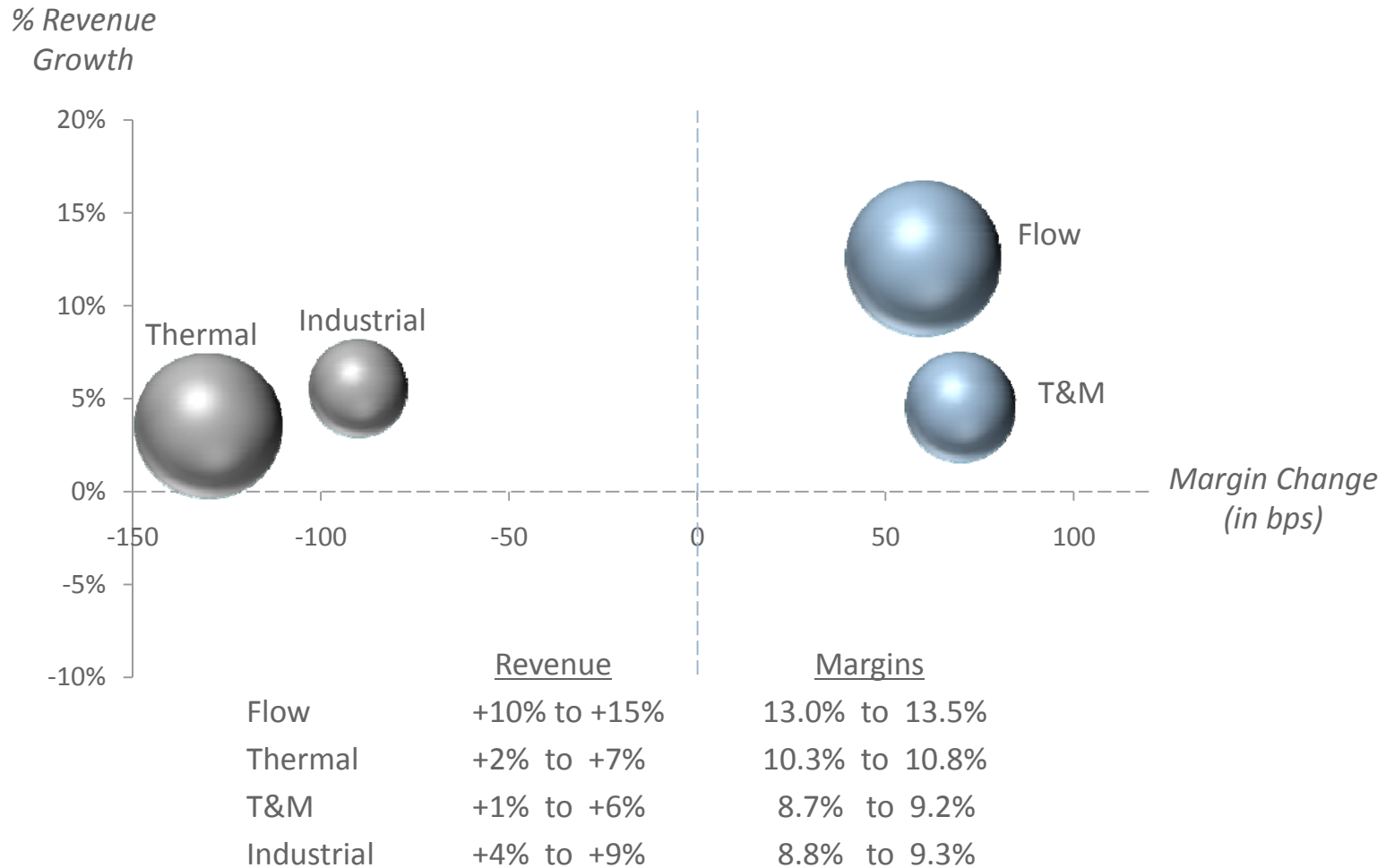
| | 2010 | 2011E |
|--|-----------------|---------------|
| Revenue | \$4,887 | \$5,280 |
| Segment income margin | 11.5% | 11.1% |
| Corporate expense | (96) | (100) |
| Pension / PRHC | (52) | (40) |
| Stock-based compensation | (31) | (35) |
| Impairment of goodwill and other intangibles | (2) | 0 |
| Special charges | (36) | (25) |
| Operating Income | \$343 | \$389 |
| <i>% of revenues</i> | 7.0% | 7.4% |
| Equity earnings in J/V | 30 | 38 |
| Other expense | (21) | (3) |
| Interest expense, net | (82) | (89) |
| Pre-Tax Income from Continuing Operations | \$270 | \$334 |
| Income tax provision | (91) | (105) |
| Income from Continuing Operations | \$180 | \$229 |
| Less income attributable to noncontrolling interests, net of tax | \$3 | (\$6) |
| Net Income from continuing operations attributable to SPX | \$182 | \$223 |
| Tax rate | 34% | 32% |
| Weighted average dilutive shares outstanding | 50 | 51 |
| EPS Mid-Point from continuing operations | \$3.62 * | \$4.35 |
| Bank EBITDA | \$547 | \$585 |

*Adjusted EPS, see appendix for non-GAAP reconciliations

Note: Data from continuing operations

2011 EPS Guidance Mid-Point of \$4.35

2011E Segment Revenue and Margin Targets



Note: Data from continuing operations; 2011E as of 1/19/2011

Consolidated Revenue Growth Target: +5% to +10% Over 2010;
Segment Income Margin Target: 10.8% to 11.3%

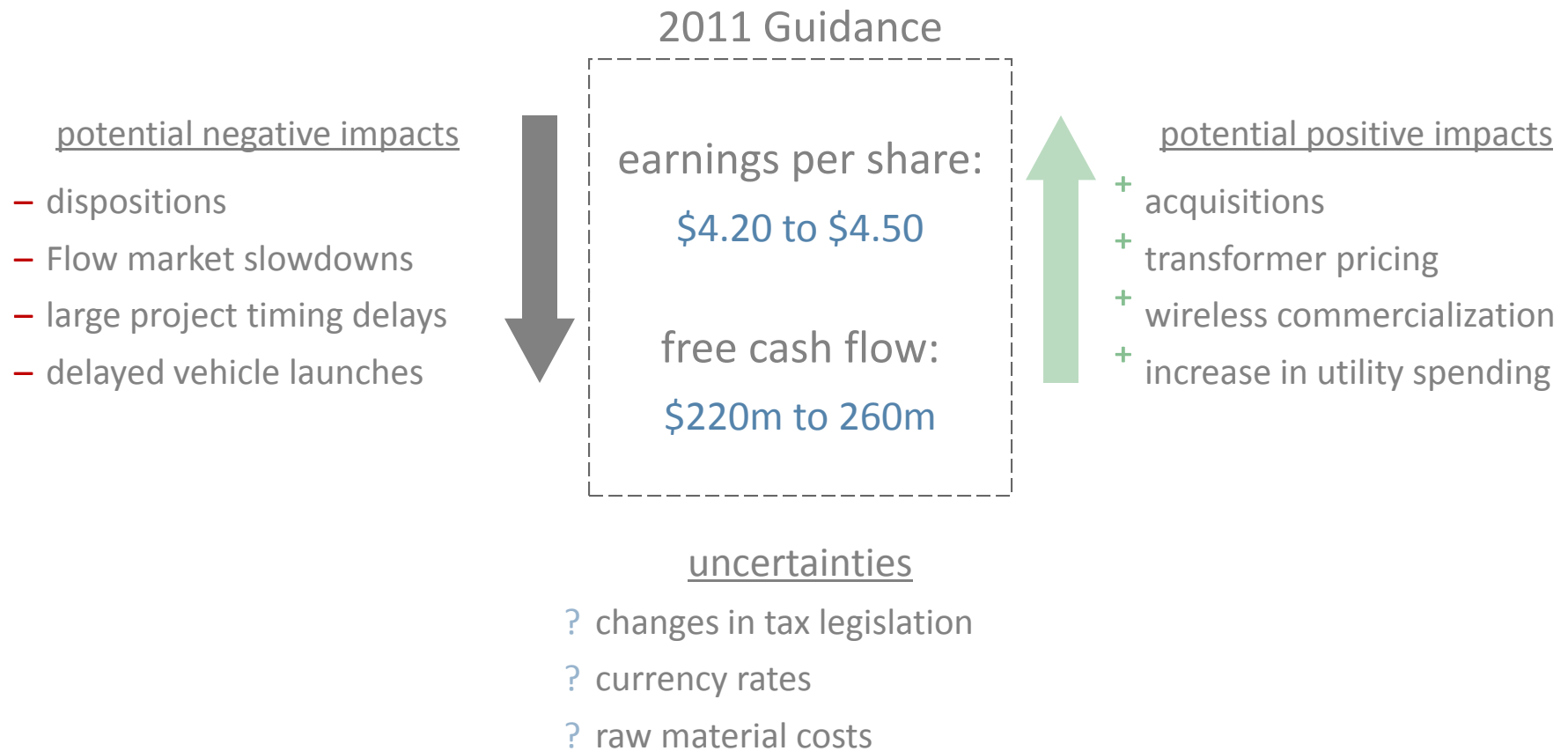
Q4 2010 Backlog by Segment



| | 12/31/2010 Backlog | Variance to Q3 2010 | Variance to Q4 2009 |
|--------------------------------|-----------------------|---------------------|---------------------|
| Flow Technology | \$789 | 2.3% | 36.3% |
| Thermal Equipment & Services | \$1,625 | -2.5% | -17.6% |
| Test & Measurement | \$148 | -6.6% | 5.5% |
| Industrial Products & Services | \$359 | 0.2% | -8.6% |
| Consolidated SPX | \$2,922 | -1.1% | -5.3% |

Note: Data from continuing operations

2011 Guidance Upsides & Downsides



**Certain Events Could Influence Earnings Per Share;
\$1m of Net Income Equals ~\$0.02 of Earnings Per Share**



Non-GAAP Reconciliations

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

Q4 2010 Organic Revenue Growth Reconciliation



Quarter Ended December 31, 2010

| | Net Revenue Change | Acquisitions/ Divestitures | Foreign Currency | Organic |
|--------------------------------|-----------------------|-------------------------------|---------------------|---------|
| Flow Technology | 11.0% | 9.2% | -1.0% | 2.8% |
| Thermal Equipment & Services | -14.1% | 3.5% | -1.5% | -16.1% |
| Test & Measurement | 15.0% | 0.0% | -2.4% | 17.4% |
| Industrial Products & Services | -6.1% | 0.4% | -0.2% | -6.3% |
| Consolidated SPX | 0.1% | 4.4% | -1.3% | -3.0% |

Note: Data from continuing operations

2010 Organic Revenue Growth Reconciliation



Year Ended December 31, 2010

| | Net Revenue Change | Acquisitions/ Divestitures | Foreign Currency | Organic |
|--------------------------------|-----------------------|-------------------------------|------------------|---------------|
| Flow Technology | 1.7% | 5.6% | 0.2% | -4.1% |
| Thermal Equipment & Services | 0.4% | 5.5% | -1.1% | -4.0% |
| Test & Measurement | 14.0% | 0.0% | -1.1% | 15.1% |
| Industrial Products & Services | <u>-13.3%</u> | <u>0.4%</u> | <u>-0.1%</u> | <u>-13.6%</u> |
| Consolidated SPX | 0.9% | 3.8% | -0.5% | -2.4% |

Note: Data from continuing operations

2006 to 2010 Adjusted EPS



| | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---------|---------|---------|---------|---------|
| GAAP EPS from continuing operations | \$ 3.74 | \$ 5.33 | \$ 4.68 | \$ 0.95 | \$ 3.86 |
| refinancing charges | - | - | - | - | 0.33 |
| asset impairments | - | 0.05 | 2.21 | 3.40 | - |
| tax benefits | (0.85) | (0.59) | (0.47) | (0.43) | (0.57) |
| legal matters | 0.27 | 0.06 | 0.11 | - | - |
| other | (0.08) | - | - | - | - |
| | | | | | |
| Adjusted EPS from continuing operations | \$ 3.07 | \$ 4.85 | \$ 6.53 | \$ 3.92 | \$ 3.62 |

Q4 Free Cash Flow Reconciliation



(\$ millions)

| | <u>Q4 2009</u> | <u>Q4 2010</u> |
|---|----------------------|----------------------|
| Net cash from continuing operations | \$ 226 | \$ 214 |
| Capital expenditures | <u>\$ (33)</u> | <u>\$ (40)</u> |
| Free cash flow from continuing operations | <u><u>\$ 193</u></u> | <u><u>\$ 174</u></u> |

Full Year Free Cash Flow Reconciliation



| (\$ millions) | <u>2009</u> | <u>2010</u> | <u>2011E Guidance Range</u> |
|--|----------------------|----------------------|--|
| Net cash from continuing operations | \$ 463 | \$ 257 | \$ 370 to \$ 410 |
| Capital expenditures | <u>\$ (93)</u> | <u>\$ (76)</u> | <u>\$ (150)</u> to <u>\$ (150)</u> |
| Free cash flow from continuing operations | <u>\$ 370</u> | <u>\$ 181</u> | <u>\$ 220</u> to <u>\$ 260</u> |
| Add back: Payments on early termination of swap agreements | <u>\$ -</u> | <u>\$ 25</u> | |
| Adjusted free cash flow from continuing operations | <u>\$ 370</u> | <u>\$ 206</u> | |

Note: 2010 adjusted Free Cash Flow excludes \$24.3m of one-time cash payments associated with the early termination of interest rate swap agreements and \$0.2m related to an early termination fee

Debt Reconciliations



| (\$ millions) | <u>12/31/2009</u> | <u>12/31/2010</u> |
|---|----------------------|----------------------|
| Short-term debt | \$ 74 | \$ 36 |
| Current maturities of long-term debt | 76 | 51 |
| Long-term debt | <u>1,129</u> | <u>1,111</u> |
| Gross Debt | \$ 1,279 | \$ 1,198 |
| Less: Purchase card program and extended A/P programs | <u>\$ (26)</u> | <u>\$ (36)</u> |
| Adjusted Gross Debt | \$ 1,253 | \$ 1,162 |
| Less: Cash in excess of \$50 | <u>\$ (473)</u> | <u>\$ (405)</u> |
| Adjusted Net Debt | <u>\$ 780</u> | <u>\$ 756</u> |

Note: Debt as defined in the credit facility

Bank EBITDA Reconciliations



| (\$ millions) | <u>2010</u> | <u>2011E</u> |
|--|----------------|----------------|
| Revenues | \$4,887 | \$5,280 |
| Net Income | \$194 | \$222 |
| Income tax provision (benefit) | 53 | 105 |
| Interest expense | 82 | 89 |
| Income before interest and taxes | \$329 | \$417 |
| Depreciation and intangible amortization expense | 113 | 130 |
| EBITDA from continuing operations | \$442 | \$547 |
| Adjustments: | | |
| Amortization and write-off of intangibles and organizational costs | 0 | 0 |
| Non-cash compensation expense | 31 | 35 |
| Extraordinary non-cash charges | 14 | (7) |
| Extraordinary non-recurring cash charges | 62 | 25 |
| Excess of JV distributions over JV income | 0 | (8) |
| Loss (Gain) on disposition of assets | 0 | 0 |
| Pro Forma effect of acquisitions and divestitures | (5) | 0 |
| Other | 3 | (2) |
| Bank LTM EBITDA from continuing operations | \$547 | \$590 |

Note: EBITDA as defined in the credit facility