

Q1 2018 Earnings Presentation



SPX

May 3, 2018

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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 market specific cycles and weather related fluctuations; economic, business, and other risks stemming from changes in the economy; legal and regulatory risks; cost of raw materials; pricing pressures; our reliance on U.S. revenues and international operations; our 2015 spin-off transaction; the effectiveness, success, and timing of restructuring plans; 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; liabilities retained in connection with dispositions; 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. A reconciliation of the non-GAAP financial measures with the most comparable measures calculated and presented in accordance with GAAP is available in the appendices of this presentation and our applicable SEC filings. 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 "Engineered Solutions (Core)" results in this presentation are non-GAAP financial measures that exclude the results of the South African projects.

Introductory Comments

Gene Lowe

May 3, 2018



Performance and Accomplishments

- Solid start to the year, well-positioned to achieve full-year targets
 - Strong overall revenue growth
 - Margin expansion continued
- Significant progress on capital deployment plans
 - Announced two proprietary, highly complementary acquisitions

On Track to Achieve 2018 Guidance

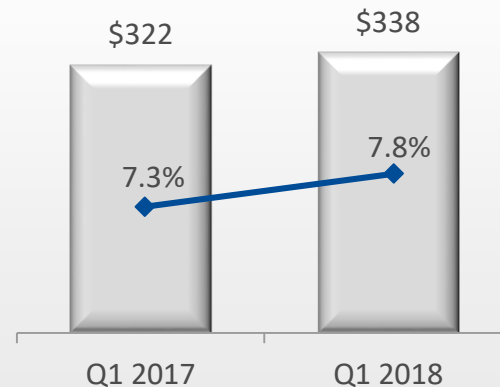
Core Q1 2018 Summary



Year-over-Year Analysis

- HVAC and Detection & Measurement segments were primary drivers of solid growth in revenues and Adjusted operating income*
 - 4.7% Core revenue growth
 - Adjusted operating income* growth of ~13% and 50 bps of Adjusted operating income margin* expansion

■ Core Revenue*
◆ Adjusted Operating Income Margin*



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

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

Adjusted EPS* of \$0.44

Value Creation Roadmap

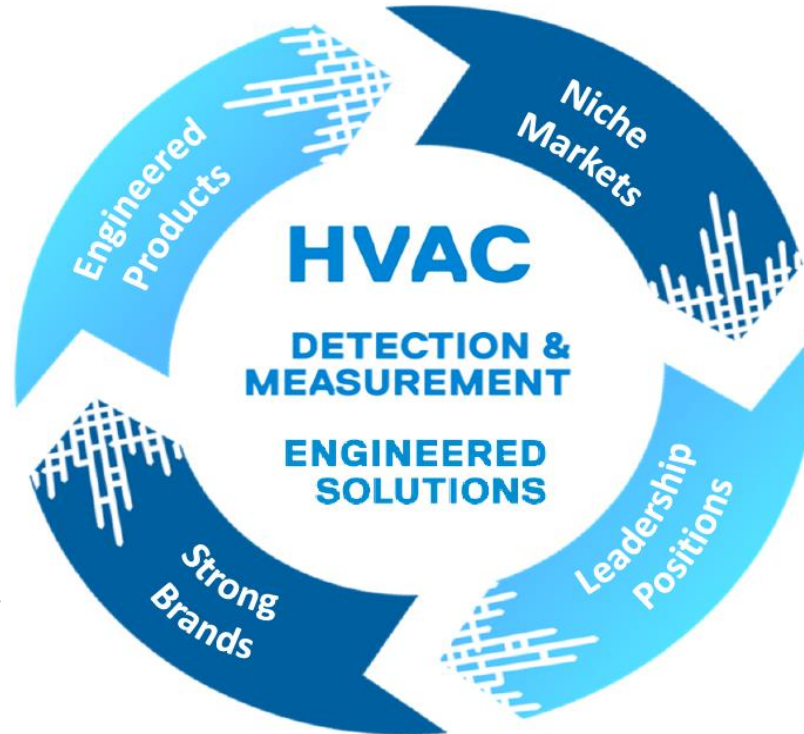


Organic Growth

- New products
- New channels
- Adjacent markets

Inorganic Growth

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



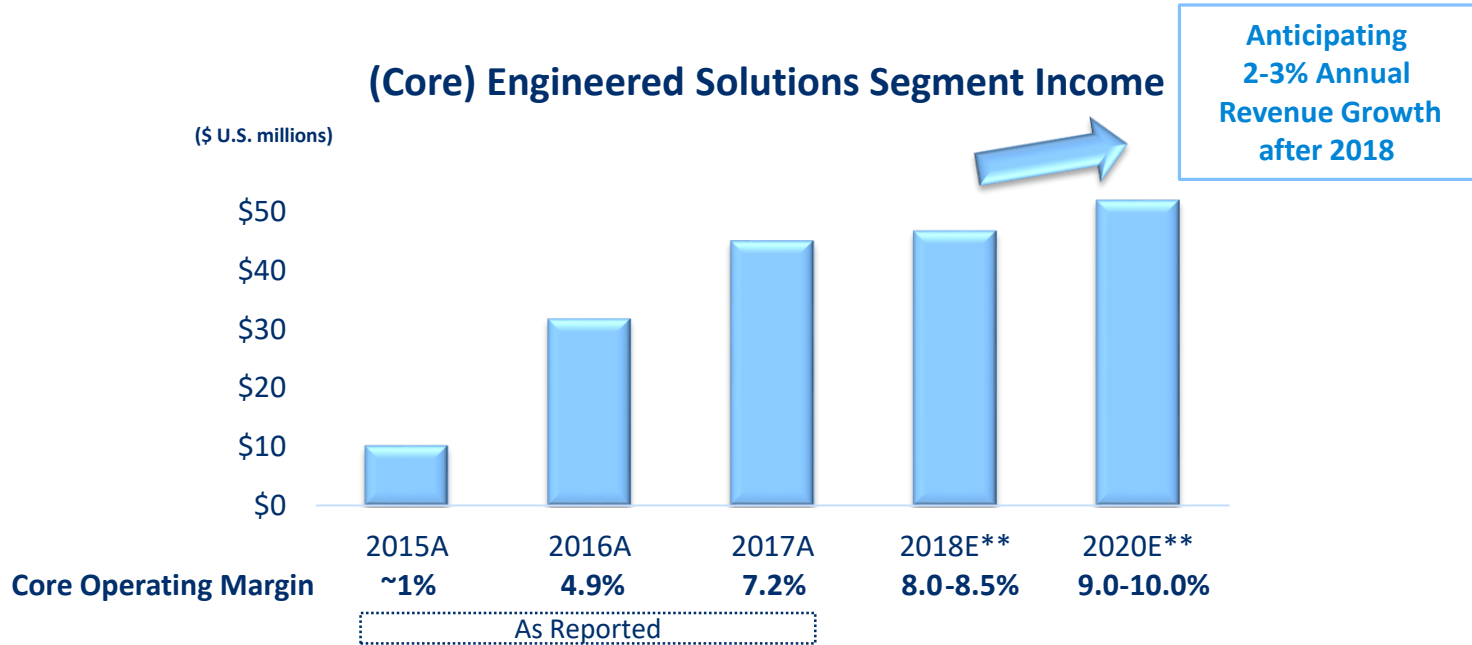
SPX Business System

- Policy deployment
- Operational excellence
- Due diligence/integration

Culture & Values

- Leadership development
- Results/accountability
- Integrity

(Core) Engineered Solutions Segment Value Creation



Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, 2017 Core segment income also excludes a gain related to contract settlement within our engineered Solutions segment.
****We** have not reconciled non-GAAP financial measures guidance to their nearest GAAP equivalents because we do not provide guidance for items that we do not consider indicative of our on-going performance and that are out of our control and/or cannot be reasonably predicted. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP financial measures is not available without unreasonable effort.

**Increased Segment Profitability by \$35M Since Spin;
Return to Revenue Growth of 2-3% beyond 2018**

Schonstedt Overview



Company Profile

Headquarters: Kearneysville, West Virginia

2017 Sales: \$9M

Employees: 25

Manufacturing: 25,000 sq. ft. facility

Description: Manufacturer of magnetic locator products used for locating underground utilities and other buried objects.

Transaction Close: Q1 2018

Acquisition Rationale:

- Detection & Measurement focus
- Highly complementary product bolt-on
- Market leading technology
- Attractive growth profile



MPX-Rex Combo Kit



XTpc Pipe and Cable Locator



Rex Multi-Frequency Pipe & Cable Locator



GA-92XTd Magnetic Locator

CUES Overview

Company Profile

Headquarters: Orlando, Florida

2017 Sales: ~\$86M

Employees: 365

Manufacturing: 70,000 sq. ft. facility

Description: Leading manufacturer of inspection and rehabilitation equipment.

Transaction Close: Anticipated late Q2 2018

Acquisition Rationale:

- Detection & Measurement focus
- Highly complementary to inspection equipment
- Market leading product portfolio
- Attractive growth profile

CUES Digital Universal Camera



"The Standard of the Industry"



Mobile Inspection Units



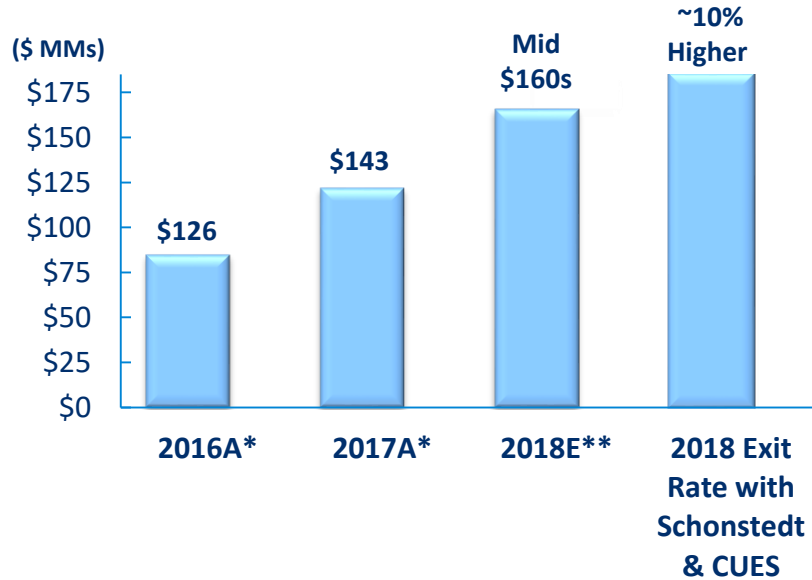
CUES SPIDER Scanner



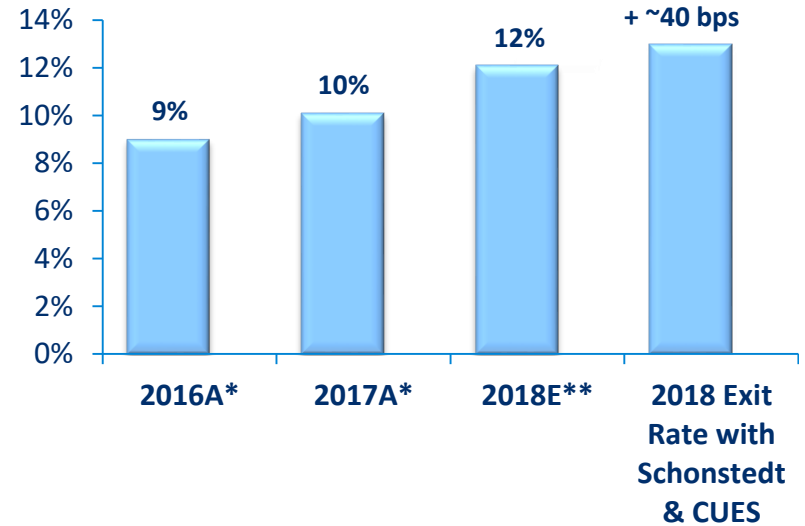
2016-2018 SPX Adjusted EBITDA Performance



Adjusted EBITDA



Adjusted EBITDA Margin %



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Continuous Delivery of Value Creation Since Spin

Q1 Financial Review

Scott Sproule

May 3, 2018



Earnings Per Share



Q1 2018 Adjusted EPS

	<u>Q1 2018</u>	<u>Q1 2017</u>
GAAP EPS from continuing operations	\$0.28	\$0.24
South African projects	\$0.10	\$0.12
Non-service pension items & other**	\$0.03	\$0.02
Tax reform-related adjustment	\$0.03	-
Adjusted EPS from continuing operations	\$0.44	\$0.38

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

**Other includes acquisition costs in Q1 2018.

Q1 Adjusted EPS* of \$0.44, Up From \$0.38 a Year Ago

Core Q1 2018 Results



Year-over-Year Analysis

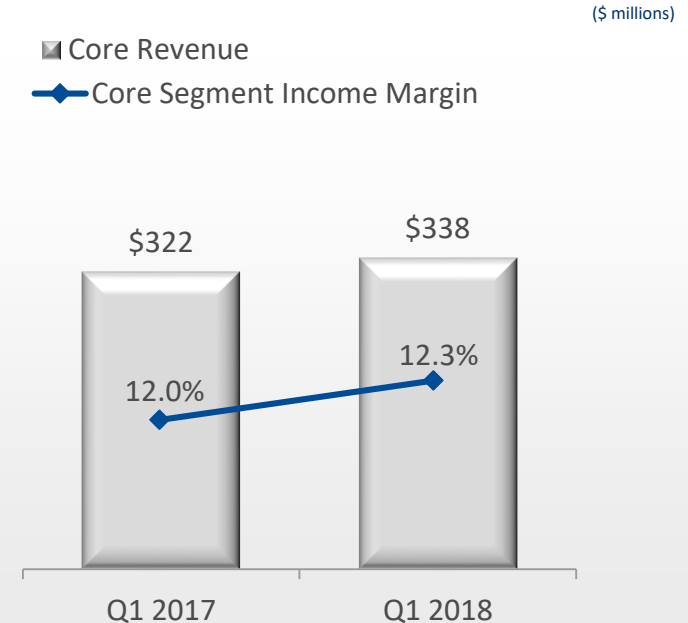
Q1 Core Revenue:

- 4.7% year-over-year increase:
 - 3.4% increase, primarily due to improved volumes in HVAC and Detection & Measurement segments, partially offset by lower revenues in Engineered Solutions
 - 1.3% currency and acquisition impact

Q1 Core Segment Income and Margin:

- \$2.9m increase in Core segment income driven by improved volumes in HVAC and Detection & Measurement segments
- 30 basis points of Core segment margin improvement driven by higher Detection & Measurement segment volumes

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



Solid Revenue Growth and Margin Improvement

HVAC Q1 2018 Results



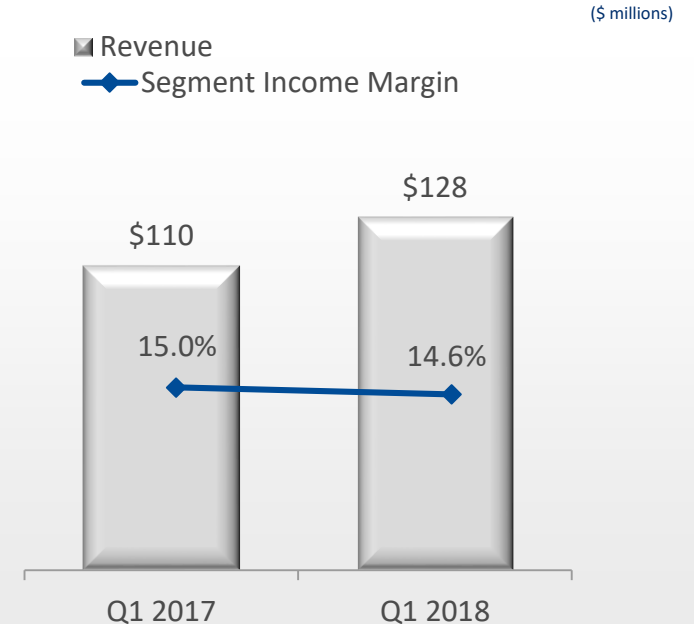
Year-over-Year Analysis

Q1 Revenue:

- 16.0% year-over-year increase:
 - 14.9% organic increase* primarily driven by higher heating volumes on colder weather
 - 1.1% currency impact

Q1 Segment Income and Margin:

- \$2.1m increase in segment income
- Segment margins decreased modestly due to product sales mix and higher freight costs



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

Significant Increase in Heating Product Sales

Detection & Measurement Q1 2018 Results



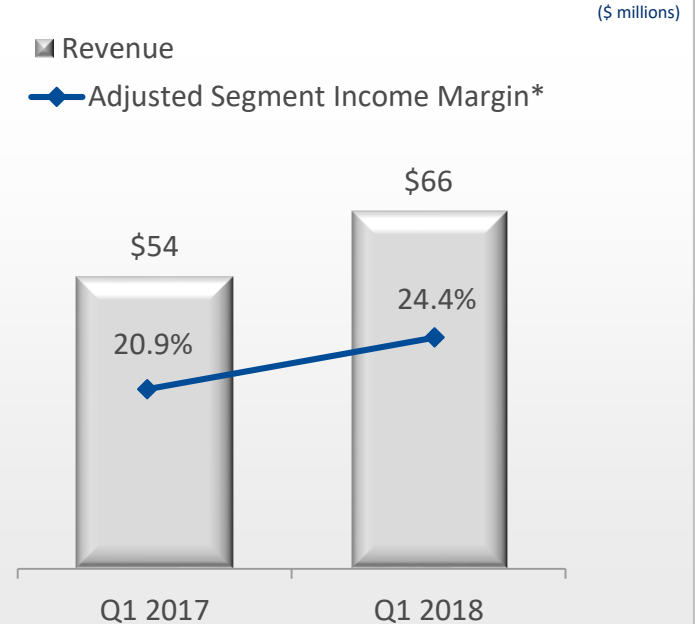
Year-over-Year Analysis

Q1 Revenue:

- 22.4% year-over-year increase:
 - 18.1% organic increase* primarily due to higher sales of communication technologies
 - 2.8% currency impact (primarily UK pound)
 - 1.5% acquisition impact

Q1 Adjusted Segment Income* and Margin:

- \$4.8m increase in segment income
- Approximately 350 basis points of margin increase primarily due to increased volumes of communication technologies products



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Strong Margin Expansion on Volume Growth

Engineered Solutions (Core) Q1 2018 Results



Year-over-Year Analysis

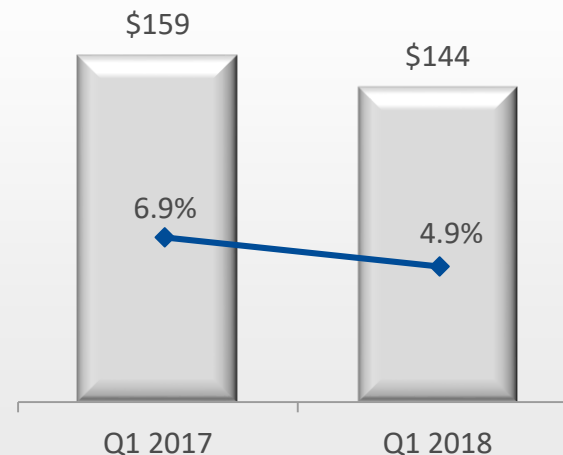
Q1 Core Revenue:

- (9.1%) year-over-year decline:
 - Driven primarily by lower project revenues, partially offset by the favorable effect of the adoption of ASC 606

Q1 Core Segment Income and Margin:

- \$4m decrease in Core segment income
- 200 basis points of margin decrease
 - Less favorable sales mix in Transformer solutions

■ Core Revenue
◆ Core Segment Income Margin



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On Track to Meet Full-Year Guidance

Financial Position & Liquidity Review

Scott Sproule

May 3, 2018

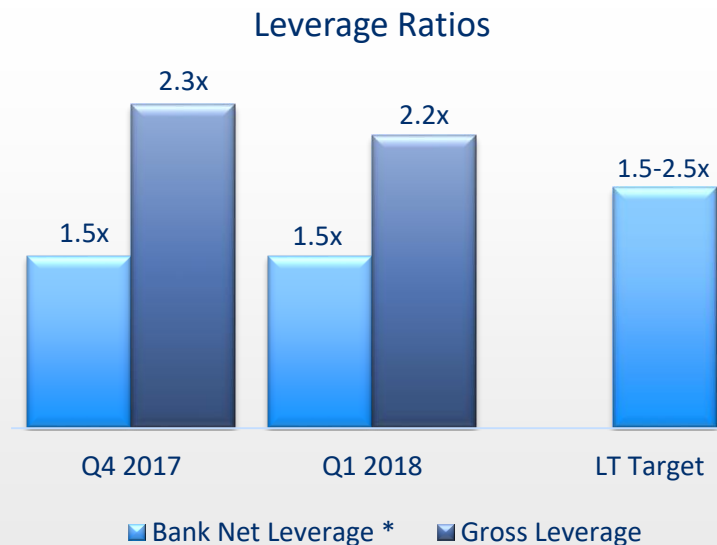


Financial Position



Capital Structure & Liquidity Update

(\$millions)	Q4 2017	Q1 2018
Short-term debt	\$7.0	\$6.8
Current maturities of long-term debt	0.5	4.9
Long-term debt	349.3	344.9
Total Debt	\$356.8	\$356.6
Less: Cash on hand	(124.3)	(103.7)
Net Debt	\$232.5	\$252.9



• Calculated as defined by SPX's credit facility agreement.

Maintaining Strong Balance Sheet and Leverage Profile

2018 Core Guidance (No Change)

	Revenue	Segment Income Margin
HVAC	<ul style="list-style-type: none"> Organic growth* within LT range of 2.0-4.0% 	<ul style="list-style-type: none"> 100 basis points increase (~15.5%)
Detection & Measurement	<ul style="list-style-type: none"> Organic growth* within LT range of 2.0-6.0% 	<ul style="list-style-type: none"> 50-100 basis points increase (~25.0-25.5%)
Engineered Solutions (Core)*	<ul style="list-style-type: none"> Segment revenue decline* in high-single digits % Modest growth in Transformer revenue; organic decline* in Process Cooling resulting from operating model changes 	<ul style="list-style-type: none"> 80-130 basis points increase (~8.0-8.5%)
Total SPX Core*	<ul style="list-style-type: none"> \$1.35-1.40 billion 	<ul style="list-style-type: none"> 80-130 basis points increase (~14.0-14.5%)

*Non-GAAP financial measure.

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Adjusted Operating Income Margin* Up Year-over-Year ~150 Basis Points to ~10.0%; Adjusted EPS* Guidance \$2.03-\$2.18

2020 Targets Excluding M&A Amortization

Focus on Cash Returns from Capital Deployment

- Prior 2020 Adjusted EPS** guidance of \$2.65 - \$2.90 included M&A-related amortization
- A look at cash returns from capital deployment provides a better view of value creation
- Adjusted 2020 EPS excluding M&A-related amortization increases by approximately \$0.20 to around \$3 per share at the midpoint

Adjusted Earnings Per Share



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Anticipating Significant Earnings Growth

Market Outlook & Executive Summary

Gene Lowe

May 3, 2018



Market	Comments
HVAC	<ul style="list-style-type: none">➤ Cooling: Commercial and Institutional market trends remain favorable➤ Heating: More normalized winter weather improved demand profile
Detection & Measurement	<ul style="list-style-type: none">➤ Favorable project and run-rate markets➤ U.S infrastructure plan could provide backdrop to accelerate growth
Transformers	<ul style="list-style-type: none">➤ Lead times and conditions more favorable for medium power transformers➤ Tariffs on Korean EHV transformers may lead to more pricing discipline
Process Cooling	<ul style="list-style-type: none">➤ Seeing strong customer demand for component offerings➤ Anticipate revenue growth to resume during 2019

Favorable Core Markets and Fundamentals

- Strong start to 2018 – On track for 18% Adjusted EPS* Growth
- Healthy overall margin expansion and profit growth
- Solid balance sheet and liquidity profile
- Creating shareholder value through thoughtful organic and inorganic growth investments
- Executing on plans to drive sustainable double-digit earnings growth

*Core results are non-GAAP financial measures that exclude the results of the South African projects.

Delivering on our Value Creation Plans

Questions

May 3, 2018



Appendix

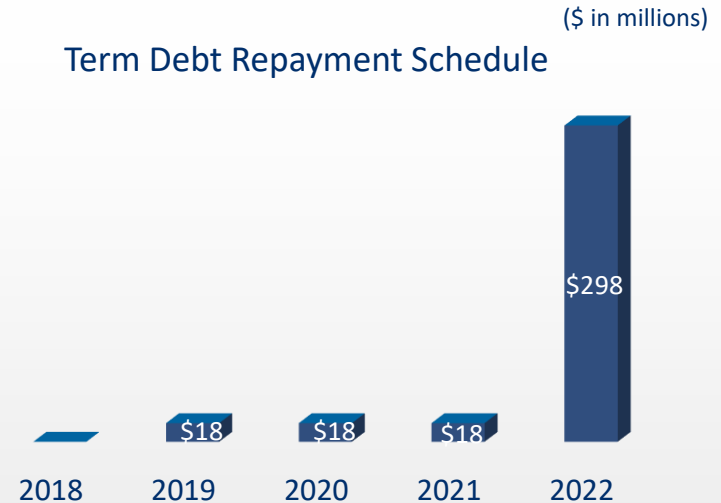
May 3, 2018



Cash Flow & Liquidity



- Core Free Cash Flow* generation of \$5M during first quarter; historically a cash use quarter
- Targeting 110% Core Free Cash Flow* Conversion
- Projecting \$600 million of capacity for capital allocation through 2020
 - ❑ Growth investments in Core businesses
 - ❑ Active M&A pipeline
 - ❑ Return of capital to shareholders



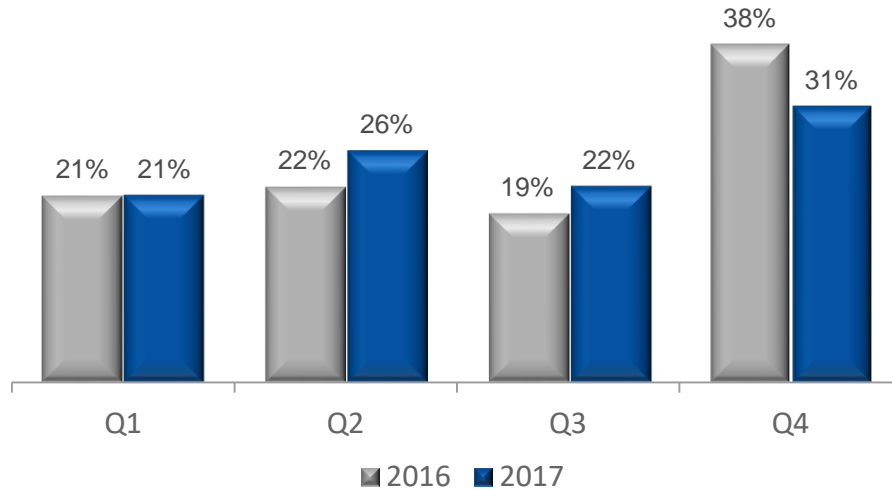
Note: Core results are non-GAAP financial measures that exclude the results of the South African projects.

*Non-GAAP financial measure. Reconciliation to its nearest US GAAP financial measure is available elsewhere in the Appendix of the presentation.

Core Segment Income Phasing



(\$ millions)



	Q1 2017	Q2 2017	Q3 2017	Q4 2017
GAAP	34.3	20.7	45.4	24.5
Exclude: South African Projects	(4.4)	(26.6)	(4.2)	(32.8)
Exclude: Contract Settlement	-	-	10.2	-
Core	38.7	47.3	\$39.4	57.3
<i>% of full-year</i>	<i>21%</i>	<i>26%</i>	<i>22%</i>	<i>31%</i>

	Q1 2016	Q2 2016	Q3 2016	Q4 2016
GAAP	29.8	32.2	26.0	54.8
Exclude: South African Projects	(3.4)	(2.9)	(3.5)	(4.7)
Core	\$33.2	\$35.1	\$29.5	\$59.5
<i>% of full-year</i>	<i>21%</i>	<i>22%</i>	<i>19%</i>	<i>38%</i>

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, Q3 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.

Full-Year 2017 U.S. GAAP to Adjusted Earnings Per Share Reconciliation



	GAAP	Adjustments	Adjusted
Segment income ⁽¹⁾	\$ 124.9	\$ 57.8	\$ 182.7
Corporate expense	(46.2)	—	(46.2)
Pension and postretirement income (expense)	(0.3)	—	(0.3)
Long-term incentive compensation expense	(15.8)	—	(15.8)
Special charges, net ⁽²⁾	(2.7)	1.4	(1.3)
Operating income	59.9	59.2	119.1
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	66.1	102.2
Income tax benefit (provision) ⁽⁶⁾	47.9	(71.8)	(23.9)
Income from continuing operations	84.0	(5.7)	78.3
Dilutive shares outstanding	43.905		43.905
Earnings per share from continuing operations	\$ 1.91		\$ 1.78

(\$ millions, except per share values)

⁽¹⁾ Adjustment represents the removal of operating losses associated with the South African projects, and a gain on a contract settlement within our Engineered Solutions reportable segment.

⁽²⁾ Adjustment represents removal of restructuring charges associated with the South African projects.

⁽³⁾ Adjustment represents removal of non-service pension and postretirement items and foreign currency losses associated with the South African projects, partially offset by 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.

⁽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, tax benefit associated with worthless stock deduction related to South Africa, net tax charges associated with the impact of U.S. tax reform, and the removal of certain favorable discrete tax items.

Full-Year 2016 U.S. GAAP to Adjusted Earnings Per Share Reconciliation



(\$ millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income ⁽¹⁾	\$ 142.8	\$ 14.5	\$ 157.3
Corporate expense	(41.7)	—	(41.7)
Pension and postretirement income (expense)	(0.4)	—	(0.4)
Long-term incentive compensation expense	(13.7)	—	(13.7)
Special charges, net	(5.3)	—	(5.3)
Impairment of intangible assets ⁽²⁾	(30.1)	30.1	—
Gain on sale of dry cooling business ⁽³⁾	18.4	(18.4)	—
Operating income	70.0	26.2	96.2
Other income (expense), net ⁽⁴⁾	(15.3)	18.1	2.8
Interest expense, net ⁽⁵⁾	(14.0)	0.2	(13.8)
Loss on amendment/refinancing of senior credit agreement ⁽⁶⁾	(1.3)	1.3	—
Income from continuing operations before income taxes	39.4	45.8	85.2
Income tax provision ⁽⁷⁾	(9.1)	(14.1)	(23.2)
Income from continuing operations	30.3	31.7	62.0
Less: Net loss attributable to redeemable noncontrolling interest ⁽⁸⁾	(0.4)	0.3	(0.1)
Net income from continuing operations attributable to SPX	30.7	31.4	62.1
Adjustment related to redeemable noncontrolling interest ⁽⁸⁾	(18.1)	18.1	—
Net income from continuing operations attributable to SPX	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 a non-cash impairment charge associated with our Heat Transfer business.

⁽³⁾ Adjustment represents removal of gain on sale of dry cooling business

⁽⁴⁾ Adjustment represents removal of non-service pension and postretirement items and foreign currency losses associated with the South African projects.

⁽⁵⁾ Adjustment relates to the removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

⁽⁶⁾ Adjustment represents the removal of a non-cash charge associated an amendment to the senior credit agreement.

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

⁽⁸⁾ Adjustment represents removal of noncontrolling interest amounts associated with the South Africa projects.

Q1 2018 GAAP to Adjusted Earnings Per Share U.S. GAAP Reconciliation



	<u>GAAP</u>	<u>Adjustments</u>	<u>Adjusted</u>	
Segment income ⁽¹⁾	\$ 37.0	\$ 4.6	\$ 41.6	(\$ millions, except per share values)
Corporate expense ⁽²⁾	(11.8)	1.0	(10.8)	
Long-term incentive compensation expense	(3.9)	—	(3.9)	
Special charges, net ⁽³⁾	(2.0)	1.6	(0.4)	
Operating income	<u>19.3</u>	<u>7.2</u>	<u>26.5</u>	
Other income, net ⁽⁴⁾	1.0	0.3	1.3	
Interest expense, net	(3.8)	—	(3.8)	
Income from continuing operations before income taxes	<u>16.5</u>	<u>7.5</u>	<u>24.0</u>	
Income tax provision ⁽⁵⁾	(4.1)	(0.3)	(4.4)	
Income from continuing operations	<u>12.4</u>	<u>7.2</u>	<u>19.6</u>	
Dilutive shares outstanding	44.353		44.353	
Earnings per share from continuing operations	\$ 0.28		\$ 0.44	

⁽¹⁾ Adjustment represents the removal of operating losses associated with the South African projects (\$4.3) and inventory step-up charges (\$0.3) related to the Schonstedt acquisition.

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

⁽³⁾ Adjustment represents removal of restructuring charges associated with the South African projects.

⁽⁴⁾ Adjustment represents removal of non-service pension and postretirement items.

⁽⁵⁾ Adjustment represents the tax impact of items (1) through (4) above and the removal of tax charges associated with the impact of U.S. tax reform.

Q1 2017 GAAP to Adjusted Earnings Per Share Reconciliation

(\$ millions, except per share values)

	<u>GAAP</u>	<u>Adjustments</u>	<u>Adjusted</u>
Segment income ⁽¹⁾	\$ 34.3	\$ 4.4	\$ 38.7
Corporate expense	(11.4)	—	(11.4)
Pension and postretirement expense	(0.1)	—	(0.1)
Long-term incentive compensation expense	(3.2)	—	(3.2)
Special charges, net	(0.5)	—	(0.5)
Operating income	<u>19.1</u>	<u>4.4</u>	<u>23.5</u>
Other expense, net ⁽²⁾	(2.0)	2.0	—
Interest expense, net ⁽³⁾	(3.6)	0.2	(3.4)
Income from continuing operations before income taxes	<u>13.5</u>	<u>6.6</u>	<u>20.1</u>
Income tax provision ⁽⁴⁾	(3.2)	(0.6)	(3.8)
Income from continuing operations	<u>10.3</u>	<u>6.0</u>	<u>16.3</u>
Dilutive shares outstanding	43.454		43.454
Earnings per share from continuing operations	\$ 0.24		\$ 0.38

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

⁽²⁾ Adjustment represents removal of non-service pension and postretirement items and removal of foreign currency losses associated with the South African projects.

⁽³⁾ Adjustment represents removal of interest expense incurred in connection with borrowings under a line of credit in South Africa.

⁽⁴⁾ Adjustment represents the tax impact of items (1) through (3) above.

Q1 2018 Adjusted Operating Income U.S. GAAP Reconciliation



(\$ millions)

	Three months ended	
	<u>March 31, 2018</u>	<u>April 1, 2017</u>
Operating income	\$ 19.3	\$ 19.1
Adjustments:		
Losses from South African projects ⁽¹⁾	5.9	4.4
One time acquisition related costs ⁽²⁾	1.3	—
Adjusted operating income	<u>\$ 26.5</u>	<u>\$ 23.5</u>
as a percent of Core revenues ⁽³⁾	7.8 %	7.3 %

⁽¹⁾ Adjustment relates to the removal of South African projects (inclusive of restructuring charges of \$1.6 recorded during the three months ended March 31, 2018).

⁽²⁾ One time acquisition costs include transaction related costs (e.g., professional fees) and an inventory step-up charge for the Schonstedt acquisition.

⁽³⁾ See "Results of Reportable Segments" for applicable percentages based on GAAP results.

Engineered Solutions Impact of ASC 606 Adoption



(\$ millions, except
per share values)

Three months ended March 31, 2018

(Unaudited; in millions)

	Reported	Effect of ASC 606 Adoption ⁽¹⁾	Under Prior Revenue Recognition Guidance
Revenues	\$ 351.9	\$ (21.4)	\$ 330.5
Net Income	12.4	(1.5)	10.9

⁽¹⁾ Effect of ASC 606 Adoption related solely to our Engineered Solutions reportable segment

Q1 2018 Organic Revenue U.S. GAAP Reconciliation



	<u>Three months ended March 31, 2018</u>	
	<u>HVAC</u>	<u>Detection & Measurement</u>
Net Revenue Growth	16.0 %	22.4 %
Exclude: Foreign Currency	1.1 %	2.8 %
Exclude: Acquisition	— %	1.5 %
Organic Revenue Growth	<u>14.9 %</u>	<u>18.1 %</u>

Core Revenue and Segment Income U.S. GAAP Reconciliation



CONSOLIDATED SPX:

	Three months ended	
	March 31, 2018	April 1, 2017
Consolidated revenue	\$ 351.9	\$ 340.6
Exclude: South African projects	14.3	18.2
Core revenue	<u>\$ 337.6</u>	<u>\$ 322.4</u>
Total segment income	\$ 37.0	\$ 34.3
Exclude: Losses from South African projects	(4.3)	(4.4)
Exclude: One time acquisition related costs ⁽¹⁾	(0.3)	—
Core segment income	<u>\$ 41.6</u>	<u>\$ 38.7</u>
as a percent of Core revenues ⁽²⁾	12.3 %	12.0 %

ENGINEERED SOLUTIONS SEGMENT:

	Three months ended	
	March 31, 2018	April 1, 2017
Engineered Solutions revenue	\$ 158.6	\$ 176.9
Exclude: South African projects	14.3	18.2
Engineered Solutions (Core) revenue	<u>\$ 144.3</u>	<u>\$ 158.7</u>
Engineered Solutions Segment income	\$ 2.7	\$ 6.6
Exclude: Losses from South African projects	(4.3)	(4.4)
Engineered Solutions (Core) income	<u>\$ 7.0</u>	<u>\$ 11.0</u>
as a percent of Engineered Solutions (Core) revenues ⁽²⁾	4.9 %	6.9 %

DETECTION & MEASUREMENT SEGMENT:

	Three months ended	
	March 31, 2018	April 1, 2017
Detection & Measurement Segment income	\$ 15.7	\$ 11.2
Exclude: One time acquisition related costs ⁽¹⁾	(0.3)	—
Detection & Measurement adjusted segment income	<u>\$ 16.0</u>	<u>\$ 11.2</u>
as a percent of Detection & Measurement revenues ⁽²⁾	24.4 %	20.9 %

⁽¹⁾ Represents additional "Cost of products sold" recorded during the three months ended March 31, 2018 related to the step-up of inventory (to fair value) acquired in connection with the March 1, 2018 Schonstedt transaction.

⁽²⁾ See "Results of Reportable Segments" for applicable percentages based on GAAP results.

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

Full-Year Adjusted EBITDA to U.S. GAAP Reconciliation



(\$ millions)

	<u>FY 2017</u>	<u>FY 2016</u>
Consolidated revenue	\$ 1,425.8	\$ 1,472.3
Exclude: South African projects ⁽¹⁾	<u>29.1</u>	<u>83.3</u>
Core Revenues	<u>\$ 1,396.7</u>	<u>\$ 1,389.0</u>
Adjusted Operating income ^{(1) (2)}	\$ 119.1	\$ 96.2
Adjustments:		
Depreciation & amortization	25.2	26.5
Other income/(expense)	(1.7)	2.8
Adjusted EBITDA	<u>\$ 142.6</u>	<u>\$ 125.5</u>
as a percent of Core revenues	10.2%	9.0%

⁽¹⁾For the twelve months ended December 31, 2017, we made revisions to our estimates of expected revenues and costs on our large power projects in South Africa. As a result of these revisions, we reduced revenues for the projects during the twelve months ended December 31, 2017 by \$36.9, and increased the loss on the projects by \$52.8.

⁽²⁾For the Adjusted Operating income and the Other income/(expense) adjustments see full year 2017 and 2016 EPS tables above.

Engineered Solutions (Core) Segment Income to U.S. GAAP Reconciliation



ENGINEERED SOLUTIONS SEGMENT:

(as reported in \$ millions)

	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>
Engineered Solutions revenue	\$ 654.5	\$ 736.4	\$ 957.9
Exclude: South African projects	29.1	83.3	27.3
Engineered Solutions (Core) revenue	<u>\$ 625.4</u>	<u>\$ 653.1</u>	<u>\$ 930.6</u>
Engineered Solutions income	\$ (12.6)	\$ 17.3	\$ (110.5)
Exclude: Losses from South African projects	(68.0)	(14.5)	(120.5)
Exclude: Contract settlement	10.2	—	—
Engineered Solutions (Core) income	<u>\$ 45.2</u>	<u>\$ 31.8</u>	<u>\$ 10.0</u>
as a percent of Engineered Solutions (Core) revenues	7.2%	4.9%	1.1%

Note: Core results are non-GAAP financial measures that exclude the results of the South African projects. Additionally, Q3 2017 Core segment income also excludes a gain related to contract settlement within our Engineered Solutions segment.

Debt Reconciliation



(\$ millions)

	<u>Q1 2018</u>
Short-term debt	\$ 6.8
Current maturities of long-term debt	4.9
Long-term debt ⁽¹⁾	<u>347.1</u>
Gross debt	358.8
Less: Purchase card program and extended payables	<u>(2.5)</u>
Adjusted gross debt	356.3
Less: Cash and equivalents	(103.7)
Adjusted net debt	<u><u>\$ 252.6</u></u>

1) Excludes unamortized debt issuance costs associated with term loan of \$2.2m.

Note: Adjusted net debt as defined by SPX's current credit facility agreement.

Consolidated EBITDA Reconciliation



	<u>Q2 2017</u>	<u>Q3 2017</u>	<u>Q4 2017</u>	<u>Q1 2018</u>	<u>LTM</u>
	(\$ millions)				
Net income (loss) from continuing operations attributable to SPX Corporation common shareholders	\$ (8.3)	\$ 22.0	\$ 60.0	\$ 12.4	
Income tax provision (benefit)	6.0	4.8	(61.9)	4.1	
Interest expense	4.6	4.3	4.2	4.3	
Income (loss) from continuing operations before interest and taxes	2.3	31.1	2.3	20.8	
Depreciation and amortization	6.3	6.3	6.3	6.6	
EBITDA	8.6	37.4	8.6	27.4	
Adjustments:					
Non-cash compensation	5.0	5.1	5.1	5.9	
Pension adjustments	1.3	(1.2)	5.3	(0.7)	
Extraordinary non-cash charges	22.9	(1.2)	10.4	(3.4)	
Extraordinary non-recurring cash charges	3.5	(8.0)	23.6	5.7	
Material acquisition/disposition related fees, costs, or expenses	-	-	-	1.1	
Pro forma effect of acquisitions and divestitures, and other	0.5	0.6	0.7	0.3	
Adjusted EBITDA	\$ 41.8	\$ 32.7	\$ 53.7	\$ 36.3	\$ 164.5

Note: Consolidated EBITDA as defined by SPX's current credit facility agreement.

U.S. GAAP to Core Free Cash Flow from Continuing Operations



(\$ millions)

	<u>Q1 2018</u>
Net operating cash flow from continuing operations	\$ 2.7
Capital expenditures - continuing operations	(3.2)
Free cash flow used in continuing operations	<u>(0.5)</u>
Adjustment for South African projects	5.5
Core free cash flow from continuing operations	<u>\$ 5.0</u>

*Core results are non-GAAP financial measures that exclude the results of the South African projects.