



2010 First Quarter Results

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

Forward Looking Statements



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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.

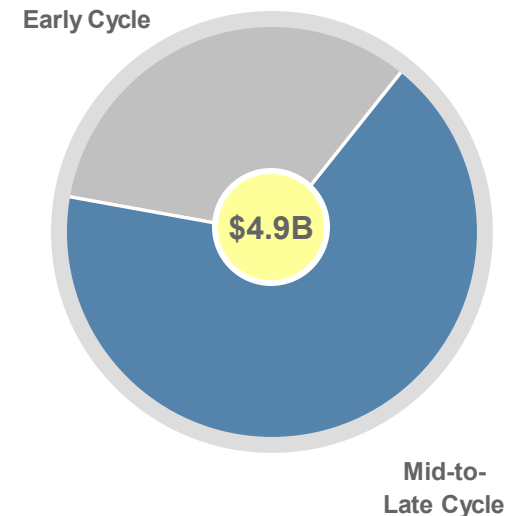


Introductory Comments

- Early cycle markets in various stages of recovery:
 - General industrial
 - Vehicle service aftermarket
 - Food & beverage: “components”

- Mid-to-late cycle markets remain impacted by the recession:
 - Power generation
 - Power transmission & distribution
 - Oil & gas
 - Food & beverage: “systems”

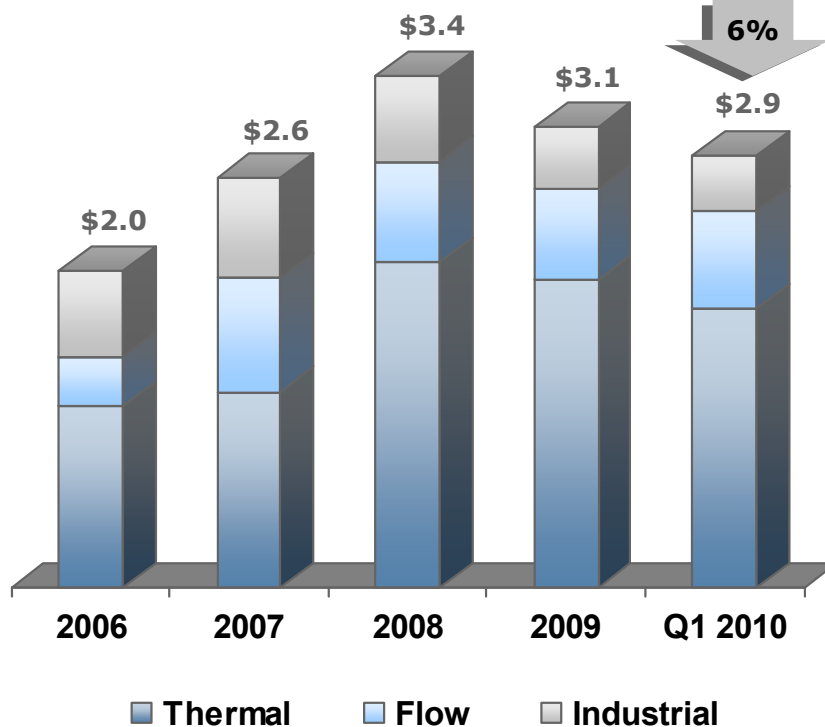
2010E Revenue



**Seeing Recovery in Early Cycle Markets;
Timing of Mid-to-Late Cycle Markets Recovery Less Certain**

Backlog

(\$ billions)



Sequential Change

- Q1 Thermal backlog: \$1,785m
 - (8%) organic decline
 - (2%) currency impact

- Q1 Flow backlog: \$620m
 - 6% organic growth
 - 3% acquisition growth
 - (2%) currency impact

- Q1 Industrial backlog: \$358m
 - Transformer backlog: (19%)

↓ 10%

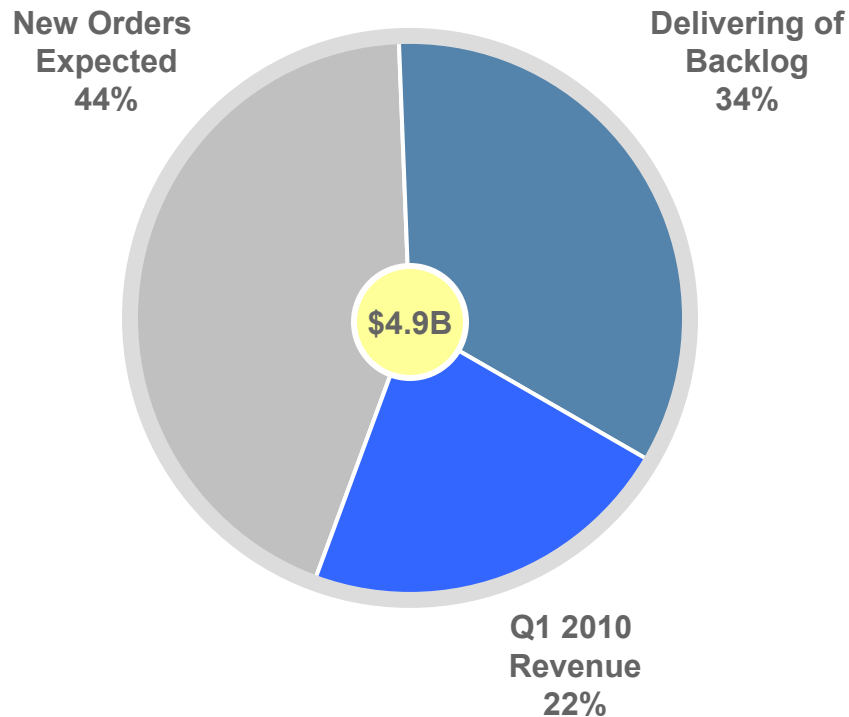
↑ 7%

↓ 9%

Note: Data from continuing operations; Test and Measurement's backlog is immaterial and not reported publicly

Increase in Early Cycle Market Orders Offset by Timing of Late Cycle Power Market Orders

2010E Revenue



- 56% of 2010E revenue has been booked or is in order backlog
- ~2/3rds of annual revenue comes from short cycle orders

Note: Data from continuing operations

**Visibility to 2010E Revenue Improving;
Highly Sensitive to Short Cycle Order Trends**

Q1 Financial Results



(\$ millions, except per share data)

	<u>Q1 2009</u>	<u>Q1 2010</u>	<u>2010 vs. 2009</u>
Revenue	\$1,160	\$1,086	6% decline
Segment Income	\$126	\$106	16% decline
Segment Income Margin	10.9%	9.8%	(110) points
Earnings Per Share	\$0.77	\$0.37	52% decline
Free Cash Flow	(\$50)	(\$37)	27% improvement

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

**Modest Improvement in Early Cycle Markets Offset by
Year-Over-Year Declines in Late Cycle Power & Energy Markets**

Earnings Per Share:

\$3.00 to \$3.30

Free Cash Flow:

\$180m to \$220m

EPS Guidance Bridge

Previous Guidance Mid-Point	\$3.10
▪ Segment Income:	
▫ Operations	\$0.27
▫ Foreign currency	(\$0.09)
▪ Tax rate:	
▫ Healthcare tax expense	(\$0.12)
▫ Q1 discrete tax benefits	\$0.07
▪ Other expense	(\$0.10)
▪ Other items, net	\$0.02
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Updated Guidance Mid-Point	\$3.15

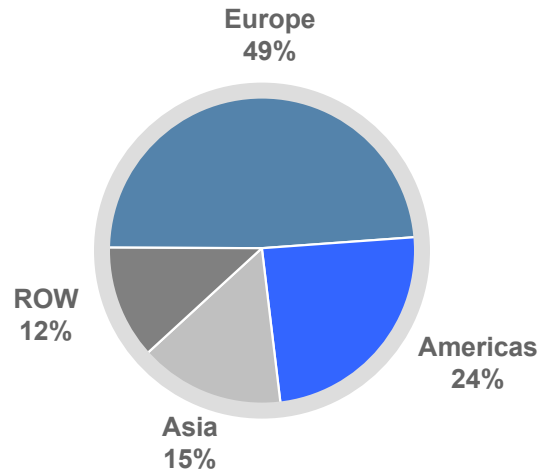
Note: Data from continuing operations; See appendix for non-GAAP reconciliations

**Increased EPS Guidance Mid-Point to \$3.15;
Increased Free Cash Flow Guidance Mid-Point to \$200m**

Gerstenberg Schroeder Acquisition

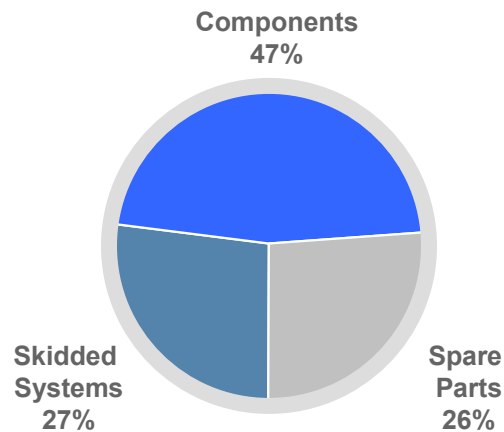


Revenue by Region



- 2009 revenue: ~\$70m
- A leading global manufacturer of food processing equipment

Revenue by Product Type



Scraped surface heat exchanger



Emulsifying System

Completed the Acquisition of Gerstenberg Schroeder in Q1 2010; Expands SPX's Capabilities to Design Food Processing Systems

Balance Sheet and Debt Ratios

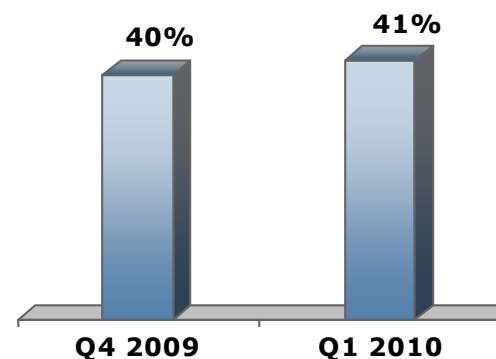


(\$ millions)

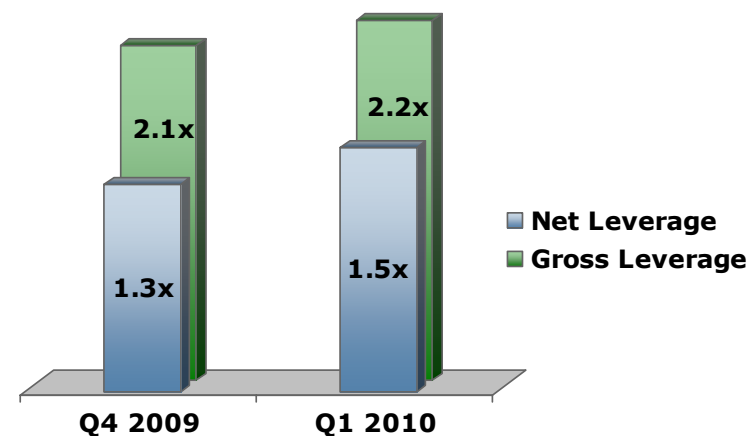
Key Balance Sheet Accounts

	<u>12/31/09</u>	<u>4/3/10</u>
Cash	\$523	\$464
Total Assets	\$5,724	\$5,662
Total Debt	\$1,279	\$1,313
Total Equity	\$1,882	\$1,857

Debt to Capital



Debt to Bank EBITDA ⁽¹⁾



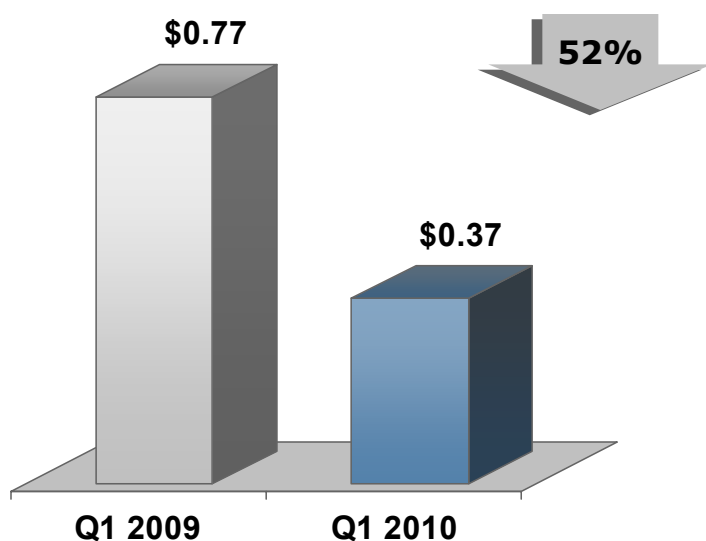
⁽¹⁾ Consolidated leverage ratios; Net and Gross Debt to EBITDA as defined in the credit facility, see appendix for reconciliation

**Solid Financial Position;
\$464m of Cash on Hand at the End of Q1**



Q1 Financial Analysis

Q1 EPS



Year-Over-Year Changes to EPS

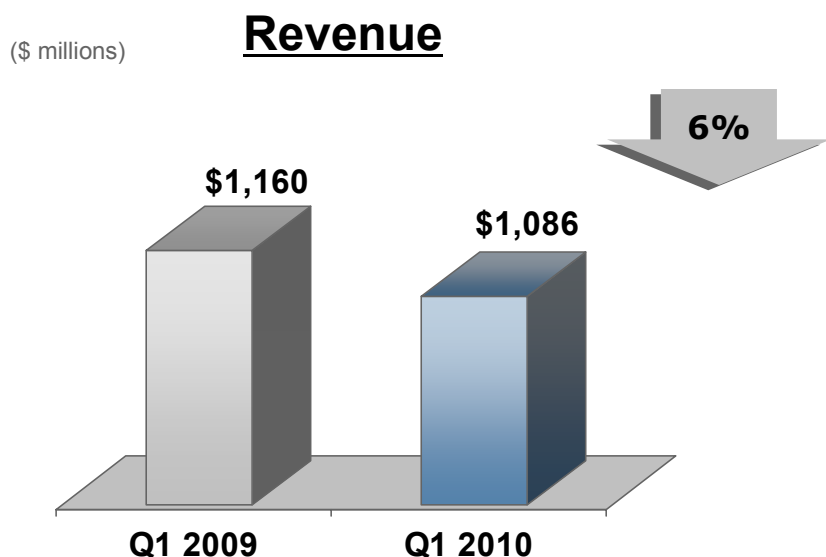
Q1 2009 EPS	\$0.77
<ul style="list-style-type: none"> ▪ Industrial segment income ▪ Other segment income ▪ Healthcare tax expense ⁽¹⁾ ▪ Other Items, Net 	<ul style="list-style-type: none"> (\$0.43) \$0.13 (\$0.12) \$0.02
Q1 2010 EPS	\$0.37

⁽¹⁾ \$6m of healthcare tax expense related to the elimination of the Medicare Part D tax subsidy

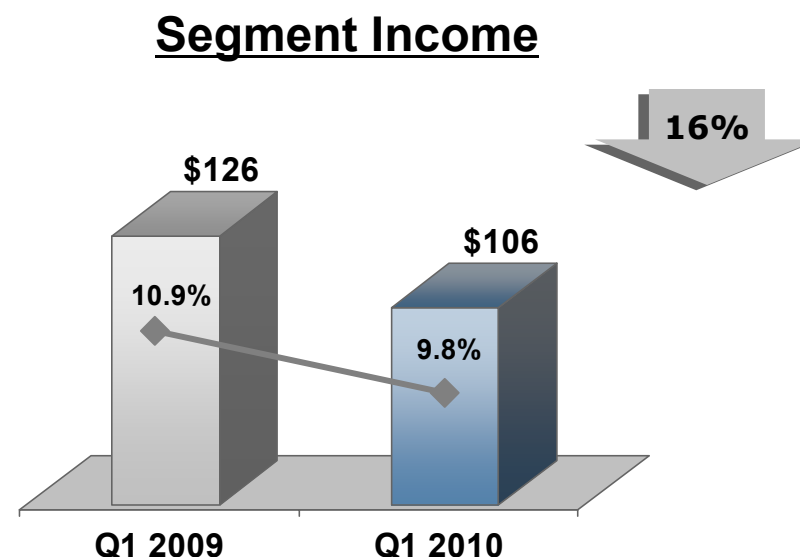
Note: Data from continuing operations

Weakness in U.S. Transformer Market Drove Q1 Earnings Decline

Q1 Consolidated Results



- 12% organic decline:
 - Industrial segment: 24% organic decline
 - Flow segment: 15% organic decline
- 3% currency benefit
- 3% growth from acquisitions



- Segment margins declined 110 points:
 - Volume and pricing decline in transformer business
 - Organic revenue declines at Industrial and Flow segments
- Margin improvement reported in Test & Measurement and Thermal segments

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

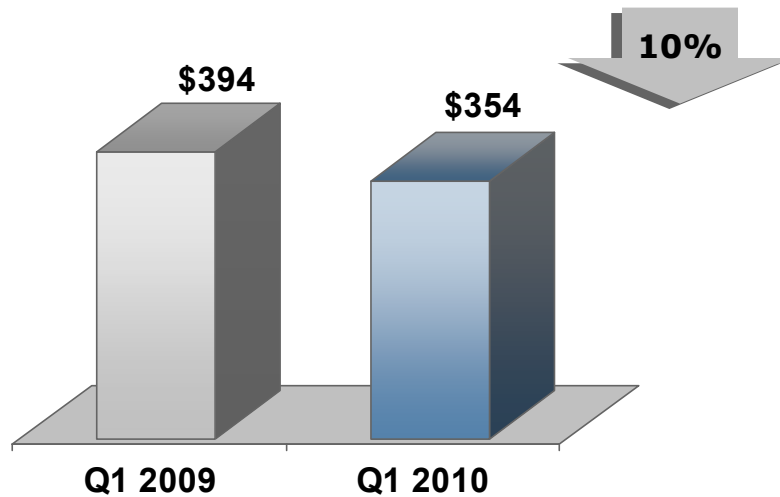
**12% Organic Revenue Decline in Q1;
110 Points of Margin Contraction**

Flow Technology: Q1 Financial Results



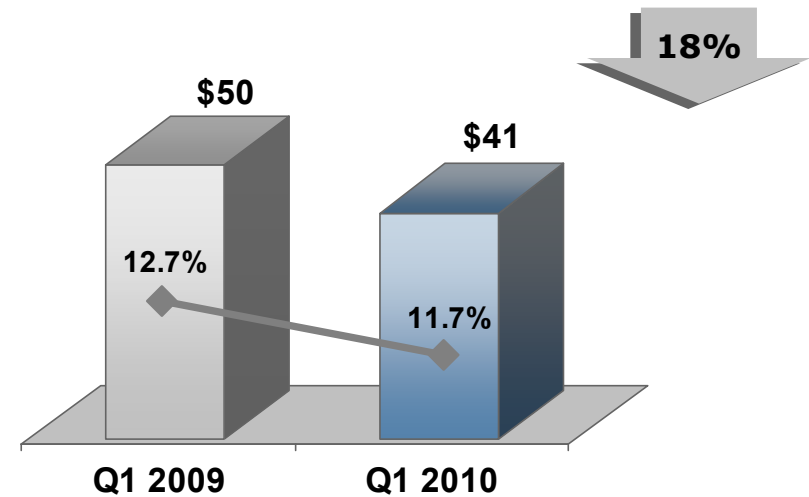
(\$ millions)

Revenue



- 15% organic decline:
 - Lower sales into the oil & gas market
 - Large scale system revenue declined
- 5% currency benefit

Segment Income



- 100 points of margin contraction:
 - Primarily due to reduced volumes

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

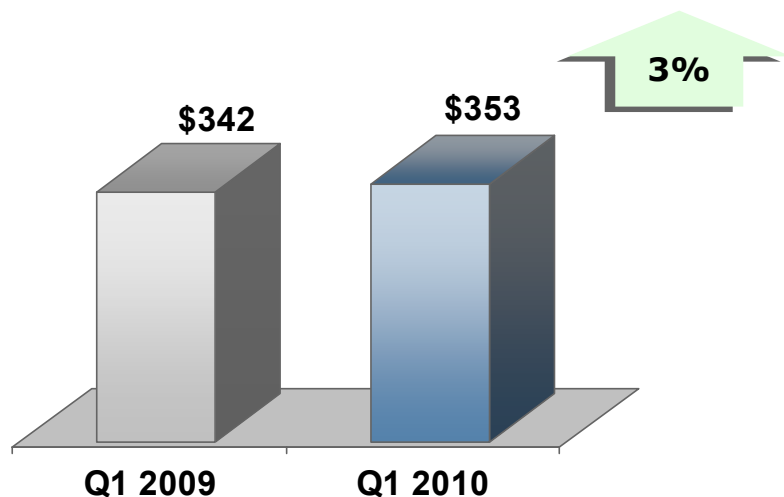
**15% Organic Revenue Decline in Q1;
100 Points of Margin Contraction**

Thermal: Q1 Financial Results



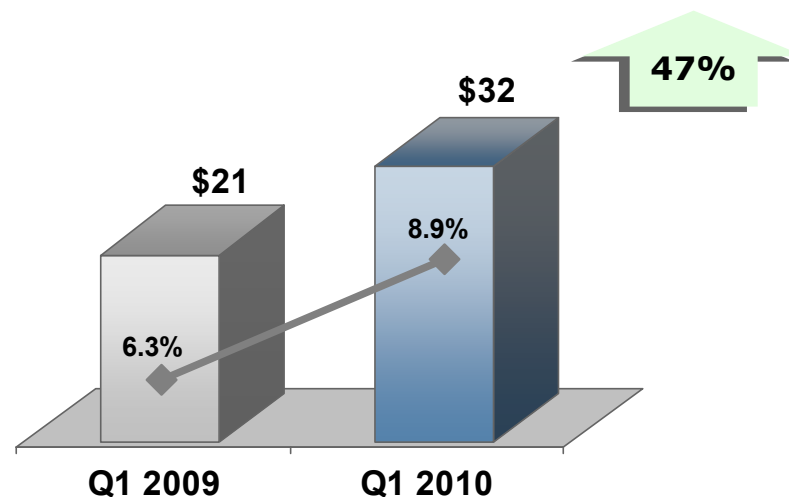
(\$ millions)

Revenue



- 7.4% organic decline:
 - Lower wet cooling system sales
- 8% acquisition growth:
 - SPX Heat Transfer Inc. acquisition (Yuba)
- 2.5% currency benefit

Segment Income



- 260 points of margin expansion:
 - SPX Heat Transfer Inc. acquisition (Yuba)
 - Favorable project mix

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

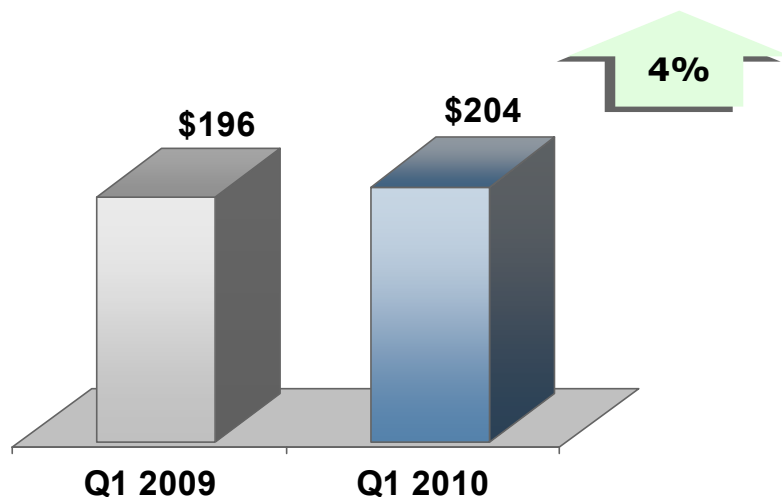
**3% Total Revenue Growth in Q1;
260 Points of Margin Expansion**

Test & Measurement: Q1 Financial Results



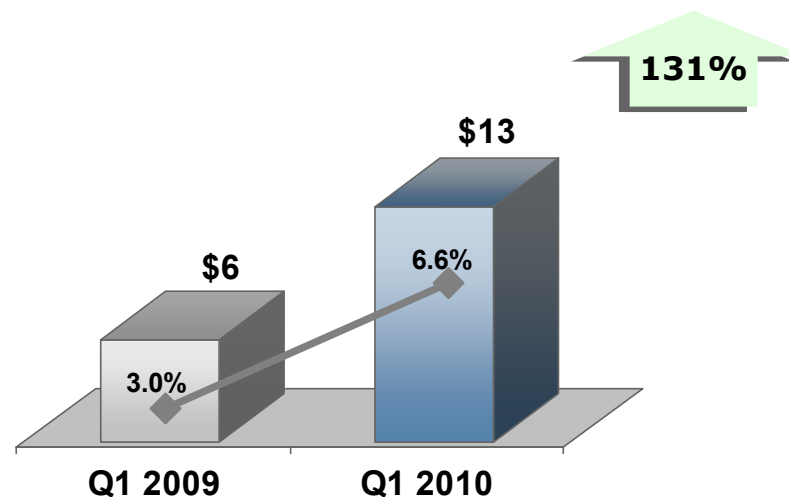
(\$ millions)

Revenue



- 2% organic growth:
 - Increased global aftermarket sales to the vehicle service industry
 - Increased sales of portable cable and pipe locators in the U.S. and Europe
- 2% currency benefit

Segment Income



- 360 points of margin expansion:
 - Restructuring savings
 - Leverage on organic revenue growth

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

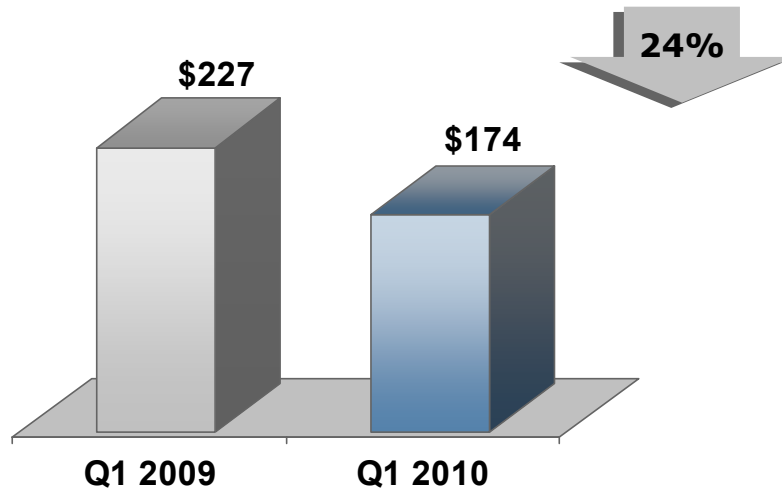
**2% Organic Revenue Growth in Q1;
360 Points of Margin Expansion**

Industrial: Q1 Financial Results



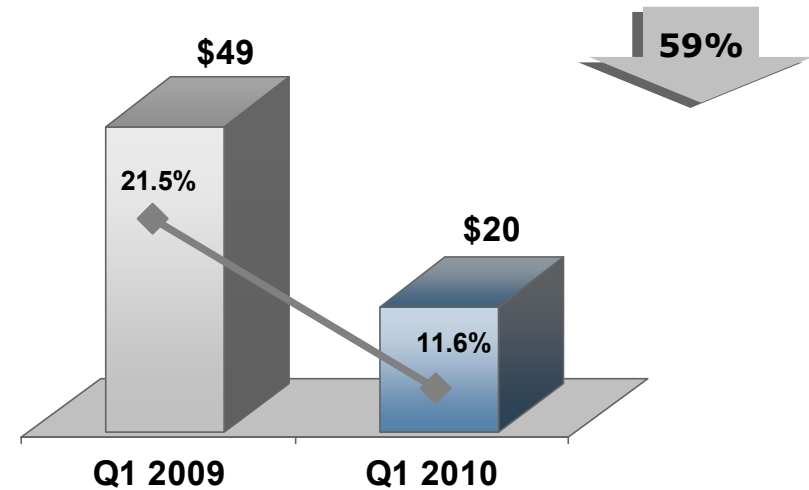
(\$ millions)

Revenue



- 24% organic decline:
 - Reduced volume and price of power transformers shipments
 - Reduced sales of broadcast equipment and crystal growing equipment

Segment Income



- 990 points of margin contraction:
 - Reduced volume and price of power transformer shipments

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

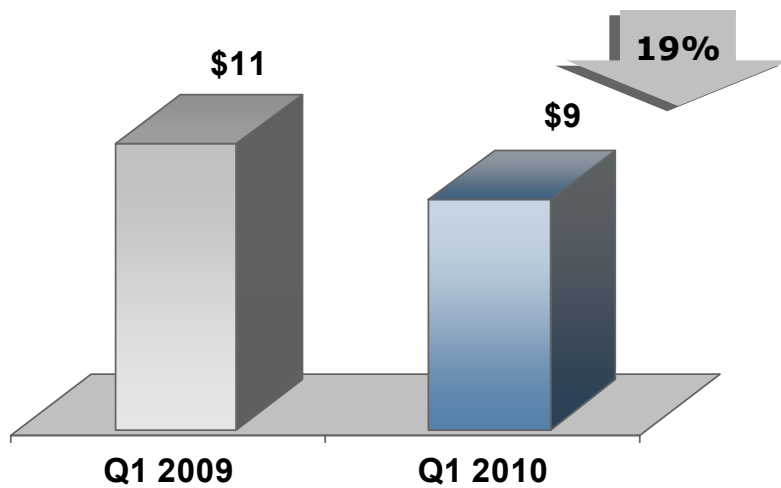
**24% Organic Revenue Decline in Q1;
990 Points of Margin Contraction**

Equity Earnings

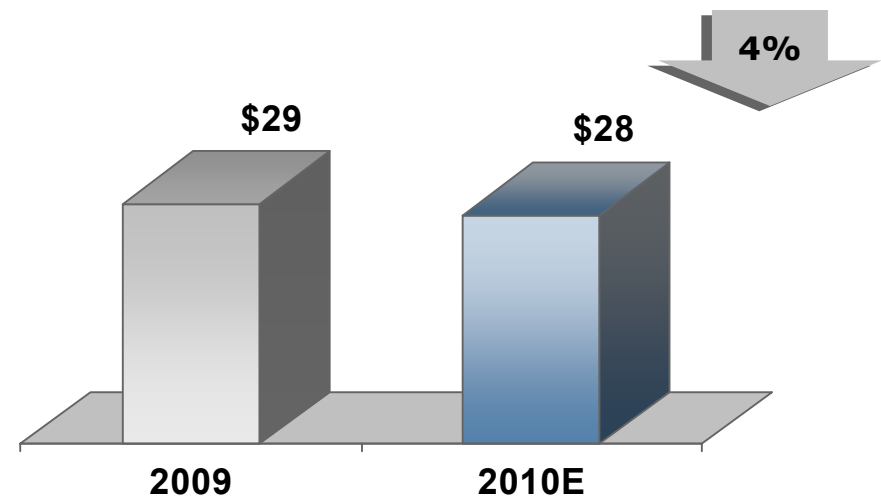


(\$ millions)

Q1 Equity Earnings



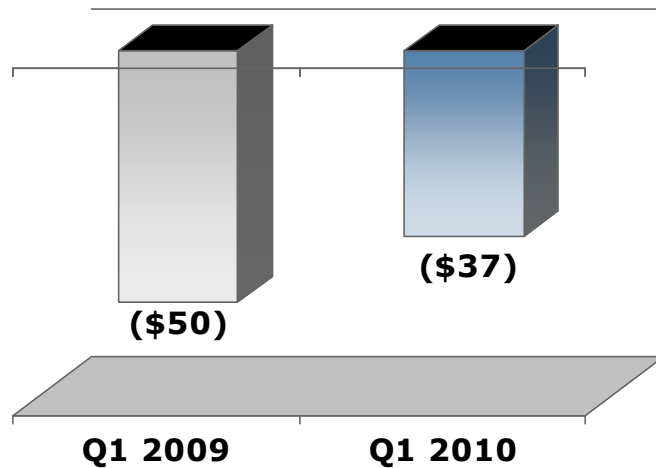
Full Year Equity Earnings



**EGS Joint Venture Serves Diverse End Markets;
SPX's Portion of the EGS Financial Results is Reported on a One Quarter Lag**

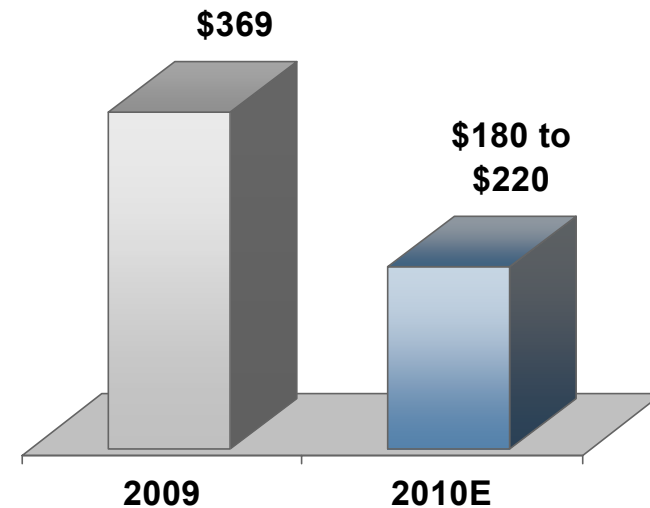
(\$ millions)

Q1 Free Cash Flow



- Q1 2010 Capital Spending: \$12
- Q1 2010 Cash Restructuring: \$11

Full Year Free Cash Flow



- 2010E Free Cash Flow:
 - 110% to 135% conversion of Net Income
 - Capital spending: \$90 to \$100
 - Restructuring spend: \$35 to \$45

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

**Q1 Free Cash Flow Consistent with Historical Seasonality
Expect Full Year Free Cash Flow to be Between \$180m and \$220m**



2010 Financial Targets

2010 Q2 Targets



(\$ millions, except per share data)





	<u>Q2 2009</u>	<u>Q2 2010E</u>
Revenue	\$1,194	+1% to +5%
Segment Income \$	\$136	\$120 to \$130
Segment Income %	11.4%	10.0% to 10.5%
EPS	\$0.80	\$0.65 to \$0.75

Note: Data from continuing operations

Targeting Q2 EPS to be Between \$0.65 and \$0.75 Per Share

Full Year Segment Targets



	<u>Previous Targets</u>	<u>Updated Targets</u>	
Flow Technology			
Revenue	(1%) to +4%	0% to +4%	
Segment Income %	11.5% to 12.5%	12.6% to 13.3%	
Thermal Equipment			
Revenue	+4% to 9%	0% to +4%	
Segment Income %	9.5% to 10.5%	9.5% to 10.5%	
Test & Measurement			
Revenue	+4% to 9%	+5% to 9%	
Segment Income %	7.0% to 8.0%	7.4% to 8.1%	
Industrial Products			
Revenue	(16%) to (11%)	(13%) to (9%)	
Segment Income %	10.3% to 11.3%	10.5% to 11.5%	

Note: Data from continuing operations

Increased 2010 Expectations for 3 of 4 Segments

Consolidated 2010 Full Year Financial Targets



	2010	
	<u>Target Range</u>	<u>Comments</u>
(\$ millions, except per share data)		
Revenue	(1%) to +3%	Organic: (5%) to (1%) FX: (1%) to 0% Acquisition: +3% to +4%
Segment Income Margin	10.4% to 11.2%	(170) to (90) points
Earnings Per Share	\$3.00 to \$3.30	(15%) to (23%) decline EPS Mid-Point: \$3.15
Free Cash Flow	\$180 to \$220	110% to 135% of NI
Capital Spending	\$90 to \$100	Depreciation is ~\$90

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

2010E EPS Guidance Range is \$3.00 to \$3.30;
2010E Free Cash Flow Guidance is \$180m to \$220m

Earnings Per Share:

\$3.00 to \$3.30

Free Cash Flow:

\$180m to \$220m

Potential Positive Impacts

- Stronger organic revenue
- Lower tax rate
- Foreign exchange fluctuations
- Raw material cost changes
- Acquisitions / share repurchases

Potential Negative Impacts

- Softer organic revenue
- Higher tax rate
- Foreign exchange fluctuations
- Raw material cost changes
- Disposals

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

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



Executive Summary

- Global economic recover is underway:
 - Early cycle markets at various stages of recovery
 - Mid-to-late cycle markets still impacted by the recession

- Q1 results exceeded our guidance

- Raised full year EPS by \$0.05 and Free Cash Flow by \$20m:
 - 2010E EPS Mid-Point: \$3.15
 - 2010E Free Cash Flow Mid-Point: \$200m

- Confident in long-term outlook for our three core markets

Continued Focus on Executing Long-Term Strategy



Questions

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS



Appendix

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

Full Year Mid-Point Target Financial Model



(\$ millions, except per share data)

	2009 Adjusted Earnings	2010E Guidance Mid-Point
Revenue	\$4,851	\$4,890
Segment income margin	12.1%	10.8%
Corporate expense	(84)	(90)
Pension / PRHC	(38)	(54)
Stock-based compensation	(28)	(32)
Special charges	(73)	(35)
Operating Income	\$365	\$318
<i>% of revenues</i>	7.5%	6.5%
Interest expense, net	(85)	(83)
Other expense	(22)	(13)
Equity earnings in J/V	29	28
Pre-Tax Income from Continuing Operations	\$288	\$250
Income tax provision	(94)	(86)
Income from Continuing Operations	\$194	\$163
Less income attributable to noncontrolling interests, net of tax	\$0	(\$5)
Net Income from continuing operations attributable to SPX	\$194	\$159
Tax rate	33%	35%
Weighted average dilutive shares outstanding	50	50
EPS Mid-Point from continuing operations	\$3.90	\$3.15
Bank EBITDA	\$607	\$515

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

2010 EPS Guidance Mid-Point is \$3.15



Non-GAAP Reconciliations

GLOBAL INFRASTRUCTURE X PROCESS EQUIPMENT X DIAGNOSTIC TOOLS

Q1 2010 Organic Revenue Growth Reconciliation



Quarter Ended April 3, 2010

	Net Revenue Change	Acquisitions/ Divestitures	Foreign Currency	Organic
Flow	-10.2%	0.6%	4.5%	-15.3%
Test	4.3%	0.0%	2.1%	2.2%
Thermal	3.3%	8.2%	2.5%	-7.4%
Industrial	-23.6%	0.0%	0.1%	-23.7%
Consolidated	-6.4%	2.6%	2.6%	-11.6%

Note: Data from continuing operations

Q1 Free Cash Flow Reconciliation



SPX Corporation and Subsidiaries Free Cash Flow Reconciliation (unaudited)

(\$ millions)	<u>Q1 2009</u>	<u>Q1 2010</u>
Net cash from continuing operations	\$ (35)	\$ (25)
Capital expenditures	<u>\$ (15)</u>	<u>\$ (12)</u>
Free cash flow from continuing operations	<u>\$ (50)</u>	<u>\$ (37)</u>

Full Year Free Cash Flow Reconciliation



SPX Corporation and Subsidiaries Free Cash Flow Reconciliation (unaudited)

(\$ millions)	<u>2009</u>	<u>2010E Guidance Range</u>	
Net cash from continuing operations	\$ 462	\$ 280	to \$ 310
Capital expenditures	<u>\$ (93)</u>	<u>\$ (100)</u>	<u>to \$ (90)</u>
Free cash flow from continuing operations	<u>\$ 369</u>	<u>\$ 180</u>	<u>to \$ 220</u>

Bank EBITDA Reconciliations



(\$ millions)	<u>2008</u>	<u>2009</u>	<u>2010E</u>
Revenues	\$5,856	\$4,851	\$4,915
Net Income	\$248	\$33	\$157
Income tax provision (benefit)	153	47	82
Interest expense	116	92	90
Income before interest and taxes	\$517	\$172	\$329
Depreciation and intangible amortization expense	105	106	109
EBITDA from continuing operations	\$621	\$278	\$438
Adjustments:			
Amortization or write-off of intangibles and organizational costs	127	195	0
Non-cash compensation expense	42	28	30
Extraordinary non-cash charges	(22)	16	12
Extraordinary non-recurring cash charges	13	62	35
Excess of JV distributions over JV income	11	0	0
Loss (Gain) on disposition of assets	12	10	0
Pro Forma effect of acquisitions and divestitures	(1)	19	0
Other	0	0	0
Bank LTM EBITDA from continuing operations	\$803	\$607	\$515

Note: EBITDA as defined in the credit facility

Debt Reconciliations



(\$ millions)	<u>12/31/2009</u>	<u>4/3/2010</u>
Short-term debt	\$ 74	\$ 102
Current maturities of long-term debt	76	76
Long-term debt	<u>1,129</u>	<u>1,135</u>
Gross Debt	\$ 1,279	\$ 1,313
Less: Purchase card program and extended A/P programs	<u>\$ (26)</u>	<u>\$ (29)</u>
Adjusted Gross Debt	\$ 1,253	\$ 1,284
Less: Cash in excess of \$50	<u>\$ (473)</u>	<u>\$ (414)</u>
Adjusted Net Debt	<u>\$ 780</u>	<u>\$ 870</u>

Note: Debt as defined in the credit facility

2009 Adjusted EPS



	<u>FY 2009</u>
GAAP EPS from continuing operations	\$ 0.93
Q4 asset impairments	\$ 3.40
Q4 tax benefits	(0.43)
Q4 anti-dilutive earnings impact on share calculation	<u>-</u>
Adjusted EPS from continuing operations	<u><u>\$ 3.90</u></u>

Note: Data from continuing operations

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