

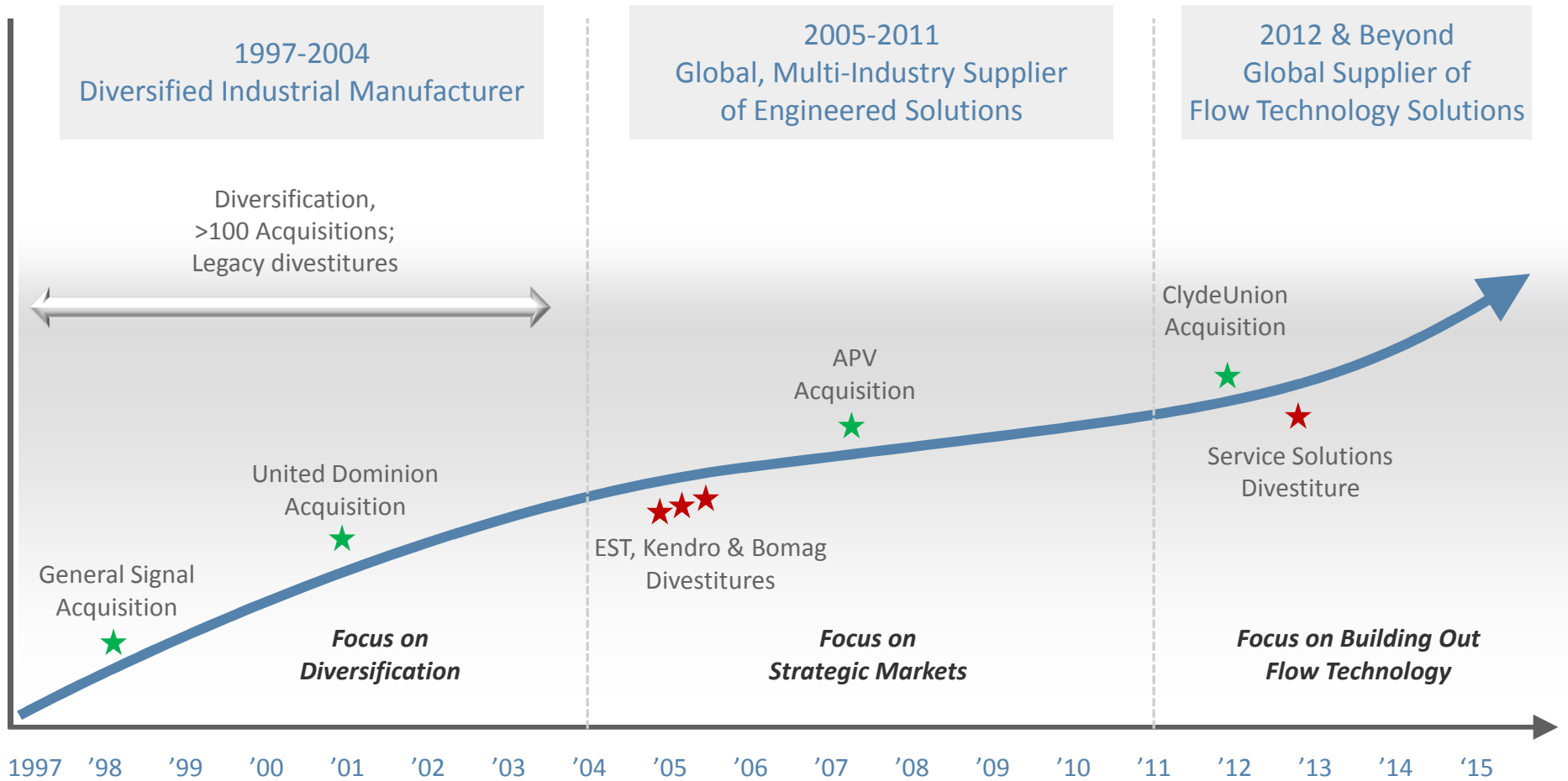


SPX

Service Solutions
Divestiture

- Certain statements contained in this presentation that are not historical facts, including any statements as to future market conditions, results of operations, financial projections and acquisitions, are forward-looking statements and are thus prospective. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from future results expressed or implied by such 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.
- Unless otherwise indicated, amounts in this presentation relate to continuing operations.

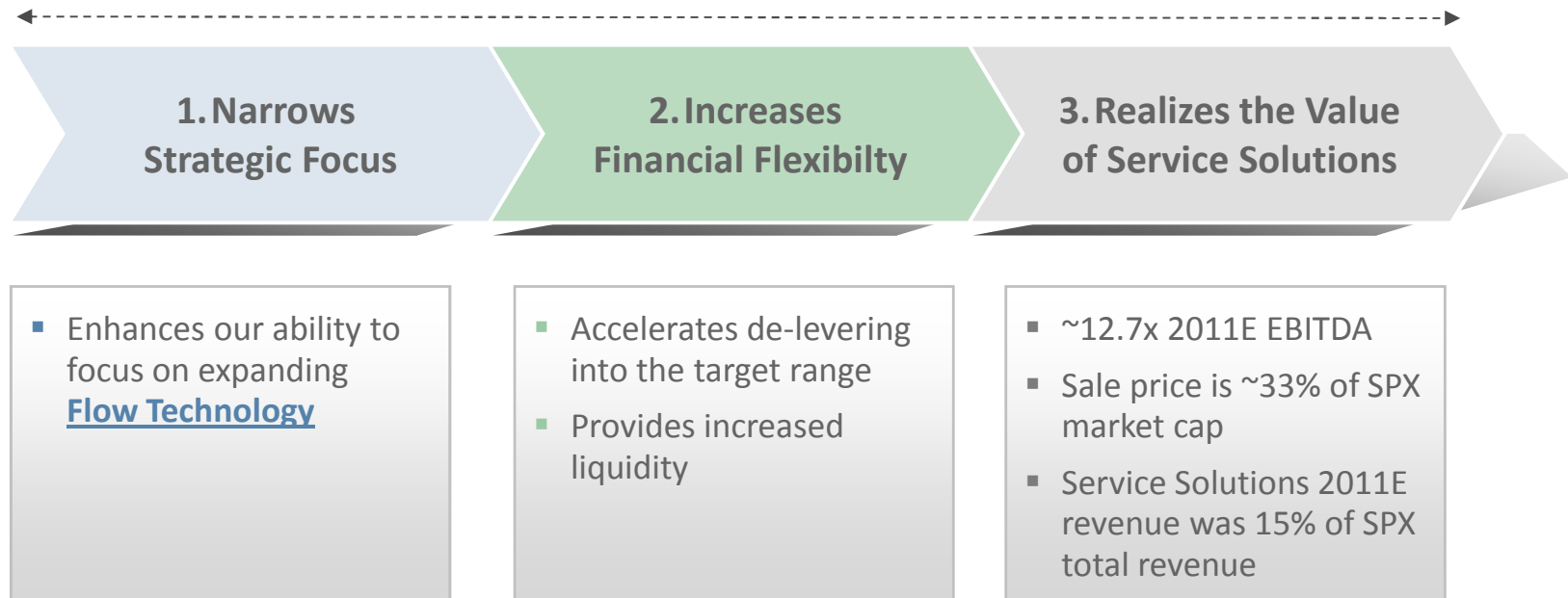
SPX Transformation



Note: Arrow is for illustration purposes only

Strategic Focus Is on Building Out Flow Technology

Strategic Rationale



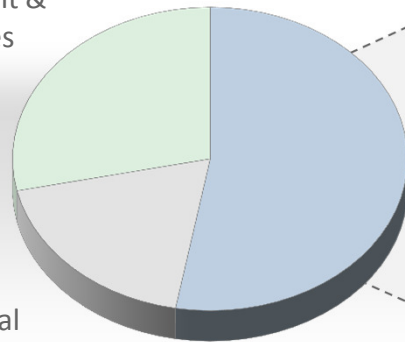
Sale of Service Solutions Narrows Our Strategic Focus, Increases Financial Flexibility, and Realizes the Value of Service Solutions

SPX Pro Forma Revenue Breakdown



2012E Pro Forma Revenue Breakdown

Thermal
Equipment &
Services
28%



Industrial
Products &
Services
19%

Flow
Technology
53%



Food & Beverage



Power & Energy



Industrial Processes

Note: 2012E pro forma for Service Solutions divestiture

Flow Technology Is Expected to Represent >50% of Pro Forma Revenue in 2012

▪ Flow Technology:

- ❑ Building global Power & Energy platform:
 - Oil & Gas market growth
 - ClydeUnion integration; revenue & cost synergies
- ❑ Continued growth in Food & Beverage business
- ❑ Additional strategic acquisitions

▪ Power transformers:

- ❑ Large power transformer expansion
- ❑ Price recovery in medium power transformers

▪ Earnings Per Share Leverage:

- ❑ Long-term tax rate of ~28%
- ❑ Low outstanding share count to be further reduced with 2012 share repurchase plan



**Attractive Growth Prospects Led by Our
Flow Technology and Power Transformer Businesses**



SPX

Financial Review

Divestiture Overview

Transaction Terms

- Sale price: \$1.15b
- After-tax proceeds: ~\$1b
- Expect to record an after-tax gain of ~\$450m or ~\$8.65 per share
- Sale subject to normal closing conditions, regulatory and other approvals

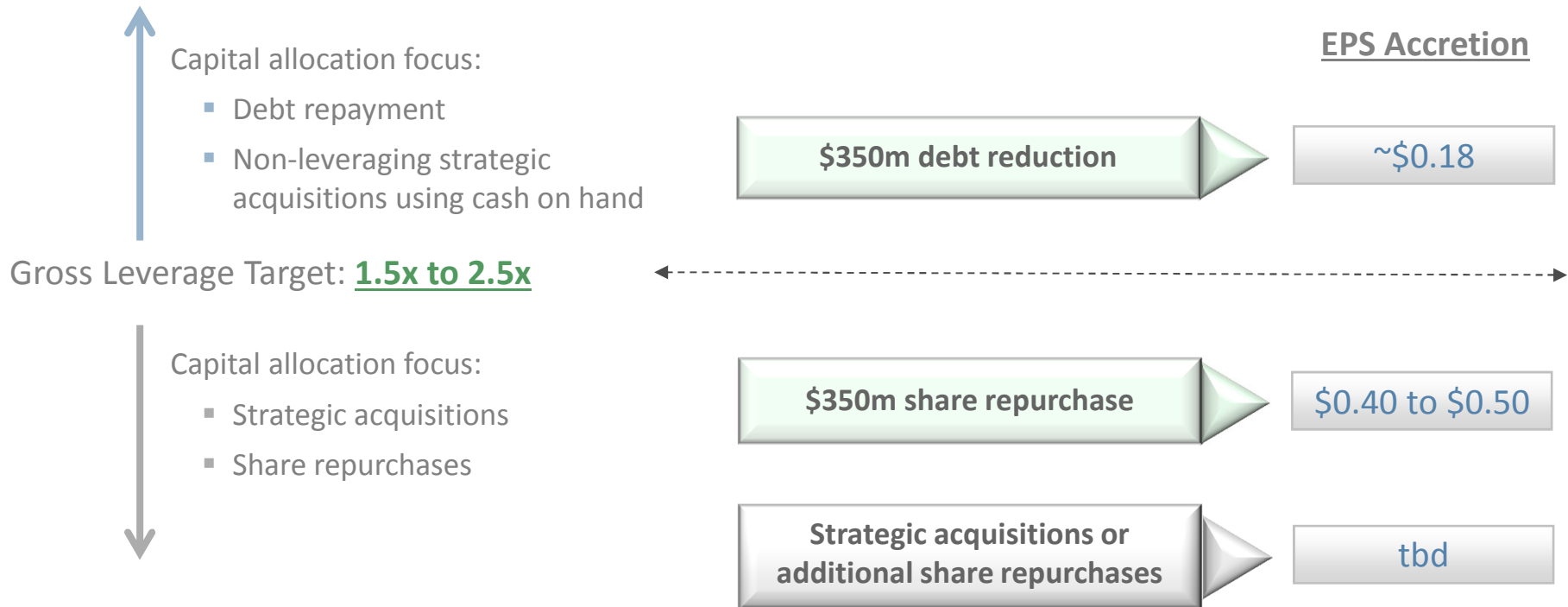
Service Solutions

- 2012 financial projections:
 - Revenue: ~\$950m
 - EPS contribution: \$0.90 to \$1.00
 - Free Cash Flow*: \$60m to \$70m

*See appendix for non-GAAP reconciliation

**Expected to be Completed in the First Half of 2012;
Reassessing Global Initiatives and Cost Structure in Conjunction with This Divestiture**

2012 Capital Allocation Expectations



**Expect ~\$0.63 of EPS Accretion from Debt Reduction and Share Repurchases;
Expect Future Uses of Available Capital to be Accretive to EPS**

Projected Liquidity



(\$ millions)

Estimated Cash on Hand at 12/31/2011	\$537
Available Credit Lines	\$485
2012E Free Cash Flow (excluding Service Solutions) ⁽¹⁾	~\$200
Regular Quarterly Dividend ⁽²⁾	~(\$50)
After-Tax Proceeds from Sale of Service Solutions	~\$1,000
Estimated Debt Repayment	(\$350)
Estimated Share Repurchase	(\$350)
2012 Projected Liquidity	<u>\$1,472</u>

Note: Liquidity assumptions based on expected capital allocation as of 1/24/2012; 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

⁽¹⁾ See appendix for non-GAAP reconciliation

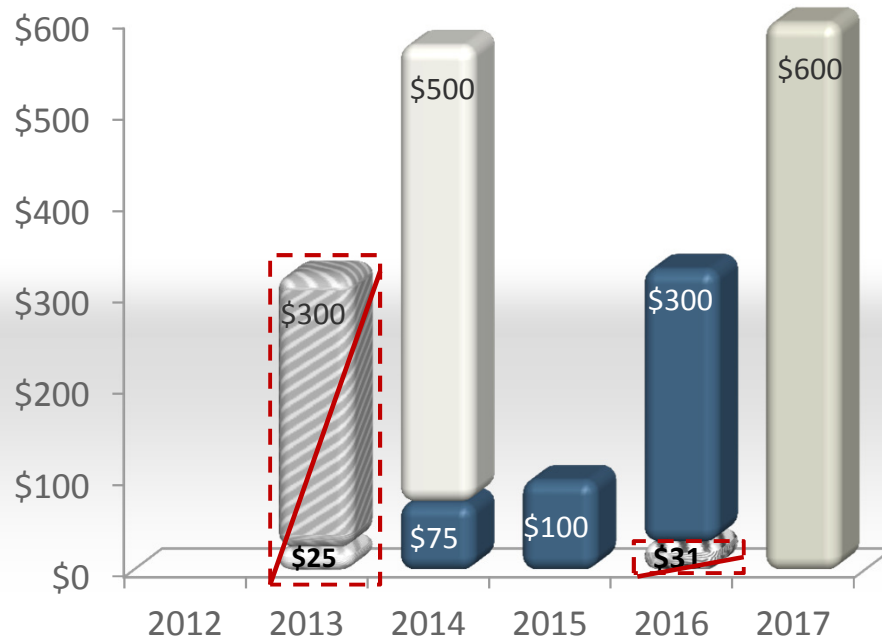
⁽²⁾ Assumes average share count of 50 million in 2012

~\$1.5 Billion of Projected Liquidity in 2012

Debt Repayment Schedule



(\$ millions)



2012 Debt Repayment Plan

- Address 2013 debt maturities
- Intend to repay:
 - \$300m Term Loan X
 - \$31m of revolver
 - \$25m of Term Loan A

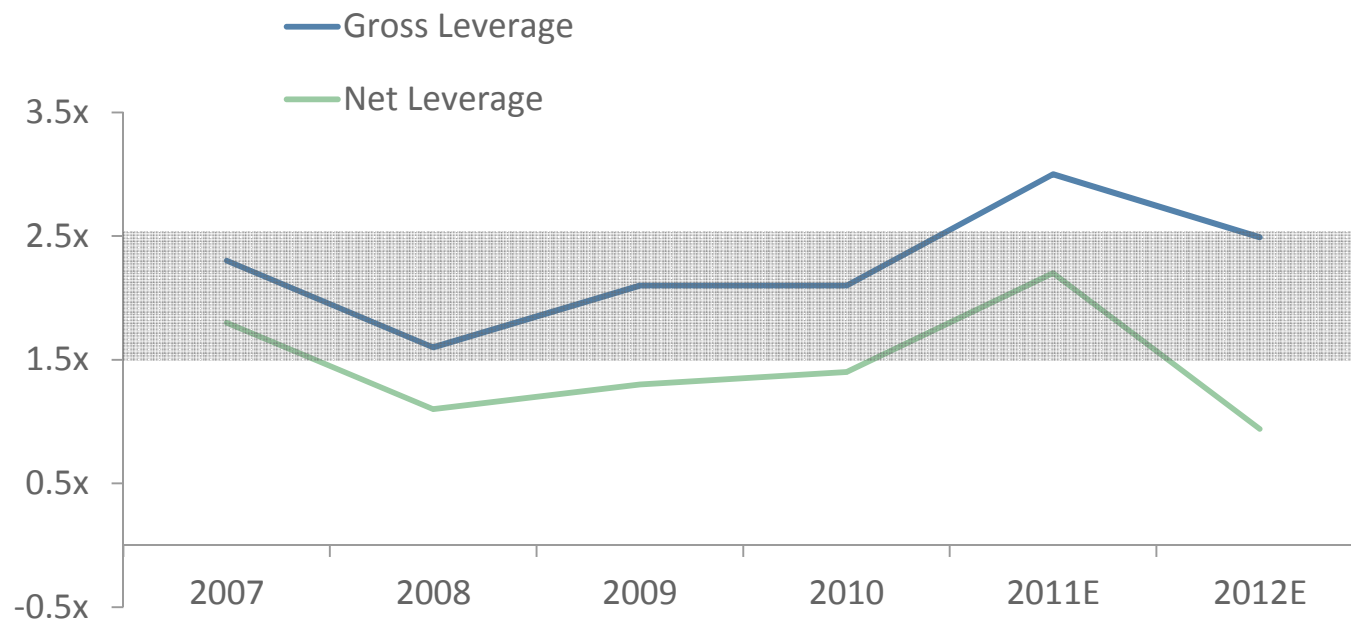
- \$300m Term Loan X
- \$500m Term Loan A
- 7.625% Senior Notes
- 6.875% Senior Notes
- Revolver

**Reduces Total Debt to \$1.6 Billion with 70% at a Fixed Rate;
No Significant Debt Repayment Obligations Until 2014**

Leverage Ratios



Debt to EBITDA*



Gross Leverage
Target Range:
1.5x to 2.5x

*EBITDA is as defined in SPX's credit facility; see appendix for non-GAAP reconciliations

Note: 2011E as of 11/2/2011; 2012E pro forma for Service Solutions divestiture

**Expect to Be Within Target Gross Leverage Range During 2012;
Plan to Maintain Disciplined Approach to Capital Allocation**

2012 Modeling Framework



(\$ millions)

	Initial 2012 Guidance Presentation	2012 Pro Forma Modeling Framework ⁽¹⁾
Revenue	\$6,000 to \$6,250	\$5,050 to \$5,300
Segment Income %	10.4% to 10.9%	10.9% to 11.4%
Tax Rate	28%	28%
Share Count	52m	47m
Cash on Hand	\$537	~\$940
Projected Liquidity	~\$1,199	~\$1,472
Gross Debt ⁽²⁾ & Leverage	\$1,947 3.0x	~\$1,567 ~2.5x
Net Debt ⁽²⁾ & Leverage	\$1,460 2.2x	~\$675 ~1.1x

⁽¹⁾ Assumes the annualized impact of the Service Solutions divestiture and estimated share repurchases and debt reduction announced 1/24/2012

⁽²⁾ As defined in SPX's credit facility, see appendix for non-GAAP reconciliation

**2012 Pro Forma Modeling Framework Reflects
Annualized Impact of Divestiture and Minimum Capital Allocation Intentions**

Future Segment Structure



Flow Technology



- 2012E Revenue: ~\$2.7b
- Key markets:
 - Food & Beverage
 - Power & Energy
 - Industrial Processes
- Primary products:
 - Pumps
 - Valves
 - Heat Exchangers
 - Homogenizers
 - Mixers

Thermal Equipment & Services



- 2012E Revenue: ~\$1.5b
- Key markets:
 - Power Generation
 - HVAC
- Primary products:
 - Cooling Systems
 - Heat Exchangers
 - Pollution Control Systems
 - Heating Products

Industrial Products & Services





- 2012E Revenue: ~\$1.0b
- Key markets:
 - Power T&D
 - Infrastructure
 - Communications
- Primary products:
 - Power Transformers
 - Hydraulic Technologies
 - Communication Technologies
 - Aerospace Components
 - **Underground Locating Equipment**
 - **Fare Box Collection Systems**

Note: 2012E pro forma for Service Solutions divestiture

**Expect to Report Financial Results from Continuing Operations
In 3 Segments Beginning With Q1 2012**

2012 Segment Targets



Flow Technology	Thermal Equipment & Services	Industrial Products & Services
		
<p><u>Revenue</u></p> <p>+33% to +38%</p> <p><u>Segment Income Margin</u></p> <p>11.5% to 12.0%</p> <p>Note: ~100 points of margin dilution from ClydeUnion acquisition</p>	<p><u>Revenue</u></p> <p>(9%) to (14%)</p> <p><u>Segment Income Margin</u></p> <p>8.2% to 8.7%</p>	<p><u>Revenue</u></p> <p>+7% to +12%</p> <p><u>Segment Income Margin</u></p> <p>13.2% to 13.7%</p>

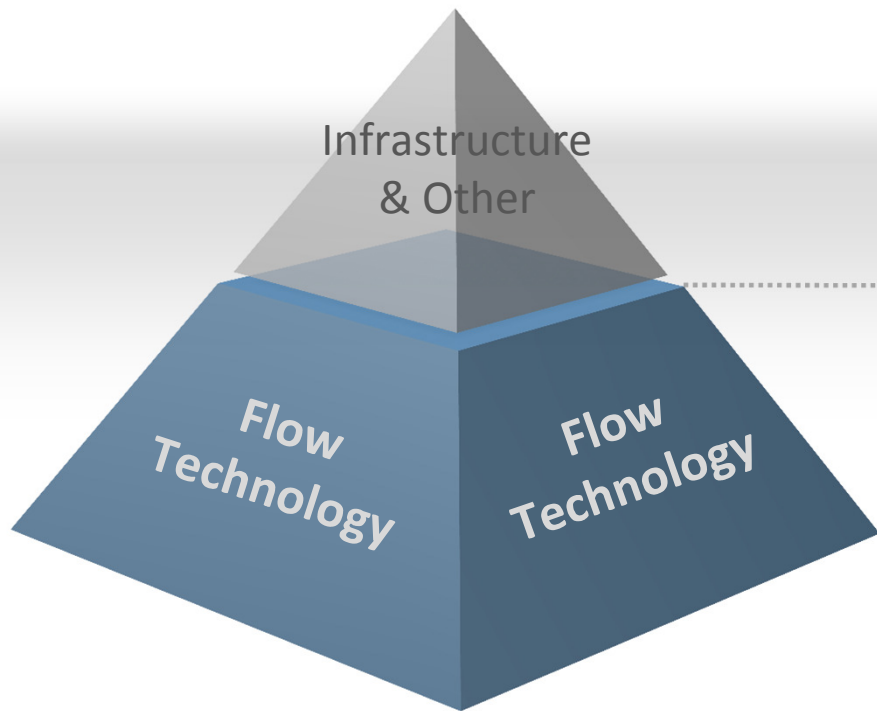
Note: Pro forma for Service Solutions divestiture

**Revised Industrial Products & Services 2012 Targets
Include Radiodetection & GFI Business Units**



SPX

Executive Summary



Flow Technology is the Strategic Foundation of SPX



food & beverage



power & energy



industrial processes

Focused on Continuing to Build Our Flow Technology Segment



SPX

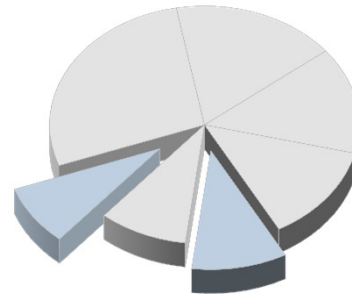
Appendix



Fare Box Systems

2011E Revenue by Product Line

GFI Genfare
8%



Radiodetection
10%



Precision Cable & Pipe Locators

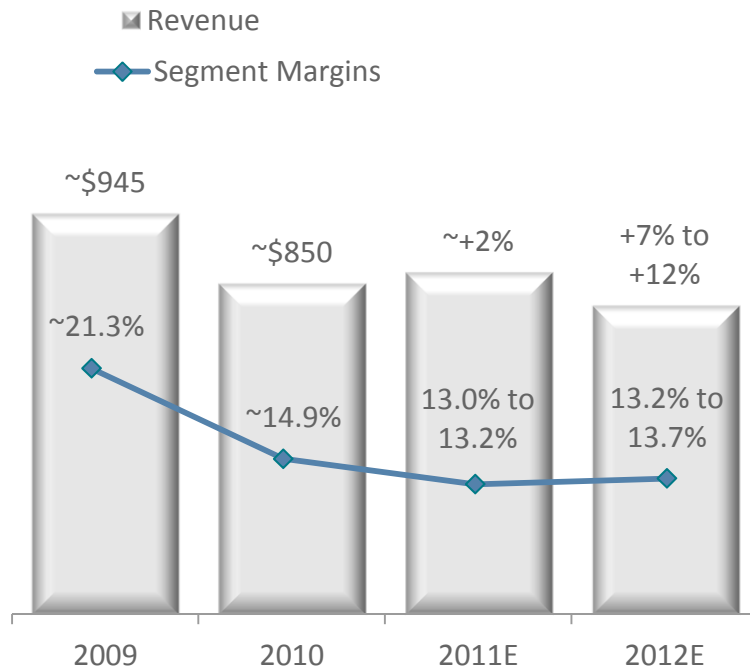
Note: 2011E as of 1/18/2012

Radiodetection and GFI Business Units to be Reported in Industrial Products and Services Segment Beginning in Q1 2012

Industrial Products & Services Segment



(\$ millions)



Long-term targets:

- Average annual revenue growth: 4% to 6%
- Segment income margins: 15% to 22%

Note: Data is unaudited and includes the Radiodetection and GFI businesses; 2011E as of 11/2/2011

Radiodetection and GFI Business Units to be Reported in Industrial Products and Services Segment Beginning in Q1 2012

Debt Reconciliations



(\$ millions)

	<u>12/31/2011E</u>	<u>2012E Pro Forma Modeling Framework</u>
Short-term debt	\$ 86	\$ 33
Current maturities of long-term debt	-	-
Long-term debt	<u>1,900</u>	<u>1,575</u>
Gross Debt	\$ 1,986	\$ 1,608
Purchase card program & extended A/P programs	<u>\$ (39)</u>	<u>\$ (41)</u>
Adjusted Gross Debt	\$ 1,947	\$ 1,567
Less: Cash in excess of \$50	<u>\$ (487)</u>	<u>\$ (892)</u>
Adjusted Net Debt	<u>\$ 1,460</u>	<u>\$ 675</u>

Note: Debt as defined in the credit facility; 2011E as of 1/18/2012; 2012E pro forma for Service Solutions divestiture

Bank EBITDA Reconciliations



(\$ millions)	2010	2011E	2012E Pro Forma Modeling Framework
Revenues	\$4,887	\$5,475	\$5,175
Net Income	\$194	\$226	\$214
Income tax provision (benefit)	53	97	86
Interest expense	82	95	104
Income before interest and taxes	\$329	\$418	\$404
Depreciation and intangible amortization expense	113	121	132
EBITDA from continuing operations	\$442	\$539	\$536
Adjustments:			
Amortization and write-off of intangibles and organizational costs	0	0	0
Non-cash compensation expense	31	42	42
Extraordinary non-cash charges	14	0	0
Extraordinary non-recurring cash charges	62	25	25
Joint venture EBITDA adjustments	0	11	14
Pro Forma effect of acquisitions and divestitures	(5)	0	0
Other	3	0	5
Bank LTM EBITDA from continuing operations	\$547	\$617	\$621

Note: EBITDA as defined in the credit facility; 2011E as of 11/2/2011; 2012E pro forma for Service Solutions divestiture

Pro Forma Calculation



(\$ millions)

	<u>2011E Revenue</u>
SPX Flow Technology	\$2,030
ClydeUnion Pumps	<u>\$430</u>
Pro Forma SPX Flow Technology - ClydeUnion Pumps	<u><u>\$2,460</u></u>

Note: 2011E as of 11/2/2011

Note: ClydeUnion's financial data is based on IFRS standards and future performance is subject to purchase accounting

Pro Forma Calculation



(\$ millions)

2012E Revenue Range

Initial SPX Target	\$6,000	to	\$6,250
Service Solutions	<u>(\$950)</u>		<u>(\$950)</u>
Pro Forma SPX Modeling Framework	<u>\$5,050</u>	to	<u>\$5,300</u>

Free Cash Flow



(\$ millions)

	<u>Full Year 2012E</u>	
Net cash from continuing operations	\$ 300	\$ 340
Capital expenditures	<u>(120)</u>	<u>(120)</u>
Free cash flow from continuing operations	<u>\$ 180</u>	<u>\$ 220</u>

Note: 2012E pro forma for Service Solutions divestiture