2015 First Quarter Results

April 29, 2015

- Certain statements contained in this presentation that are not historical facts, including any statements as to future market conditions, results of operations and financial projections, 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 express or implied results.
- 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 continuing operations, which are subject to change.
- Particular risks facing SPX include risks relating to our proposed spin-off transaction, economic, business and other risks stemming from changes in the economy, our international operations, legal and regulatory risks, cost of raw materials, pricing pressures, pension funding requirements, and integration of acquisitions. More information regarding such risks can be found in SPX's SEC filings.
- Statements in this presentation are only as of the time made, and SPX does not intend to update any statements made in this presentation except as required by regulatory authorities.
- 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.
- Also, there can be no assurance as to when the company's planned spin-off will be completed, if at all, or if the spin-off will be completed in the form contemplated. Even if the transaction is completed as and on the timetable currently contemplated, the two publicly-traded companies may not realize some of or all projected benefits, or expenses relating to the spin-off may be significantly higher than projected. Following completion of the spin-off, there can be no guarantee the combined value of the common stock of the two publicly traded companies will equal or exceed the value of our stock had the spin-off not occurred.

2015 Financial Modeling Approach

- In 2015 we are focused on both continued operational improvement and achieving the strategic milestone of separating SPX into two strong, standalone public companies.
- We are providing financial modeling targets for revenue, segment income, EBITDA and other reasonably predictable items for SPX as currently reported, and for the two future independent companies.
- We do not believe it is useful to provide 2015 EPS guidance given our plan to complete the spin-off in Q3 2015 and the uncertain timing of related financial impacts.

We Do Not Intend to Provide 2015 EPS Guidance Due to the Planned Spin-Off Transaction and Uncertain Timing of Related Financial Impacts

Introductory Comments

Chris Kearney, Chairman, President and CEO





April 29, 2015

Update on Spin-Off of Flow

- **Accomplishments to date:**
  - ✓ Determined company names: **SPX Corporation** and ***SPX FLOW*, Inc**.
  - ✓ Appointed IBM executive Anne Altman to the current Board of Directors and continue to identify additional Board of Director Candidates for both future companies
  - ✓ Determined Tier I corporate organizational structures for both companies, including CEO and CFO direct reports

- **Target schedule of key events:**
  - Initial Form 10 filing with the SEC in Q2
  - Finalization of corporate organizational structures for both companies during Q2

- Expect one-time, after-tax separation costs to be in the range of $60 to $80 million:
  - Recorded ~$26m of after-tax costs thus far, including $9m in Q1 2015

Planning to Complete the Spin-Off of Flow in Q3 2015

Consolidated Q1 Results

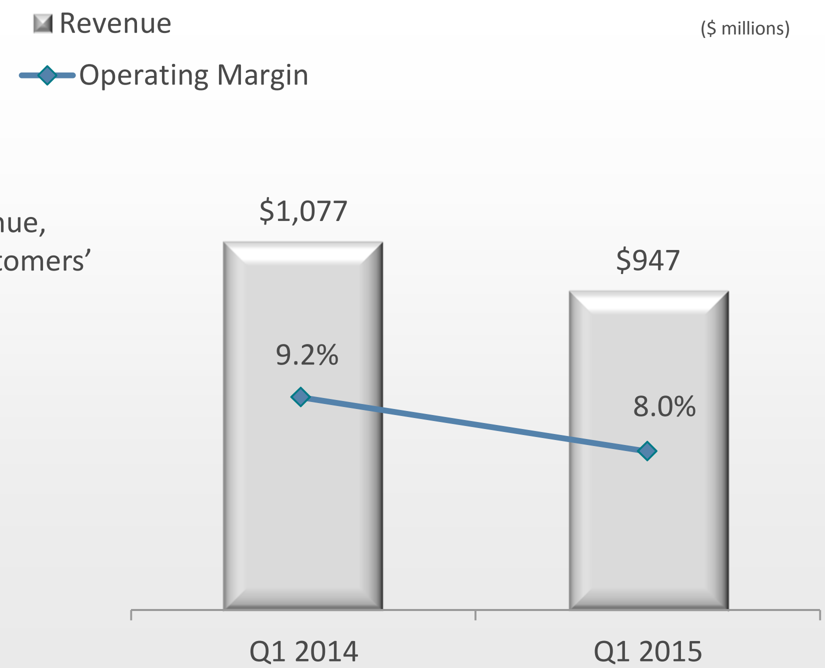
Q1 Year-Over-Year Analysis

Revenue:

- (12%) year-over-year decline:
  - (6%) currency impact
  - (6%) organic decline due to lower power and energy revenue, largely reflecting the impact of lower oil prices on our customers' capital spending decisions

Segment Income and Margin:

- $23m decline in segment income:
  - $5m related to currency
- 120 points of margin decline:
  - Concentrated in Thermal and Industrial segments
  - Flow segment margins increased 50 points year-over-year



Revenue and Segment Income Decline Due Primarily to Currency and Lower Power & Energy Revenue

Flow End Market Trends

Food & Beverage	Power & Energy	Industrial Flow

<u>Components</u>
▪ Experienced a slowdown in demand for components in North America
▪ Aftermarket demand steady
 	
<u>Systems</u>
▪ Strong year-over-year order growth including three orders of ~$20m each:
  ❑ Personal hygiene plant
  ❑ Milk powder plant
  ❑ Lactose powder plant
	<u>Oil & Gas</u>
	▪ Sharp year-over-year decline in upstream and pipeline orders
	▪ Aftermarket demand steady
	▪ Downstream orders increased
	
	<u>Power Generation</u>
	▪ Nuclear opportunities increasing
	▪ Conventional power investment remains steady at low levels
		▪ Overall, fairly steady demand versus the prior year
		▪ Some delays in order placement of small to medium capex projects
		▪ Positive trends in chemical processing markets, but tempered investment timing
		▪ Softness in compressed air markets with improving trends exiting Q1
		▪ Mining continues to be weak

Strong Q1 2015 Bookings for Food & Beverage Systems;
Double-Digit Organic Decline in Power & Energy Orders Both Sequentially and Year-Over-Year

Thermal End Market Trends

HVAC

- Personal comfort heating:
  - Strong Q1 demand, consistent with prior year, driven by extended winter
- Package cooling towers:
  - Stable demand in North America with favorable end market trends
  - Launching Marley Cube Evaporative Condenser in Q2 2015

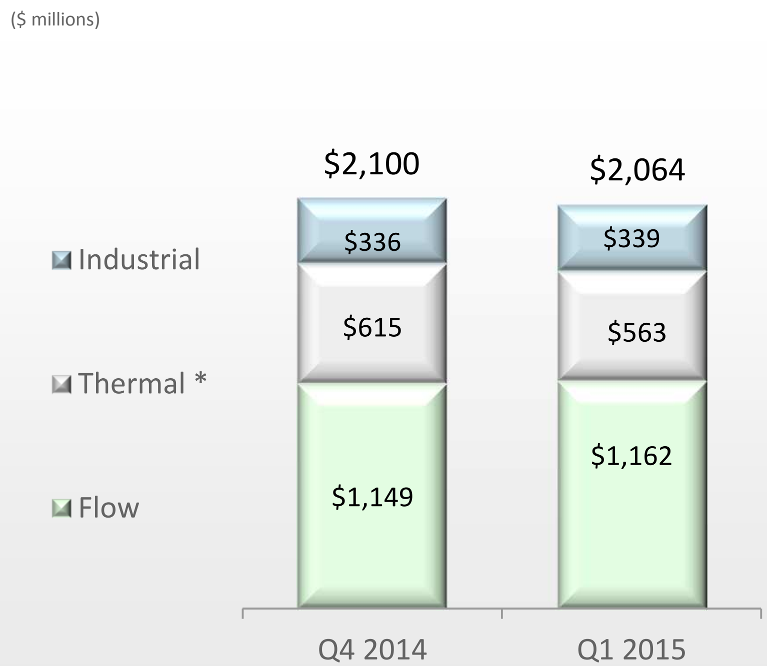
Power Generation

- Sluggish demand in North American and EMEA for thermal equipment, both for new capacity and refurbishment of aged power plants
- Lower oil prices impacting customers' capital spending decisions for thermal equipment
- Quoting activity for large projects has slowed and the timing of large projects in backlog has been delayed
- Focusing our efforts on smaller power applications and non-power markets
- Actions planned to further reduce cost structure

Positive Trends in North America HVAC Markets;
Global Power Generation Markets Remain Challenging

Backlog

Sequential Backlog Analysis



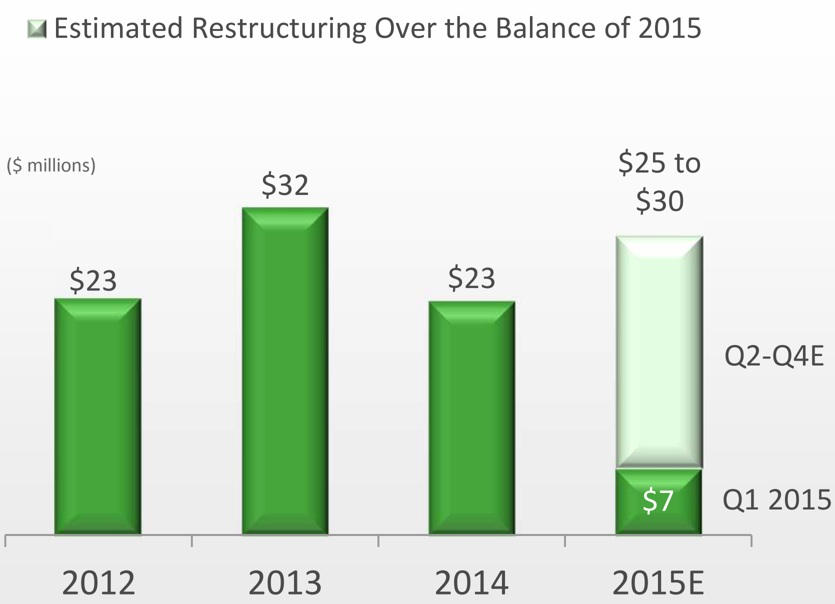
Sequential Analysis

	Total Change	Organic Change	Currency Impact
Flow	+1%	+6%	(5%)
Thermal*	(8%)	(3%)	(5%)
Industrial	+1%	+1%	(0%)
SPX Total*	**(2%)**	**+3%**	**(4%)**

*Excludes Thermal's South Africa backlog; see slide 18 for reconciliation

Excluding Currency, Total Backlog* Increased 3%, or $52m Sequentially Due Primarily to Organic Backlog Growth in All Three Flow Businesses

Restructuring Actions



2015 Full Year Target:

- Increased full year restructuring expense target to a range of $25m to $30m
- Restructuring actions to be concentrated in power and energy businesses within Flow and Thermal segments
- Evaluating additional opportunities to optimize global manufacturing footprint and reduce cost structure

2015 Restructuring Expected to Drive $10m-$15m of Cost Savings in 2H 2015, and Estimated Annualized Cost Savings of ~$30m

Financial Analysis

Jeremy Smeltser

April 29, 2015

Q1 2015 Earnings Per Share

Q1 2015 EPS Analysis

	EPS	
EPS from continuing operations	($0.17)	▪ As reported
Spin related costs	$0.22	▪ $5m pre-tax costs recorded in corporate expense ▪ $5m of discrete tax items related to legal entity reorganization
EPS from continuing operations, excluding spin related costs	**$0.05**	

Excluding $0.22 Per Share of Spin Related Costs Recorded in the Quarter, Q1 2015 EPS from Continuing Operations was $0.05 Per Share

Flow Technology Q1 Results

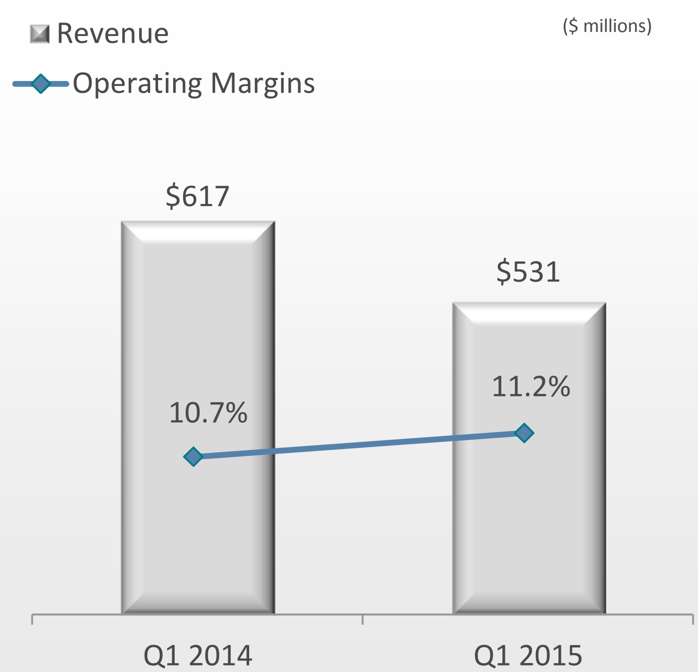
Q1 Year-Over-Year Analysis

Revenue decreased (14%):

- (8%) currency impact
- (6%) organic decline:
  - Double-digit organic decline in Power & Energy
  - **Single-digit organic growth in Food & Beverage**

Segment income decreased ($7m), or (10%):

- ($5m) decline due to currency
- **Margins increased 50 points to 11.2%** :
  - ✓ Improved operational performance at Food & Beverage
  - ✓ Cost savings from restructuring initiatives

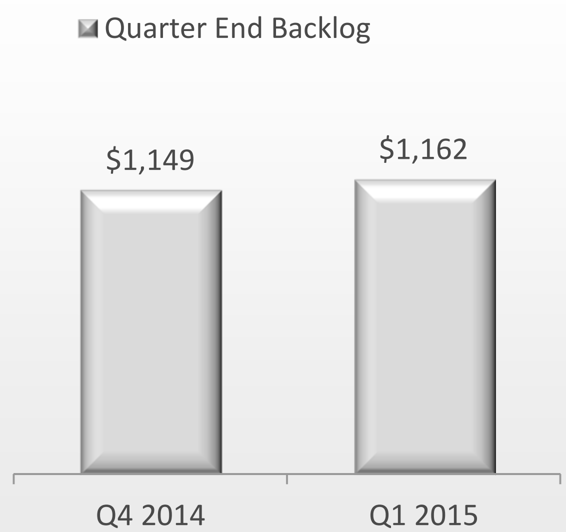


Currency Headwinds and Impact of Lower Oil Prices On Customers' Capital Spending Decisions Impacted Q1 Results; Food & Beverage Delivered Organic Revenue Growth and Strong Margin Improvement

Flow Technology Backlog

Sequential Backlog Analysis

($ millions)



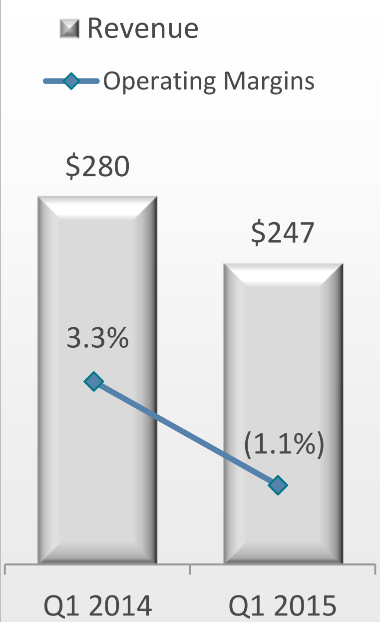
- **Q1 ending backlog increased 1%, or $13m, <u>sequentially</u>:**
  - **6% or $68m organic increase:**
    - **Organic growth across all three of Flow's end market platforms**
  - (5%) or ($55m) currency impact

Q1 Book-to-Bill Was 1.1x, Driven by Strong Q1 Food & Beverage Orders, Partially Offset by a Weakness in Power & Energy Orders

Thermal Equipment & Services Q1 Results

As Reported

($ millions)



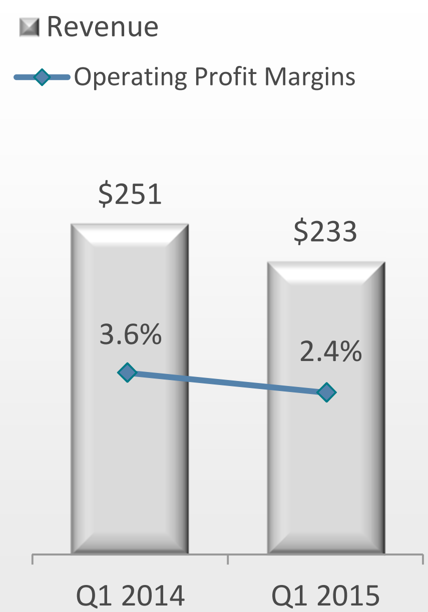
South Africa Projects [1]

	Revenue	Profit/ Loss
Q1 2014	$29	$0
Q1 2015	$14	($8)
y-y Variance	**($15)**	**($8)**

[1] The Medupi and Kusile power projects being built by Eskom

Core Thermal Segment*

($ millions)



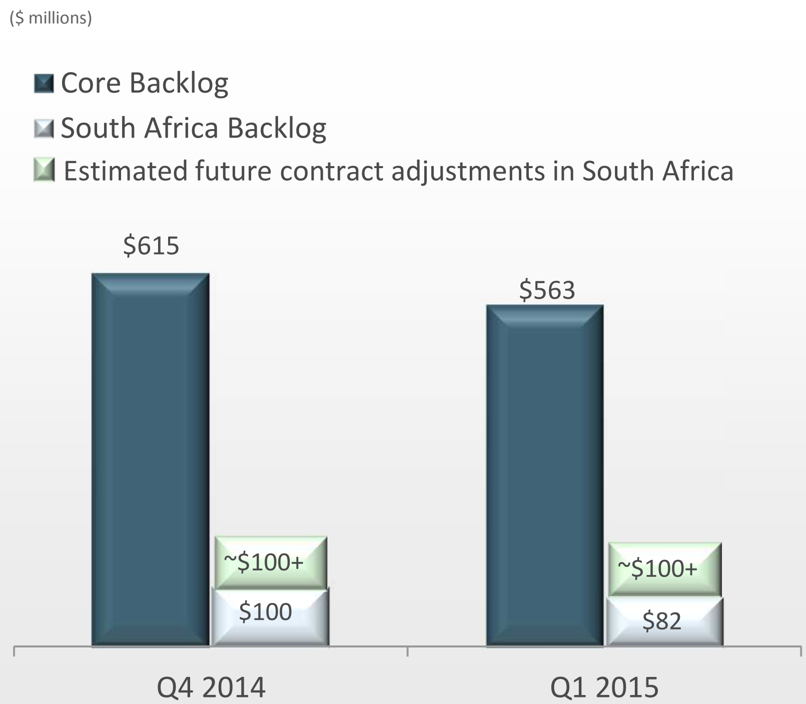
- (4%) or ($11m) revenue decline due to currency
- (3%) organic revenue decline

*Excludes results from the Medupi and Kusile projects in South Africa

Seasonally Weak First Quarter Impacted by Loss in South Africa And a Year-Over-Year Decline in Power Generation Revenue

Thermal Equipment & Services Backlog

Sequential Backlog Analysis



- Core backlog down (8%) or ($52m), sequentially:
  - (5%) due to currency
  - (3%) organic decline, primarily in cooling tower backlog
- $182m+ of future revenue expected to be recognized on the South Africa projects

Core Backlog Declined 8% or $52m Sequentially;
Lower Oil Prices Also Impacting Customer Spending Decisions for Thermal Equipment

Industrial Products & Services Q1 Results

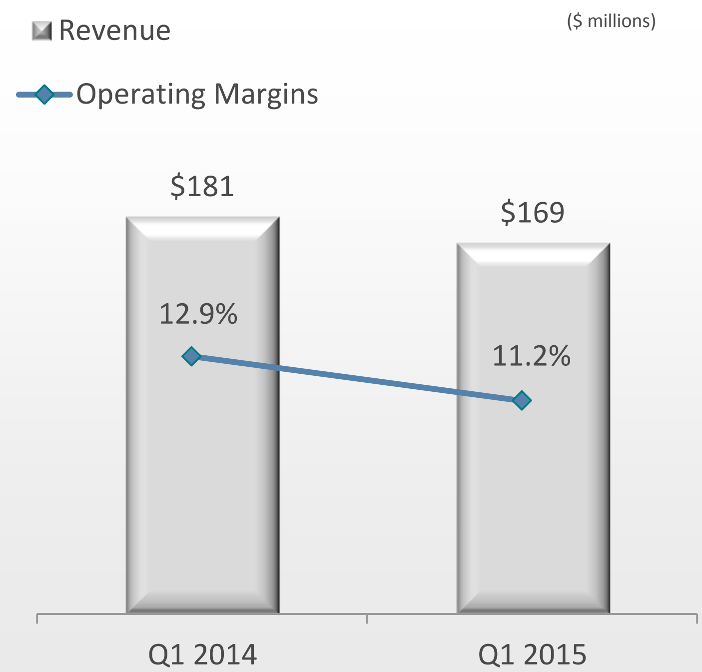
Q1 Year-Over-Year Analysis

Revenue decreased (7)%:

- (2%) currency impact
- (4%) organic decline:
  - Decline in sales of fare collection systems, power transformers and communication technologies

Segment income decreased ($4m) and margins declined 170 points:

- Due primarily to a decline in sales of fare collection systems and communication technologies

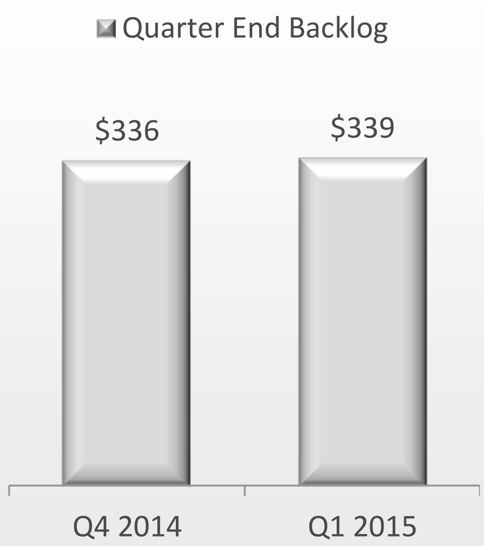


Revenue and Profit Decline Due Primarily to Lower Sales of Fare Collection Systems and Communication Technologies

Industrial Products & Services Backlog

Sequential Backlog Analysis

($ millions)



- Total backlog up 1% sequentially:
  - Modest increase in communication technologies and power transformer backlogs
  - Power transformer backlog provides good visibility to shipments over the balance of the year

Industrial Backlog Increased 1% Sequentially

Q2 2015 Financial Modeling Targets

Financial Metric ($ millions)	Q2 2014	Q2 2015 Targets	Commentary
Revenue	$1,195	(11%) to (13%)	❑ (7%) currency impact ❑ (4%) to (6%) organic decline
Segment Income	$128	$86 to $96	❑ ~($7) currency impact ❑ Organic decline in Flow Power & Energy
Segment Income %	10.7%	8.5% to 9.0%	❑ Expect revenue decline in higher margin Flow and Industrial businesses
Special Charges (Restructuring)	$10	$5 to $8	❑ Concentrated in Flow and Thermal

Q2 Revenue and Segment Income Expected to Decline
Due Primarily to Currency Headwinds and Lower Power & Energy Revenue

2015 Financial Modeling Targets

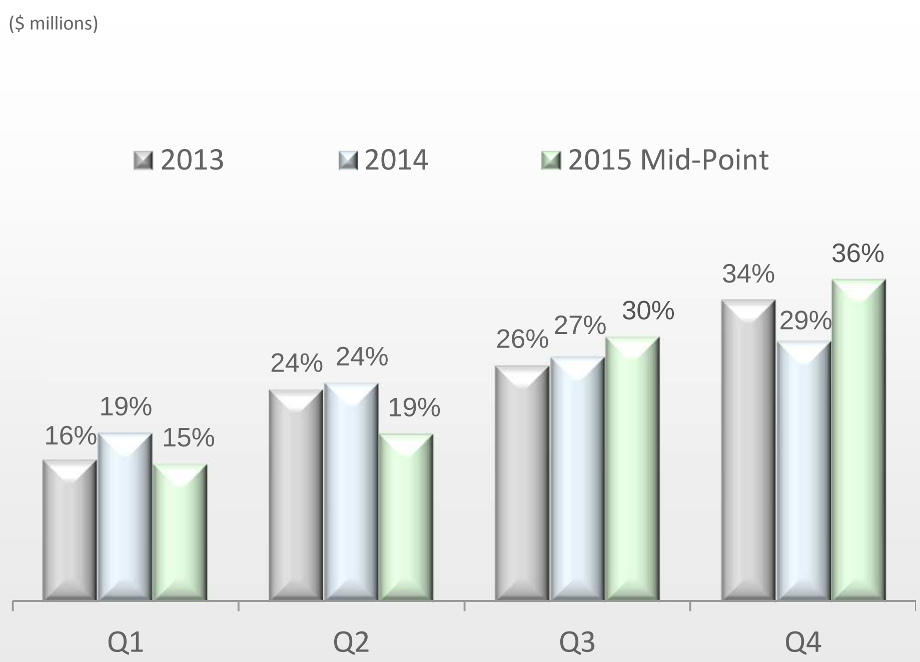
2015 Financial Target	SPX Consolidated	FLOW	THERMAL	INDUSTRIAL
Total Revenue Variance To Prior Year	(6%) to (10%)	(9%) to (12%)	(4%) to (8%)	(2%) to +2%
Currency Impact To Revenue	*~(6%)*	*~ (8%)*	*~(5%)*	*~(2%)*
Organic Revenue Growth	flat to (4%)	(1%) to (4%)	flat to (4%)	flat to +4%
Segment Income % vs. Prior Year	~+10 points	~(10) points	~+130 points	~(40) points
Consolidated EBITDA (1)	**$500m to $540m**			
Free Cash Flow Conversion (2)	~100% of net income (2)			
Special Charges (Restructuring)	$25m to $30m			
Stock Compensation Expense	~$40m			
Pension Service Costs	~$5m			
Effective Tax Rate	high 20% range			
Diluted Shares Outstanding	~41m			

(1) As defined by SPX's credit facilities
(2) Excluding spin-related costs and cash flows

Updated Full Year Targets Reflect Q1 Results,
Current Macroeconomic Environment and Revised Outlook

Sequential Analysis

Segment Income Phasing



Key 2H 2015 revenue drivers:

- **Thermal Equipment**: seasonality of personal comfort heating businesses and package cooling business
- **Flow Technology**: Increase in food & beverage system revenue from recent orders; seasonality of aftermarket and components sales
- **Industrial Products**: Increase in sales of communication technologies and fare collection systems

Key 2H 2015 segment income drivers:

- Restructuring savings of $10m to $15m
- Higher mix of aftermarket sales due to normal seasonality
- Discrete, attractive margin jobs expected to ship in 2H 2015

Cost Reduction Initiatives, Seasonality in Heating and Aftermarket Businesses, and Timing of Higher Margin Orders Driving Margin Improvement in 2H 2015E

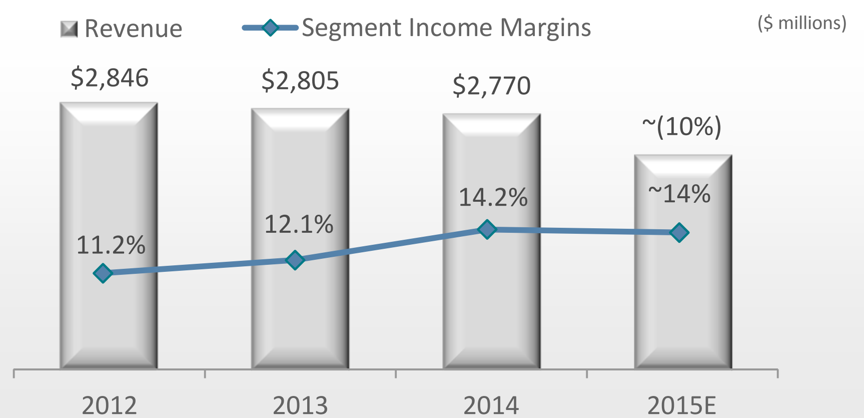
Future Company Profiles

SPX FLOW Inc.

- Chairman, President and CEO: Chris Kearney
- VP and Chief Financial Officer: Jeremy Smeltser
- **2015E Consolidated EBITDA (1): ~$360m**

(1) As defined by SPX's credit facilities; see appendix for reconciliation to GAAP measure

Pro Forma Historical Financial Results and 2015E

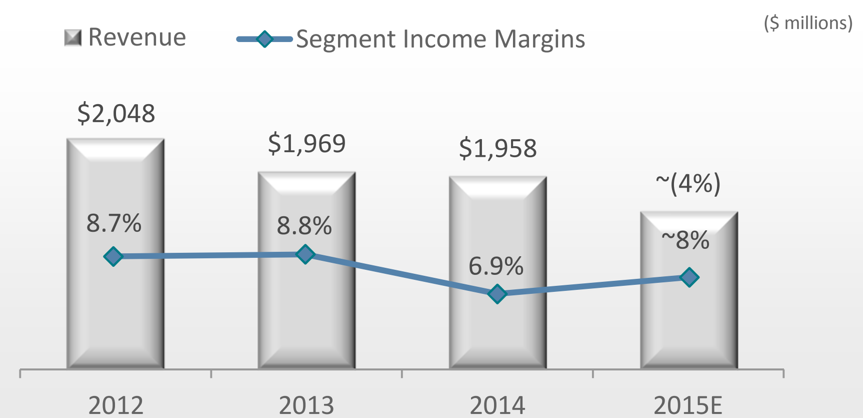


New SPX Corporation

- Chairman: Michael Mancuso
- President and CEO: Gene Lowe
- VP and Chief Financial Officer: Scott Sproule
- **2015E Consolidated EBITDA (1): ~$160m**

(1) As defined by SPX's credit facilities; see appendix for reconciliation to GAAP measure

Pro Forma Historical Financial Results and 2015E



We Believe Both Future Companies Will Be Well-Positioned for Success
With Leading Positions in Attractive, Medium to Long-Term Growth Markets

Financial Position

($ millions)	12/31/14	3/28/15
Cash	$428	$363
Accounts Receivable	$1,067	$1,026
Total Assets	$5,902	$5,780
Accounts Payable	$462	$433
Total Debt	$1,370	$1,486
Total Equity	$1,821	$1,688

Update on Q1 Ending Financial Position

- Q1 ending cash of $363m
- Q1 free cash flow usage of $123m:
  - Q1 free cash flow performance seasonally weak
  - Low level of operating profit and timing of cash collections on large projects
- Total debt increased $116m or 8%
- Gross leverage [1] at 2.7x at the end of Q1 2015

[1] Gross debt to EBITDA as defined by SPX's current credit facilities

Working Capital Performance and Cash Conversion Expected to be Stronger in Second Half of 2015

Executive Summary

Executive Summary

Key Investor Messages

- We have made significant progress over the last several years to simplify and strengthen SPX
- The spin-off will result in two independent, publicly traded companies with increased strategic flexibility:
  - ***SPX FLOW*, Inc.: Pure-play flow company with diversified end market exposure**
  - **SPX Corporation: Diversified global infrastructure platform with market leading positions**
- We believe the spin-off will create significant value for shareholders, customers and employees:
  - Allows each company to pursue a more focused stategy that leverages its strengths
  - Enables a capital allocation strategy appropriate for each company
  - Can be achieved in a tax efficient manner
- Focused on continued operational improvement and executing the spin-off of our Flow business

We Believe the Tax-Free Spin-Off of Our Flow Business Will Accelerate Our Strategic Transformation and Create Value for Shareholders, Customers and Employees

Questions


ideas
action
planning
develop
team
leadership
invent
project
STRATEGY
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management
teamwork
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success

Appendix


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Pro Forma Future Company Reconciliations

NOTE: Pro Forma 2015 estimates for revenue and consolidated EBITDA are based on SPX's 2015 mid-point financial targets as categorized in the proposed future structure and inclusive of estimated stand-alone costs

($ millions)

	***SPX FLOW*, Inc.**
Revenue	
Current Flow Segment	$2,324
Hydraulic Technologies	$164
Total 2015E Pro Forma Revenue	$2,487
EBITDA	
Segment Income and % margin	$345
Depreciation & Amortization	$60
Net Standalone Corporate/Other Costs [1]	($100)
Total 2015E Pro Forma EBITDA	$305
Total 2015E Pro Forma Consolidated EBITDA [3]	$360

	SPX Corporation
Revenue	
Current Thermal Segment	$1,245
Other Industrial businesses [2]	$630
Total 2015E Pro Forma Revenue	$1,875
EBITDA	
Segment Income and % margin	$145
Depreciation & Amortization	$44
Net Standalone Corporate/Other Costs [1]	($60)
Total 2015E Pro Forma EBITDA	$130
Total 2015E Pro Forma Consolidated EBITDA [3]	$160

[1] Estimated net standalone costs include Corporate Expense, Stock Based Compensation, Pension Expense, Special Charges, Equity Earnings, Other Income and Expense and Minority Interest
[2] Other Industrial Businesses include: power transformers, Radiodetection, Genfare, TCI and Flash Technologies
[3] Consolidated EBITDA as defined by SPX's current credit facilities

Consolidated EBITDA Reconciliation

($ millions)	LTM	2015E
Net Income	**$73**	**$177**
Income tax provision	60	80
Net interest expense	67	68
Income before interest and taxes	**$200**	**$325**
Depreciation and intangible amortization expense	107	104
EBITDA	**$307**	**$429**
Adjustments:		
Non-cash compensation expense	54	57
Non-cash impairments	38	0
Pension adjustments	90	0
Extraordinary non-cash charges	19	1
Extraordinary non-recurring cash charges	29	33
Joint venture EBITDA adjustments	1	1
Net (gains) and losses on disposition of assets outside the ordinary course of business	9	0
Pro Forma effect of acquisitions and divestitures	4	0
Other	0	0
Consolidated EBITDA	**$549**	**$520**

Note: EBITDA as defined in the credit facility

Q1 2015 Organic Revenue Growth Reconciliation

Q1 2015 Organic Growth Reconciliation

	Three months ended March 28, 2015			
	Net Revenue Decline		Foreign Currency	Organic Revenue Decline
Flow Technology	(13.9) %	%	(8.3) %	(5.6) %
Thermal Equipment and Services	(11.6) %	%	(4.8) %	(6.8) %
Industrial Products and Services and Other	(6.6) %	%	(2.2) %	(4.4) %
Consolidated	(12.1) %	%	(6.4) %	(5.7) %

Free Cash Flow

Reconciliation to GAAP Cash Flow Statement

($ millions)

	Q1 2015
Net cash from continuing operations	($108)
Capital expenditures	($14)
Free cash flow from continuing operations	**($123)**

Debt Reconciliation

Debt Reconciliation as of March 28, 2015

($ millions)

		3/28/2015
Short-term debt	$	299
Current maturities of long-term debt		38
Long-term debt		1,150
Gross Debt	**$**	**1,486**
Less: Purchase card program and extended A/P programs		(28)
Adjusted Gross Debt	**$**	**1,458**
Less: Cash in excess of $50		(313)
Adjusted Net Debt	**$**	**1,145**

Note: Adjusted debt as defined in the credit facility

Reconciliation of "Thermal Core" Results

(Unaudited; in millions)

	Three months ended March 28, 2015	Three months ended March 29, 2014	Δ	%/bps
Thermal Equipment and Services				
Revenues	$ 247.2	$ 279.6	$ (32.4)	*-11.6%*
Operating Profit (Loss)	(2.8)	9.2	(12.0)	
as a percent of revenues	-1.1%	3.3%		*-440 bps*
South Africa Projects [1]				
Revenues	$ 14.0	$ 29.1	$ (15.1)	*-51.9%*
Operating Profit (Loss)	(8.4)	0.2	(8.6)	
as a percent of revenues	-60.0%	0.7%		*na*
Core Thermal				
Revenues	$ 233.2	$ 250.5	$ (17.3)	*-6.9%*
Operating Profit (Loss)	5.6	9.0	(3.4)	
as a percent of revenues	2.4%	3.6%		*-120 bps*

[1] Financial results related to the Medupi and Kusile power projects being built in South Africa