
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 23, 2017**

SPX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-6948

(Commission
File Number)

38-1016240

(IRS Employer
Identification No.)

**13320-A Ballantyne Corporate Place
Charlotte, North Carolina 28277**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(980) 474-3700**

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On February 23, 2017, SPX Corporation (the “Company”) issued the press release attached as Exhibit 99.1 hereto and incorporated herein by reference.

The press release incorporated by reference into this Item 2.02 contains certain non-GAAP financial measures, including disclosure regarding “Core” revenues and operating income (loss), defined as revenues and operating income (loss) for the Company and its Engineered Solutions segment excluding the results of the South African projects. The South African projects have a finite life and, thus, are expected to have a diminishing impact on the Company’s and the Engineered Solutions segment’s operating results over the long-term. The Company’s management believes it is useful to investors to disclose revenues and operating income (loss) without the results of the South African projects to provide investors with metrics that the Company’s management uses to measure the overall performance of its core businesses. Core revenues and Core operating income (loss) do not provide investors with an accurate measure of, and should not be used as substitutes for, the Company’s and the Engineered Solutions segment’s revenues and operating income (loss) as determined in accordance with accounting principles generally accepted in the United States (“GAAP”), and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding adjusted operating income (loss) and adjusted earnings (loss) per share, defined as operating income (loss) and diluted net income (loss) per share from continuing operations excluding the following items: (a) results of the South African projects, (b) non-service pension and postretirement expense (income), (c) certain corporate and other expenses eliminated as a result of, or related to, the spin-off of SPX FLOW, Inc., (d) gain (loss) related to acquisitions/divestitures, (e) non-cash intangible impairment charges, and (f) non-cash charges associated with early extinguishment of debt, each as applicable, as well as (g) the income tax impact of items (a) through (f), and (h) an adjustment related to redeemable noncontrolling interest. In addition to the Company’s South African projects, the Company’s management views the impact related to each of the other items as not indicative of the Company’s ongoing performance. The Company believes that inclusion of only the service cost and prior service cost components of pension and postretirement expense better reflects the ongoing costs of providing pension and postretirement benefits to its employees. Other components of GAAP pension and postretirement expense (income) are mainly driven by market performance, and the Company manages these separately from the operational performance of its business. The Company believes adjusted operating income (loss) and adjusted earnings (loss) per share, when read in conjunction with operating income (loss) and diluted net income (loss) per share from continuing operations, gives investors a useful tool to assess and understand the Company’s overall financial performance, because they exclude items of income or expense that the Company believes are not reflective of its ongoing operating performance, allowing for a better period-to-period comparison of operations of the Company. Additionally, the Company’s management uses adjusted operating income (loss) and adjusted earnings (loss) per share as measures of the Company’s performance. The adjusted operating income (loss) and adjusted earnings (loss) per share measures do not provide investors with an accurate measure of the actual operating income (loss) and diluted net income (loss) per share from continuing operations reported by the Company and should not be considered as substitutes for operating income (loss) and diluted net income (loss) per share from continuing operations as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The press release incorporated by reference into this Item 2.02 also contains disclosure regarding organic revenue growth (decline), defined as revenue growth (decline) excluding the effects of foreign currency fluctuations and acquisitions/divestitures, as applicable. The Company’s management believes that organic revenue growth (decline) is a useful financial measure for investors in evaluating operating performance for the periods presented, because excluding the effect of currency fluctuations and acquisitions/divestitures, when read in conjunction with the Company’s revenues, presents a useful tool to evaluate the Company’s ongoing operations and provides investors with a tool they can use to evaluate the Company’s management of assets held from period to period. In addition, organic revenue growth (decline) is one of the factors the Company’s management uses in internal evaluations of the overall performance of its business. This metric, however, should not be considered a substitute for revenue growth (decline) as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

Refer to the tables included in the press release for the components of each of the Company’s non-GAAP financial measures referred to above, and for the reconciliations of these numbers to their respective comparable GAAP financial measures.

The information in this Report is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Report shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--|
| 99.1 | Press Release issued February 23, 2017, furnished solely pursuant to Item 2.02 of Form 8-K |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SPX CORPORATION

(Registrant)

Date: February 23, 2017

By: /s/ Scott W. Sproule

Scott W. Sproule

Vice President, Chief Financial Officer and Treasurer

EXHIBIT INDEX

Exhibit Number

Description

99.1

Press Release issued February 23, 2017, furnished solely pursuant to Item 2.02 of Form 8-K

SPX Reports Fourth Quarter and Full-Year 2016 Results

Q4 and Full-Year 2016 GAAP EPS from Continuing Operations of \$(0.07) and \$0.30
Q4 and Full-Year 2016 Adjusted EPS* from Continuing Operations of \$0.69 and \$1.47
Transformation of SPX Tracking Ahead of Schedule
Introducing 2017 Full-Year Adjusted EPS* Guidance Range of \$1.55-\$1.70

CHARLOTTE, N.C., February 23, 2017 /Globe Newswire/ - SPX Corporation (NYSE:SPXC) today reported results for the fourth quarter and the year ended December 31, 2016.

The results and guidance in this release include non-GAAP financial measures, including “Core” results, “adjusted operating income (loss)” and “adjusted earnings (loss) per share.” To provide clarity to its operating results, the company reports “Core” results, which exclude the effect of the South African projects, and separately reports on the progress and results associated with the South African projects. Non-service pension items have also been adjusted out of operating income and earnings per share for 2015 and 2016. Additionally, the gain on the sale of the Dry Cooling business, charges related to the impairment of intangible assets, an adjustment to redeemable non-controlling interest, and a loss on the early extinguishment of debt related to elimination of unused credit facility capacity have been adjusted out of operating income and earnings per share for 2016.

As a result of the spin-off of SPX FLOW, Inc. on September 26, 2015, certain amounts in the company’s reported 2015 results from continuing operations are not representative of the ongoing company on a post-spin basis, such as portions of the company’s corporate expense, including the related benefit costs, spin-related restructuring expenses and other items, and, as such, have been adjusted out of operating income and earnings per share.

Furthermore, the results of the European Power Generation business (“Balcke-Dürr”), which was sold at the end of 2016, are presented as discontinued operations for the fourth quarter and full-year 2016 and 2015. The results of SPX Flow, Inc. have also been presented as discontinued operations in 2015.

Gene Lowe, President and CEO, said “I’m very pleased with the operational execution and the solid margin and cash flow performance of our company. In Q4, our HVAC segment and our Transformer business recorded their highest margins in several years, as operational initiatives continued to drive improvement company-wide. During 2016 we successfully executed on our plan to shift our business mix away from power generation end markets. The result has been a significant improvement in our earnings and cash flow profile, with the sale of the European Power Generation business providing a benefit of approximately 200 basis points to our 2016 adjusted operating income margins. In recognition of this strategic shift, we have renamed our Power segment ‘Engineered Solutions.’ ”

Fourth Quarter 2016 Overview:

For the fourth quarter of 2016 the company reported revenue of \$395.3 million and operating income of \$1.8 million, compared with revenue of \$468.4 million and operating income of \$25.7 million in the fourth quarter of 2015. Net loss per share from continuing operations for the fourth quarter of 2016 was \$0.07.

SPX Core revenue* was \$377.5 million and adjusted operating income* was \$43.6 million, compared with Core revenue* of \$445.1 million and adjusted operating income* of \$46.9 million in the fourth quarter of 2015. Adjusted earnings per share* for the fourth quarter of 2016 were \$0.69.

Full-Year 2016 Overview:

For the full-year 2016 the company reported revenue of \$1.5 billion and operating income of \$55.0 million, compared with revenue of \$1.6 billion and an operating loss of \$122.2 million in 2015. Net earnings per share from continuing operations for 2016 were \$0.30.

SPX Core revenue* for 2016 was \$1.4 billion and adjusted operating income* was \$97.2 million, compared with Core revenue* of \$1.5 billion and adjusted operating income* of \$97.0 million in 2015. Adjusted earnings per share* for 2016 were \$1.47.

Fourth Quarter and Full-Year Financial Comparisons:

GAAP Results†:

| (\$ millions) | Q4 2016 | Q4 2015 | FY 2016 | FY 2015 |
|-------------------------|----------------|----------------|----------------|----------------|
| Revenue | \$395.3 | \$468.4 | \$1,472.3 | \$1,559.0 |
| Segment Income | 54.8 | 57.4 | 142.8 | 38.8 |
| Operating Income (Loss) | 1.8 | 25.7 | 55.0 | (122.2) |

Adjusted Results†:

| (\$ millions) | Q4 2016 | Q4 2015 | FY 2016 | FY 2015 |
|----------------------------|----------------|----------------|----------------|----------------|
| Core Revenue* | \$377.5 | \$445.1 | \$1,389.0 | \$1,531.7 |
| Core Segment Income* | 59.5 | 63.0 | 157.3 | 159.3 |
| Adjusted Operating Income* | 43.6 | 46.9 | 97.2 | 97.0 |

†The results of SPX FLOW, Inc. are presented as discontinued operations for 2015. The results of the European Power Generation business are presented as discontinued operations for 2016 and 2015.

*Non-GAAP financial measure. See attached schedules for reconciliation to most comparable GAAP financial measure.

HVAC

Revenue for Q4 2016 was \$159.1 million, compared with \$160.4 million in Q4 2015, a decline of 0.8%. Excluding a 1.5% decline related to currency fluctuation, revenue increased 0.7% primarily reflecting higher sales of cooling products, partially offset by lower heating product sales.

Segment income for Q4 2016 was \$31.6 million, or 19.9% of revenue, compared with \$30.8 million, or 19.2% of revenue in Q4 2015. The increase in segment income margins of approximately 70 basis points was driven by cost improvements and operational efficiencies.

Full-year revenue declined 3.7% to \$509.5 million in 2016, from \$529.1 million in 2015, due primarily to a decline in heating product sales. Segment income margins increased 50 basis points to 15.7% of revenues.

Detection & Measurement

Revenue for Q4 2016 was \$58.6 million, compared with \$66.3 million in Q4 2015, a decline of 11.6%. Excluding a 3.0% decline related to currency fluctuation, revenue decreased 8.6% primarily reflecting lower communication technologies product sales.

Segment income for Q4 2016 was \$14.4 million, or 24.6% of revenue, compared with \$18.6 million, or 28.1% of revenue, in Q4 2015. The decline in both segment income and margin is due to lower sales of communication technologies products compared with the prior-year period.

Full-year revenue declined 2.5% to \$226.4 million in 2016, from \$232.3 million in 2015, due primarily to the effect of currency fluctuations. Segment income margins increased 20 basis points to 20.0% of revenues.

Engineered Solutions

Revenue for Q4 2016 was \$177.6 million, compared with \$241.7 million in Q4 2015, a decrease of 26.5%. The decrease was driven primarily by the effect of the sale of our Dry Cooling business in early 2016, lower sales of power generation-related products and the timing of transformer shipments compared with the prior year.

Segment income for Q4 2016 was \$8.8 million, or 5.0% of revenue, compared with \$8.0 million, or 3.3% of revenue in Q4 2015. The increase in segment income margins of approximately 170 basis points was driven by stronger margins in our Transformer business and the sale of the Dry Cooling business.

Full-year revenue declined 7.7% to \$736.4 million in 2016, from \$797.6 million in 2015, due primarily to the sale of our Dry Cooling business and lower sales of power generation-related products. Segment income increased to \$17.3 million, or 2.3% of revenues, compared with a segment loss in 2015.

Engineered Solutions (Core)

Excluding the results of the South African projects, Engineered Solutions recorded Core revenue* for Q4 2016 of \$159.8 million, compared with \$218.4 million in Q4 2015, a decrease of 26.8%. Excluding the effect of currency fluctuations and the disposition of the Dry Cooling business, organic revenue* declined 18.4% due to lower demand and more selective participation in power generation-related markets, as well as the timing of transformer shipments compared with the prior-year.

Engineered Solutions' Core income* for Q4 2016 was \$13.5 million, or 8.4% of revenue, compared with \$13.6 million, or 6.2% of revenue, in Q4 2015. The increase in margins was primarily due to a stronger performance in our Transformer business compared with the year-ago period.

Full-year Core revenue* declined 15.2% to \$653.1 million in 2016, from \$770.3 million in 2015, due primarily to the sale of the Dry Cooling business and lower sales of power generation-related products. Core income margins* increased 60 basis points to 4.9% of revenues.

South African Projects

Revenue attributable to the large South African projects for Q4 2016 was \$17.8 million, compared with \$23.3 million in Q4 2015. Losses for these projects recorded in our Engineered Solutions segment in Q4 2016 were \$4.7 million, compared with a loss of \$5.6 million in Q4 2015.

The projects recorded full-year revenue of \$83.3 million in 2016, compared with \$27.3 million in 2015. The 2015 results included a \$95.0 million charge in the third quarter, including a reduction in revenue of \$57.2 million. The projects recorded a loss of \$14.5 million in 2016 compared with a loss of \$120.5 million in the prior year, which was associated largely with the previously mentioned charge.

Financial Update:

As of December 31, 2016, SPX had total outstanding debt of \$356.2 million and total cash of \$99.6 million. For the full-year 2016, SPX generated net cash from continuing operations of \$53.4 million, which includes the effect of cash used for the South African projects of \$33.1 million. Capital expenditures for continuing operations were \$11.7

million. Net leverage as calculated under the company's bank credit agreement was 2.1x, compared with 2.6x at the end of Q3 2016.

2017 Guidance:

SPX is targeting 2017 Core revenue* in a range of \$1.3 to \$1.4 billion with Core segment income margin* of 12-13%. Adjusted operating income margin* is expected to be in a range of 8-9%. Adjusted earnings per share* is expected to be in a range of \$1.55 to \$1.70.

Segment performance, on a year-over-year basis, is expected to be as follows:

| | Revenue | Segment Income Margin % |
|------------------------------|--|--------------------------------|
| HVAC | Organic growth at the lower end of our long-term target range of 2-4%, with variability driven primarily by winter heating demand | Approximately 16% |
| Detection & Measurement | Organic growth around midpoint of long-term target range of 2-6%, with variability driven primarily by timing of project-related revenue | 21-22% |
| Engineered Solutions (Core)* | Organic decline in mid-single digit %, with flat Transformer revenues and more selective market participation in Process Cooling | Approximately 6-7% |

Mr. Lowe continued, "2016 was a transformative year for SPX as we reshaped the company into a much more profitable, higher-return enterprise, while maintaining our commitment to a healthy balance sheet. These changes have positioned the company to pursue the substantial growth opportunities ahead of us. As we move forward, we will continue to leverage our leadership positions in niche, growth markets for engineered products, while enhancing the development of innovative solutions for our customers. We will also increase our focus on inorganic growth investments, funded with our solid cash flows and liquidity, while expanding our operational excellence initiatives to drive greater efficiencies throughout the company."

Form 10-K: The company expects to file its annual report on Form 10-K for the year ended December 31, 2016 with the Securities and Exchange Commission on or before March 1, 2017. This press release should be read in conjunction with that filing, which will be available on the company's website at www.spx.com, in the Investor Relations section.

Conference Call: SPX will host a conference call at 4:45 p.m. (EST) today to discuss fourth quarter results and 2017 financial guidance. The call will be simultaneously webcast via the company's website at www.spx.com and the slide presentation will be available in the Investor Relations section of the site.

Conference call

Dial in: 877-341-7727

From outside the United States: +1 262-558-6098

Participant code: 62367893

A replay of the call will be available by telephone through Thursday, March 2nd.

To listen to a replay of the call

Dial in: 855-859-2056

From outside the United States: +1 404-537-3406

Participant code: 62367893

Upcoming Investor Events: SPX plans to host an investor and analyst event in New York on March 6, 2017. The event will be webcast live beginning at 10:00 a.m. (EST). A link to the webcast and a slide presentation will be available

in the Investor Relations section of our website at www.spx.com. Company management also plans to meet with investors on roadshows during March.

About SPX Corporation: SPX Corporation is a supplier of highly engineered products and technologies, holding leadership positions in the HVAC, detection and measurement, and engineered solutions markets. Based in Charlotte, North Carolina, SPX Corporation had approximately \$1.5 billion in annual revenue in 2016 and more than 5,000 employees in about 15 countries. SPX Corporation is listed on the New York Stock Exchange under the ticker symbol "SPXC." For more information, please visit www.spx.com.

*Non-GAAP financial measure. See attached schedules for reconciliation to most comparable GAAP financial measure.

Note: Our non-GAAP financial guidance excludes items, which would be included in our GAAP financial measures, that we do not consider indicative of our on-going performance. These items include, but are not limited to, transaction and acquisition costs, costs associated with dispositions, the results of our South African projects, and potential non-cash income or expense items associated with changes in market interest rates and actuarial or other data related to our pension and postretirement plans, as the ultimate aggregate amounts associated with these items are out of our control and/or cannot be reasonably predicted. Accordingly, a reconciliation of our non-GAAP financial guidance to the nearest corresponding GAAP financial measures is not practicable.

Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Please read these results in conjunction with the company's documents filed with the Securities and Exchange Commission, including the company's annual reports on Form 10-K, and any amendments thereto, and quarterly reports on Form 10-Q. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements. Actual results may differ materially from these statements. The words "believe", "expect," "anticipate," "project" and similar expressions identify forward-looking statements. Although the company 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 current complement of businesses, which is subject to change.

Statements in this press release speak only as of the date of this press release, and SPX disclaims any responsibility to update or revise such statements.

SOURCE SPX Corporation.

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SPX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

| | Three months ended December 31, | | Twelve months ended December 31, | |
|---|---------------------------------|------------------|----------------------------------|------------------|
| | 2016 | 2015 | 2016 | 2015 |
| Revenues | \$ 395.3 | \$ 468.4 | \$ 1,472.3 | \$ 1,559.0 |
| Costs and expenses: | | | | |
| Cost of products sold | 281.3 | 346.9 | 1,096.5 | 1,283.1 |
| Selling, general and administrative | 85.4 | 94.0 | 301.0 | 387.8 |
| Intangible amortization | 0.2 | 1.3 | 2.8 | 5.2 |
| Impairment of intangible assets | 26.1 | — | 30.1 | — |
| Special charges, net | 0.5 | 0.5 | 5.3 | 5.1 |
| Gain on sale of dry cooling business | — | — | 18.4 | — |
| Operating income (loss) | <u>1.8</u> | <u>25.7</u> | <u>55.0</u> | <u>(122.2)</u> |
| Other expense, net | (2.5) | (4.2) | (0.3) | (10.0) |
| Interest expense | (3.7) | (3.5) | (14.8) | (22.0) |
| Interest income | 0.4 | — | 0.8 | 1.3 |
| Loss on early extinguishment of debt | — | — | (1.3) | (1.4) |
| Income (loss) from continuing operations before income taxes | <u>(4.0)</u> | <u>18.0</u> | <u>39.4</u> | <u>(154.3)</u> |
| Income tax (provision) benefit | 1.0 | (1.6) | (9.1) | 2.7 |
| Income (loss) from continuing operations | <u>(3.0)</u> | <u>16.4</u> | <u>30.3</u> | <u>(151.6)</u> |
| Income (loss) from discontinued operations, net of tax | (4.0) | (25.4) | (16.6) | 39.8 |
| Loss on disposition of discontinued operations, net of tax | (79.1) | (3.7) | (81.3) | (5.2) |
| Income (loss) from discontinued operations, net of tax | <u>(83.1)</u> | <u>(29.1)</u> | <u>(97.9)</u> | <u>34.6</u> |
| Net loss | (86.1) | (12.7) | (67.6) | (117.0) |
| Less: Net loss attributable to noncontrolling interests | — | (3.2) | (0.4) | (34.3) |
| Net loss attributable to SPX Corporation common shareholders | <u>\$ (86.1)</u> | <u>\$ (9.5)</u> | <u>\$ (67.2)</u> | <u>\$ (82.7)</u> |
| Adjustment related to redeemable noncontrolling interest | — | — | (18.1) | — |
| Net loss attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest | <u>\$ (86.1)</u> | <u>\$ (9.5)</u> | <u>\$ (85.3)</u> | <u>\$ (82.7)</u> |
| Amounts attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest: | | | | |
| Income (loss) from continuing operations, net of tax | \$ (3.0) | \$ 19.6 | \$ 12.6 | \$ (118.2) |
| Income (loss) from discontinued operations, net of tax | (83.1) | (29.1) | (97.9) | 35.5 |
| Net loss | <u>\$ (86.1)</u> | <u>\$ (9.5)</u> | <u>\$ (85.3)</u> | <u>\$ (82.7)</u> |
| Basic income (loss) per share of common stock: | | | | |
| Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest | \$ (0.07) | \$ 0.48 | \$ 0.30 | \$ (2.90) |
| Income (loss) from discontinued operations attributable to SPX Corporation common shareholders | (1.99) | (0.71) | (2.35) | 0.87 |
| Net loss per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest | <u>\$ (2.06)</u> | <u>\$ (0.23)</u> | <u>\$ (2.05)</u> | <u>\$ (2.03)</u> |
| Weighted-average number of common shares outstanding — basic | 41.828 | 41.156 | 41.610 | 40.733 |
| Diluted income (loss) per share of common stock: | | | | |
| Income (loss) from continuing operations attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest | \$ (0.07) | \$ 0.47 | \$ 0.30 | \$ (2.90) |
| Income (loss) from discontinued operations attributable to SPX Corporation common shareholders | (1.99) | (0.70) | (2.32) | 0.87 |
| Net loss per share attributable to SPX Corporation common shareholders after adjustment related to redeemable noncontrolling interest | <u>\$ (2.06)</u> | <u>\$ (0.23)</u> | <u>\$ (2.02)</u> | <u>\$ (2.03)</u> |
| Weighted-average number of common shares outstanding — diluted | 41.828 | 41.615 | 42.161 | 40.733 |

SPX CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions)

| | December 31, 2016 | December 31, 2015 |
|---|----------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and equivalents | \$ 99.6 | \$ 97.2 |
| Accounts receivable, net | 251.7 | 305.1 |
| Inventories, net | 145.7 | 161.3 |
| Other current assets | 30.6 | 27.4 |
| Assets held for sale | — | 107.1 |
| Assets of discontinued operations | — | 84.2 |
| Total current assets | 527.6 | 782.3 |
| Property, plant and equipment: | | |
| Land | 15.4 | 15.3 |
| Buildings and leasehold improvements | 117.3 | 113.0 |
| Machinery and equipment | 329.8 | 328.8 |
| | 462.5 | 457.1 |
| Accumulated depreciation | (267.0) | (251.8) |
| Property, plant and equipment, net | 195.5 | 205.3 |
| Goodwill | 340.4 | 342.8 |
| Intangibles, net | 117.9 | 154.2 |
| Other assets | 680.5 | 627.6 |
| Deferred income taxes | 50.6 | 31.3 |
| Assets of discontinued operations | — | 35.8 |
| TOTAL ASSETS | \$ 1,912.5 | \$ 2,179.3 |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 137.6 | \$ 157.0 |
| Accrued expenses | 304.3 | 349.8 |
| Income taxes payable | 1.7 | 1.6 |
| Short-term debt | 14.8 | 22.1 |
| Current maturities of long-term debt | 17.9 | 9.1 |
| Liabilities held for sale | — | 41.3 |
| Liabilities of discontinued operations | — | 73.9 |
| Total current liabilities | 476.3 | 654.8 |
| Long-term debt | 323.5 | 340.6 |
| Deferred and other income taxes | 42.4 | 39.7 |
| Other long-term liabilities | 878.7 | 811.9 |
| Liabilities of discontinued operations | — | 24.0 |
| Total long-term liabilities | 1,244.6 | 1,216.2 |
| Equity: | | |
| SPX Corporation shareholders' equity: | | |
| Common stock | 0.5 | 1.0 |
| Paid-in capital | 1,307.9 | 2,649.6 |
| Retained earnings (deficit) | (831.6) | 897.8 |
| Accumulated other comprehensive income | 235.1 | 283.3 |
| Common stock in treasury | (520.3) | (3,486.3) |
| Total SPX Corporation shareholders' equity | 191.6 | 345.4 |
| Noncontrolling interests | — | (37.1) |
| Total equity | 191.6 | 308.3 |
| TOTAL LIABILITIES AND EQUITY | \$ 1,912.5 | \$ 2,179.3 |

SPX CORPORATION AND SUBSIDIARIES
RESULTS OF REPORTABLE SEGMENTS
(Unaudited; in millions)

| | Three months ended | | | | Twelve months ended | | | |
|---|--------------------|-------------------|------------------|----------------|---------------------|-------------------|------------------|----------------|
| | December 31, 2016 | December 31, 2015 | <u>Δ</u> | <u>%/bps</u> | December 31, 2016 | December 31, 2015 | <u>Δ</u> | <u>%/bps</u> |
| HVAC reportable segment | | | | | | | | |
| Revenues | \$ 159.1 | \$ 160.4 | \$ (1.3) | (0.8)% | \$ 509.5 | \$ 529.1 | \$ (19.6) | (3.7)% |
| Gross profit | 54.8 | 51.9 | 2.9 | | 172.9 | 164.6 | 8.3 | |
| Selling, general and administrative expense | 23.1 | 21.0 | 2.1 | | 92.3 | 84.0 | 8.3 | |
| Intangible amortization expense | 0.1 | 0.1 | — | | 0.4 | 0.4 | — | |
| Income | \$ 31.6 | \$ 30.8 | \$ 0.8 | 2.6% | \$ 80.2 | \$ 80.2 | \$ — | —% |
| as a percent of revenues | 19.9% | 19.2% | | 70 bps | 15.7% | 15.2% | | 50 bps |
| Detection & Measurement reportable segment | | | | | | | | |
| Revenues | \$ 58.6 | \$ 66.3 | \$ (7.7) | (11.6)% | \$ 226.4 | \$ 232.3 | \$ (5.9) | (2.5)% |
| Gross profit | 28.4 | 35.0 | (6.6) | | 105.0 | 106.0 | (1.0) | |
| Selling, general and administrative expense | 13.9 | 16.2 | (2.3) | | 59.1 | 59.2 | (0.1) | |
| Intangible amortization expense | 0.1 | 0.2 | (0.1) | | 0.6 | 0.8 | (0.2) | |
| Income | \$ 14.4 | \$ 18.6 | \$ (4.2) | (22.6)% | \$ 45.3 | \$ 46.0 | \$ (0.7) | (1.5)% |
| as a percent of revenues | 24.6% | 28.1% | | -350 bps | 20.0% | 19.8% | | 20 bps |
| Engineered Solutions reportable segment | | | | | | | | |
| Revenues | \$ 177.6 | \$ 241.7 | \$ (64.1) | (26.5)% | \$ 736.4 | \$ 797.6 | \$ (61.2) | (7.7)% |
| Gross profit | 30.8 | 31.6 | (0.8) | | 97.7 | 2.3 | 95.4 | |
| Selling, general and administrative expense | 22.0 | 22.6 | (0.6) | | 78.6 | 85.7 | (7.1) | |
| Intangible amortization expense | — | 1.0 | (1.0) | | 1.8 | 4.0 | (2.2) | |
| Income (loss) | \$ 8.8 | \$ 8.0 | \$ 0.8 | 10.0% | \$ 17.3 | \$ (87.4) | \$ 104.7 | 119.8% |
| as a percent of revenues | 5.0% | 3.3% | | 170 bps | 2.3% | (11.0)% | | 1330 bps |
| Consolidated Revenues | \$ 395.3 | \$ 468.4 | \$ (73.1) | (15.6)% | \$ 1,472.3 | \$ 1,559.0 | \$ (86.7) | (5.6)% |
| Consolidated Segment Income | 54.8 | 57.4 | (2.6) | (4.5)% | 142.8 | 38.8 | 104.0 | 268.0% |
| as a percent of revenues | 13.9% | 12.3% | | 160 bps | 9.7% | 2.5% | | 720 bps |
| Total income for reportable segments | \$ 54.8 | \$ 57.4 | \$ (2.6) | | \$ 142.8 | \$ 38.8 | \$ 104.0 | |
| Corporate expense | 12.1 | 16.9 | (4.8) | | 41.7 | 103.4 | (61.7) | |
| Pension and postretirement expense | 10.8 | 10.4 | 0.4 | | 15.4 | 18.6 | (3.2) | |
| Long-term incentive compensation expense | 3.5 | 3.9 | (0.4) | | 13.7 | 33.9 | (20.2) | |
| Impairment of intangible assets | 26.1 | — | 26.1 | | 30.1 | — | 30.1 | |
| Special charges, net | 0.5 | 0.5 | — | | 5.3 | 5.1 | 0.2 | |
| Gain on sale of dry cooling business | — | — | — | | 18.4 | — | 18.4 | |
| Consolidated operating income (loss) | \$ 1.8 | \$ 25.7 | \$ (23.9) | (93.0)% | \$ 55.0 | \$ (122.2) | \$ 177.2 | 145.0% |
| as a percent of revenues | 0.5% | 5.5% | | -500 bps | 3.7% | (7.8)% | | 1150 bps |

SPX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

| | Three months ended | | Twelve months ended | |
|---|--------------------|-------------------|---------------------|-------------------|
| | December 31, 2016 | December 31, 2015 | December 31, 2016 | December 31, 2015 |
| Cash flows from (used in) operating activities: | | | | |
| Net loss | \$ (86.1) | \$ (12.7) | \$ (67.6) | \$ (117.0) |
| Less: Income (loss) from discontinued operations, net of tax | (83.1) | (29.1) | (97.9) | 34.6 |
| Income (loss) from continuing operations | (3.0) | 16.4 | 30.3 | (151.6) |
| Adjustments to reconcile income (loss) from continuing operations to net cash from (used in) operating activities: | | | | |
| Special charges, net | 0.5 | 0.5 | 5.3 | 5.1 |
| Gain on asset sales | (0.9) | — | (0.9) | (1.2) |
| Gain on sale of dry cooling business | — | — | (18.4) | — |
| Impairment of intangible assets | 26.1 | — | 30.1 | — |
| Loss on early extinguishment of debt | — | — | 1.3 | 1.4 |
| Deferred and other income taxes | (6.8) | 2.4 | — | 4.9 |
| Depreciation and amortization | 6.3 | 7.5 | 26.5 | 37.0 |
| Pension and other employee benefits | 12.9 | 12.5 | 24.8 | 35.2 |
| Long-term incentive compensation | 3.5 | 3.9 | 13.7 | 33.9 |
| Other, net | 3.0 | 3.9 | 3.2 | 3.8 |
| Changes in operating assets and liabilities, net of effects from divestitures: | | | | |
| Accounts receivable and other assets | (82.5) | 65.5 | (28.7) | (6.9) |
| Inventories | 19.7 | 21.9 | 8.5 | (21.2) |
| Accounts payable, accrued expenses and other | 86.2 | (63.8) | (40.2) | (11.3) |
| Cash spending on restructuring actions | (0.3) | (1.2) | (2.1) | (5.1) |
| Net cash from (used in) continuing operations | 64.7 | 69.5 | 53.4 | (76.0) |
| Net cash from (used in) discontinued operations | (12.6) | (9.3) | (46.9) | 37.5 |
| Net cash from (used in) operating activities | 52.1 | 60.2 | 6.5 | (38.5) |
| Cash flows from (used in) investing activities: | | | | |
| Proceeds from asset sales and other, net | 0.4 | — | 48.1 | 2.0 |
| Capital expenditures | (3.9) | (4.0) | (11.7) | (16.0) |
| Net cash from (used in) continuing operations | (3.5) | (4.0) | 36.4 | (14.0) |
| Net cash used in discontinued operations | (28.6) | (1.1) | (30.9) | (40.2) |
| Net cash from (used in) investing activities | (32.1) | (5.1) | 5.5 | (54.2) |
| Cash flows used in financing activities: | | | | |
| Borrowings under senior credit facilities | — | 29.0 | 56.2 | 1,264.0 |
| Repayments under senior credit facilities | (4.4) | (29.0) | (65.0) | (1,167.0) |
| Borrowings under trade receivables agreement | 28.0 | 2.0 | 72.0 | 156.0 |
| Repayments under trade receivables agreement | (28.0) | (44.0) | (72.0) | (166.0) |
| Net borrowings (repayments) under other financing arrangements | (3.0) | 7.7 | (10.1) | 12.2 |
| Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options and other | — | (0.3) | (1.6) | (6.2) |
| Financing fees paid | — | — | — | (12.2) |
| Dividends paid | — | — | — | (45.9) |
| Cash divested in connection with the spin-off of FLOW Business | — | (1.5) | — | (208.6) |
| Net cash used in continuing operations | (7.4) | (36.1) | (20.5) | (173.7) |
| Net cash used in discontinued operations | — | — | — | (1.9) |
| Net cash used in financing activities | (7.4) | (36.1) | (20.5) | (175.6) |
| Change in cash and equivalents due to changes in foreign currency exchange rates | 3.6 | (0.1) | 6.7 | (57.9) |
| Net change in cash and equivalents | 16.2 | 18.9 | (1.8) | (326.2) |
| Consolidated cash and equivalents, beginning of period | 83.4 | 82.5 | 101.4 | 427.6 |
| Consolidated cash and equivalents, end of period | \$ 99.6 | \$ 101.4 | \$ 99.6 | \$ 101.4 |
| Cash and equivalents of continuing operations | \$ 99.6 | \$ 97.2 | \$ 99.6 | \$ 97.2 |

SPX CORPORATION AND SUBSIDIARIES
CASH AND DEBT RECONCILIATION
(Unaudited; in millions)

| | Twelve months ended | |
|--|---------------------|--------|
| | December 31, 2016 | |
| Beginning cash and equivalents | \$ | 101.4 |
| Cash from continuing operations | | 53.4 |
| Net proceeds from sale of dry cooling business and other | | 48.1 |
| Capital expenditures | | (11.7) |
| Borrowings under senior credit facilities | | 56.2 |
| Repayments under senior credit facilities | | (65.0) |
| Net repayments under other financing arrangements | | (10.1) |
| Minimum withholdings paid on behalf of employees for net share settlements and other | | (1.6) |
| Cash used in discontinued operations | | (77.8) |
| Change in cash due to changes in foreign currency exchange rates | | 6.7 |
| Ending cash and equivalents | \$ | 99.6 |

| | Debt at | | | | | Debt at | |
|--|-------------------|-------|------------|------------|--------|-------------------|-------|
| | December 31, 2015 | | Borrowings | Repayments | Other | December 31, 2016 | |
| Domestic revolving loan facility | \$ | — | \$ 56.2 | \$ (56.2) | \$ — | \$ | — |
| Term loan | | 350.0 | — | (8.8) | — | | 341.2 |
| Trade receivables financing arrangement | | — | 72.0 | (72.0) | — | | — |
| Other indebtedness | | 23.8 | 33.5 | (43.6) | 2.9 | | 16.6 |
| Less: Deferred financing costs associated with the Term loan | | (2.0) | — | — | 0.4 | | (1.6) |
| Totals | \$ | 371.8 | \$ 161.7 | \$ (180.6) | \$ 3.3 | \$ | 356.2 |

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - ORGANIC REVENUE
HVAC AND DETECTION & MEASUREMENT SEGMENTS
(Unaudited)

| | Three months ended December 31, 2016 | |
|----------------------------------|--------------------------------------|-------------------------|
| | HVAC | Detection & Measurement |
| Net Revenue Decline | (0.8) % | (11.6) % |
| Exclude: Foreign Currency | (1.5) % | (3.0) % |
| Organic Revenue Growth (Decline) | 0.7 % | (8.6) % |

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - ENGINEERED SOLUTIONS (CORE) ORGANIC REVENUE
(Unaudited)

| | <u>Three months ended December 31, 2016</u> |
|---|---|
| Engineered Solutions Segment Net Revenue Decline | (26.5) % |
| Adjustment to Exclude South African projects | 0.3 % |
| Engineered Solutions (Core) Revenue Decline | <u>(26.8) %</u> |
| Exclude: Foreign Currency | — % |
| Exclude: Effects of Disposition of Dry Cooling Business | (8.4) % |
| Engineered Solutions (Core) Organic Revenue Decline | <u><u>(18.4) %</u></u> |

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - REVENUE AND SEGMENT INCOME
(Unaudited; in millions)

| CONSOLIDATED SPX: | Three months ended | | Twelve months ended | |
|---|---------------------------|--------------------------|----------------------------|--------------------------|
| | December 31, 2016 | December 31, 2015 | December 31, 2016 | December 31, 2015 |
| Consolidated revenue | \$ 395.3 | \$ 468.4 | \$ 1,472.3 | \$ 1,559.0 |
| Exclude: South African projects | 17.8 | 23.3 | 83.3 | 27.3 |
| Core revenue | <u>\$ 377.5</u> | <u>\$ 445.1</u> | <u>\$ 1,389.0</u> | <u>\$ 1,531.7</u> |
| Total segment income | \$ 54.8 | \$ 57.4 | \$ 142.8 | \$ 38.8 |
| Exclude: South African projects | (4.7) | (5.6) | (14.5) | (120.5) |
| Core segment income | <u>\$ 59.5</u> | <u>\$ 63.0</u> | <u>\$ 157.3</u> | <u>\$ 159.3</u> |
| as a percent of Core revenues ⁽¹⁾ | 15.8% | 14.2% | 11.3% | 10.4% |
| ENGINEERED SOLUTIONS SEGMENT: | Three months ended | | Twelve months ended | |
| | December 31, 2016 | December 31, 2015 | December 31, 2016 | December 31, 2015 |
| Engineered Solutions revenue | \$ 177.6 | \$ 241.7 | \$ 736.4 | \$ 797.6 |
| Exclude: South African projects | 17.8 | 23.3 | 83.3 | 27.3 |
| Engineered Solutions (Core) revenue | <u>\$ 159.8</u> | <u>\$ 218.4</u> | <u>\$ 653.1</u> | <u>\$ 770.3</u> |
| Engineered Solutions Segment income | \$ 8.8 | \$ 8.0 | \$ 17.3 | \$ (87.4) |
| Exclude: South African projects | (4.7) | (5.6) | (14.5) | (120.5) |
| Engineered Solutions (Core) income | <u>\$ 13.5</u> | <u>\$ 13.6</u> | <u>\$ 31.8</u> | <u>\$ 33.1</u> |
| as a percent of Engineered Solutions (Core) revenues ⁽¹⁾ | 8.4% | 6.2% | 4.9% | 4.3% |

⁽¹⁾ See "Results of Reportable Segments" for applicable percentages based on GAAP results.

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - OPERATING INCOME
(Unaudited; in millions)

| | Three months ended | | Twelve months ended | |
|--|--------------------|-------------------|---------------------|-------------------|
| | December 31, 2016 | December 31, 2015 | December 31, 2016 | December 31, 2015 |
| Operating income (loss) | \$ 1.8 | \$ 25.7 | \$ 55.0 | \$ (122.2) |
| Adjustments: | | | | |
| South African projects | 4.7 | 5.6 | 14.5 | 120.5 |
| Non-service pension and postretirement items | 11.0 | 10.4 | 16.0 | 15.0 |
| Certain corporate expenses ⁽¹⁾ | — | 4.0 | — | 80.2 |
| Spin-related costs ⁽²⁾ | — | 1.2 | — | 3.5 |
| Gain on sale of Dry Cooling | — | — | (18.4) | — |
| Non-cash impairment of intangible assets | 26.1 | — | 30.1 | — |
| Adjusted operating income | <u>\$ 43.6</u> | <u>\$ 46.9</u> | <u>\$ 97.2</u> | <u>\$ 97.0</u> |
| as a percent of Core revenues ⁽³⁾ | <u>11.5%</u> | <u>10.5%</u> | <u>7.0%</u> | <u>6.3%</u> |

⁽¹⁾ Represents an estimate of the corporate costs related to the support provided to SPX Flow. These costs were eliminated in connection with the spin-off.

⁽²⁾ Represents non-recurring charges incurred in connection with the spin-off.

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

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - EARNINGS PER SHARE
Three Months Ended December 31, 2016
(Unaudited; in millions, except per share values)

| | GAAP | Adjustments | Adjusted |
|---|------------------|-------------|----------------|
| Segment income | \$ 54.8 | \$ 4.7 | \$ 59.5 |
| Corporate expense | (12.1) | — | (12.1) |
| Pension and postretirement income (expense) | (10.8) | 11.0 | 0.2 |
| Long-term incentive compensation expense | (3.5) | — | (3.5) |
| Impairment of intangible assets | (26.1) | 26.1 | — |
| Special charges, net | (0.5) | — | (0.5) |
| Operating income | 1.8 | 41.8 | 43.6 |
| Other expense, net | (2.5) | — | (2.5) |
| Interest expense, net ⁽¹⁾ | (3.3) | 0.2 | (3.1) |
| Income (loss) from continuing operations before income taxes | (4.0) | 42.0 | 38.0 |
| Income tax (provision) benefit | 1.0 | (9.5) | (8.5) |
| Income (loss) from continuing operations | (3.0) | 32.5 | 29.5 |
| Dilutive shares outstanding ⁽²⁾ | 41.828 | | 42.950 |
| Earnings (loss) per share from continuing operations | \$ (0.07) | | \$ 0.69 |

⁽¹⁾ Adjustment relates to interest expense incurred in connection with borrowings under a line of credit in South Africa.

⁽²⁾ Dilutive shares outstanding used to calculate adjusted earnings per share reflect the dilutive impact of the adjustments.

SPX CORPORATION AND SUBSIDIARIES
NON-GAAP RECONCILIATION - EARNINGS PER SHARE
Twelve months ended December 31, 2016
(Unaudited; in millions, except per share values)

| | GAAP | Adjustments | Adjusted |
|---|----------------|-------------|----------------|
| Segment income | \$ 142.8 | \$ 14.5 | \$ 157.3 |
| Corporate expense | (41.7) | — | (41.7) |
| Pension and postretirement income (expense) | (15.4) | 16.0 | 0.6 |
| Long-term incentive compensation expense | (13.7) | — | (13.7) |
| Special charges, net | (5.3) | — | (5.3) |
| Impairment of intangible assets | (30.1) | 30.1 | — |
| Gain on sale of dry cooling business | 18.4 | (18.4) | — |
| Operating income | 55.0 | 42.2 | 97.2 |
| Other income (expense), net ⁽¹⁾ | (0.3) | 2.1 | 1.8 |
| Interest expense, net ⁽²⁾ | (14.0) | 0.2 | (13.8) |
| Loss on early extinguishment of debt | (1.3) | 1.3 | — |
| Income from continuing operations before income taxes | 39.4 | 45.8 | 85.2 |
| Income tax provision | (9.1) | (14.1) | (23.2) |
| Income from continuing operations | 30.3 | 31.7 | 62.0 |
| Less: Net loss attributable to redeemable noncontrolling interest ⁽³⁾ | (0.4) | 0.3 | (0.1) |
| Net income from continuing operations attributable to SPX Corporation common shareholders | 30.7 | 31.4 | 62.1 |
| Adjustment related to redeemable noncontrolling interest ⁽³⁾ | (18.1) | 18.1 | — |
| Net income from continuing operations attributable to SPX Corporation common shareholders after adjustment to redeemable noncontrolling interest | 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 removal of foreign currency losses associated with the South African projects.

⁽²⁾ Adjustment relates to interest expense incurred in connection with borrowings under a line of credit in South Africa.

⁽³⁾ Adjustment represents removal of noncontrolling interest amounts associated with the South Africa projects.