



SPX Investor Presentation

September 9, 2014



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- 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.
- The 2014 financial data and other estimates of future performance are estimates presented by SPX on July 30, 2014 and are presented here only for comparison purposes. SPX's inclusion of these estimates in the presentation is not an update, confirmation, affirmation, or disavowal of the estimates. These estimates do not reflect any subsequent developments.
- 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.

Agenda



- 1) **8:00 – 8:15: SPX Overview and Strategic Transformation** Jeremy Smeltser
- 2) **8:15 – 10:15: Flow Technology End Markets** Marc Michael, David Wilson, Tony Renzi
- 3) *10:15 – 10:30: Break*
- 4) **10:30 – 11:50: Thermal & Industrial, Global Manufacturing** Gene Lowe, David Kowalski
- 5) *11:50 – 12:15 : Pick up boxed lunch & check out*
- 6) *12:15: Buses depart for Delavan, WI*
- 7) **1:30 – 3:45: Plant Tours**
- 8) *4:00 pm: Buses depart for Milwaukee Aiport*



Jeremy Smeltser: Vice President, Chief Financial Officer

Jeremy Smeltser was appointed vice president, chief financial officer of SPX Corporation in August 2012 and was named an officer of the company in April 2009. Prior to this, he spent a decade serving the company in various other roles including vice president, chief financial officer for the company's Flow Technology segment and vice president, finance. Mr. Smeltser first joined SPX in 2002 from Ernst & Young LLP where he served as an audit manager. Prior to that, he held various positions with Arthur Andersen LLP where he focused primarily on assurance services for global manufacturing clients. A graduate of Northern Illinois University, Mr. Smeltser earned a B.S. in accountancy.



David Kowalski: President, Global Manufacturing Operations and Industrial Products & Services

David Kowalski was named president, Global Manufacturing Operations, in August 2013 and segment president, Industrial Products and Services, in August 2011. He joined SPX in 1999 as the vice president and general manager of Tools and Equipment at Service Solutions and was named president of Service Solutions in 2004. He became segment president, Test and Measurement, and an officer in August 2005. Before joining SPX he held positions with American National Can Company, J.I. Case, Picker International and Warner Swasey. He holds a master's degree in industrial engineering from Cleveland State University and a bachelor's degree in mechanical engineering from the University of Notre Dame.



Gene Lowe: President, Thermal Equipment and Services

Gene Lowe was named segment president, Thermal Equipment and Services in February 2013. He joined SPX as the vice president of marketing and business development for the Thermal Equipment and Services segment in 2008 and has been the president of the Global Evaporative Cooling business since 2010. Prior to joining SPX, Mr. Lowe held positions with Milliken, Bain & Company and Lazard Technology Partners. He received his MBA from Dartmouth's Tuck School with distinguished honors and his B.S. in management science from Virginia Tech.



Marc Michael: President, Flow Food and Beverage

Marc Michael is president of Flow Food and Beverage at SPX and is responsible for enhancing SPX’s execution on its Food and Beverage system projects and strategically growing the company’s presence in Food and Beverage aftermarket service and components. Mr. Michael has extensive experience with emerging markets and managing large projects and operations across EMEA. Previously, he was president of SPX’s evaporative and dry cooling businesses and President of Flow Technology’s EMEA region. He also held senior positions at SPX Cooling Technologies before becoming President of SPX’s Global Dry Cooling business in 2008. Prior to joining SPX in 2003, Mr. Michael held positions with General Electric and TDK Corporation. He earned a B.S. in accounting and finance from the University of North Alabama.



David J. Wilson: President, Flow Industrial

David J. Wilson is president, Flow Industrial for SPX and is responsible for driving growth in Flow Technology’s industrial product lines. During his career, Mr. Wilson has held several leadership roles in each of SPX’s operating segments, including serving as president of Asia Pacific for SPX Flow Technology and the company’s Service Solutions business, the latter of which was sold in 2012. He also served as vice president of business development for the Thermal Equipment and Services segment. Prior to joining SPX in 1998, Mr. Wilson held operating and engineering leadership positions at Polaroid Corporation. He earned a B.S. in electrical engineering from the University of Massachusetts and a MBA from the F.W. Olin Graduate School of Business at Babson College.



Tony Renzi: President, Flow Power and Energy

Tony Renzi is president, Flow Power and Energy for SPX and is responsible for driving operational improvement and accelerating the commercial strategy of SPX’s Flow Power and Energy platform. Mr. Renzi has more than 30 years of operations experience. Over the years, he has served as president, SPX Dehydration and Filtration; president, SPX Process Equipment; president, APV; senior vice president, Global Operations; and president, Flow Technology – Clyde Union and Americas. Prior to joining SPX in 2003, Mr. Renzi held roles at James Burn International, Clopay, Breed Technologies, Sundstrand and General Electric. He earned B.S. and M.S. degrees in electrical engineering from Brown University and an MBA from Duke University’s Fuqua School of Business.

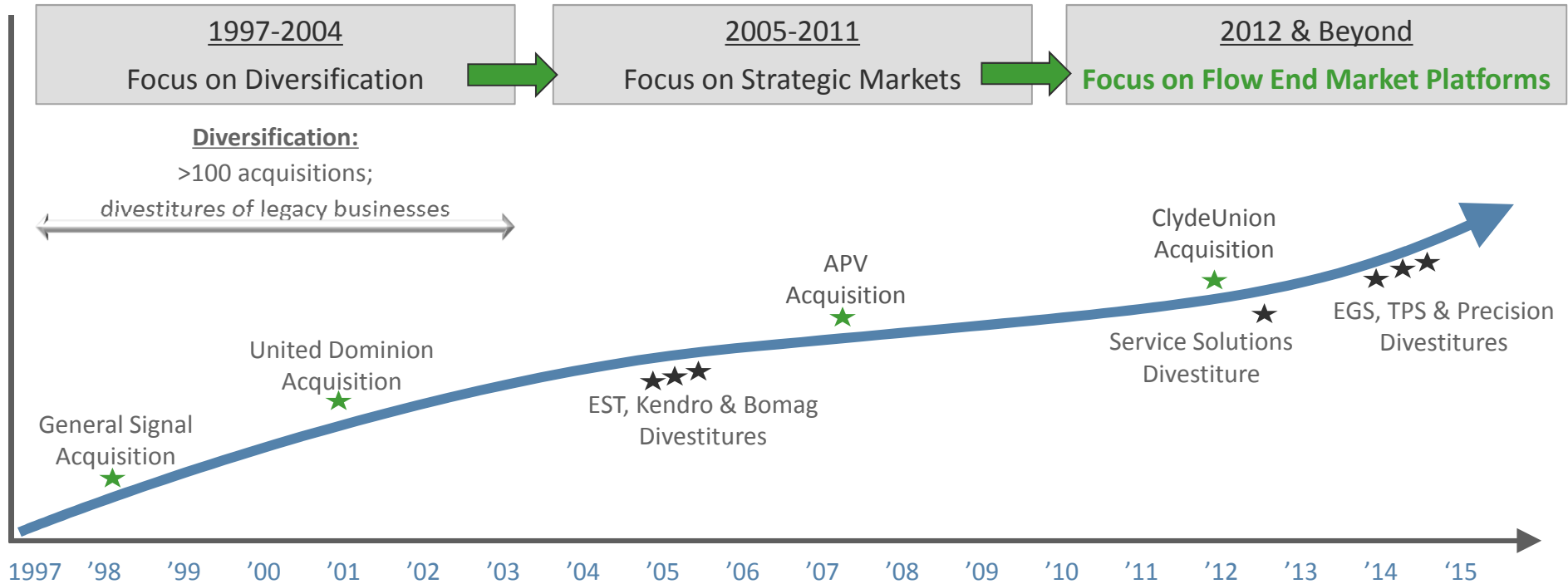


SPX Overview and Strategic Transformation

Jeremy Smeltser, VP and CFO



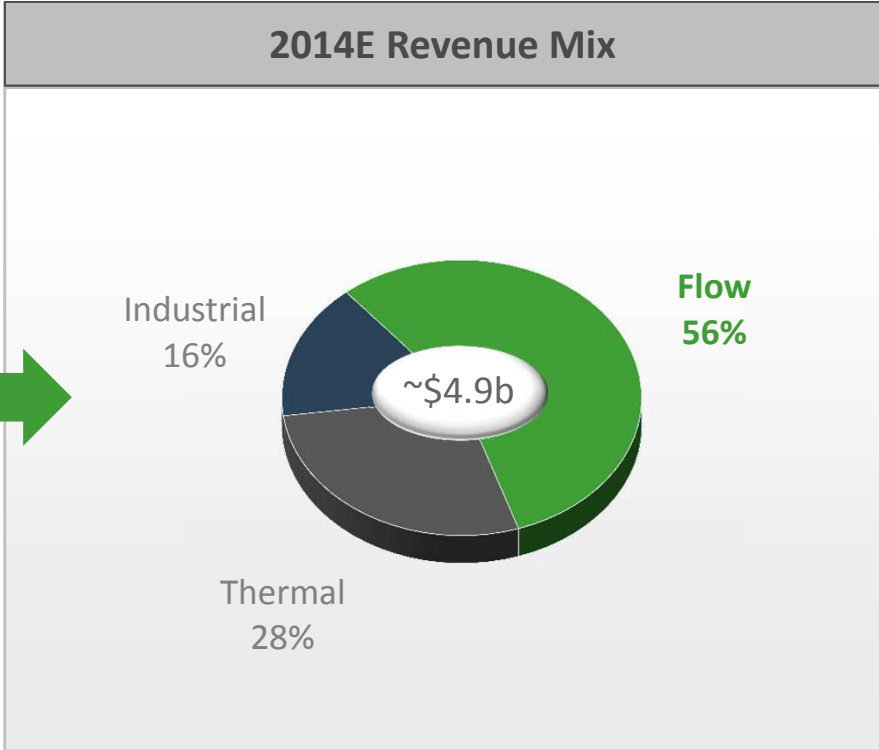
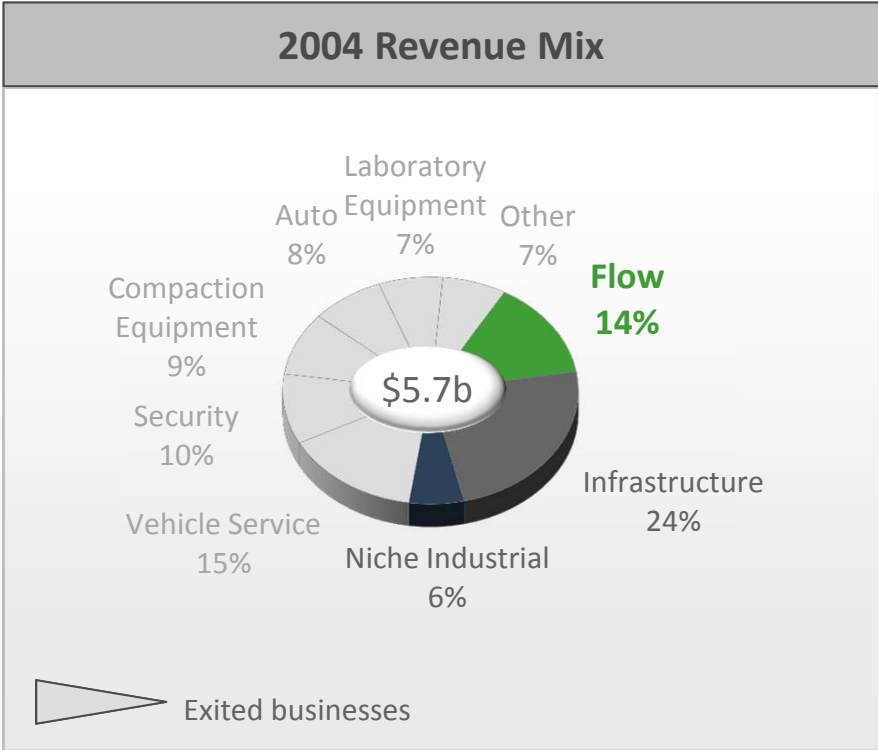
Strategic Transformation



*Note: Only select acquisitions and divestitures illustrated; 2014 divestitures include sale of joint venture interest in EGS and the sales of Thermal Product Solutions (TPS) and Precision Components

SPX has Undergone a Significant Transformation

Strategic Transformation



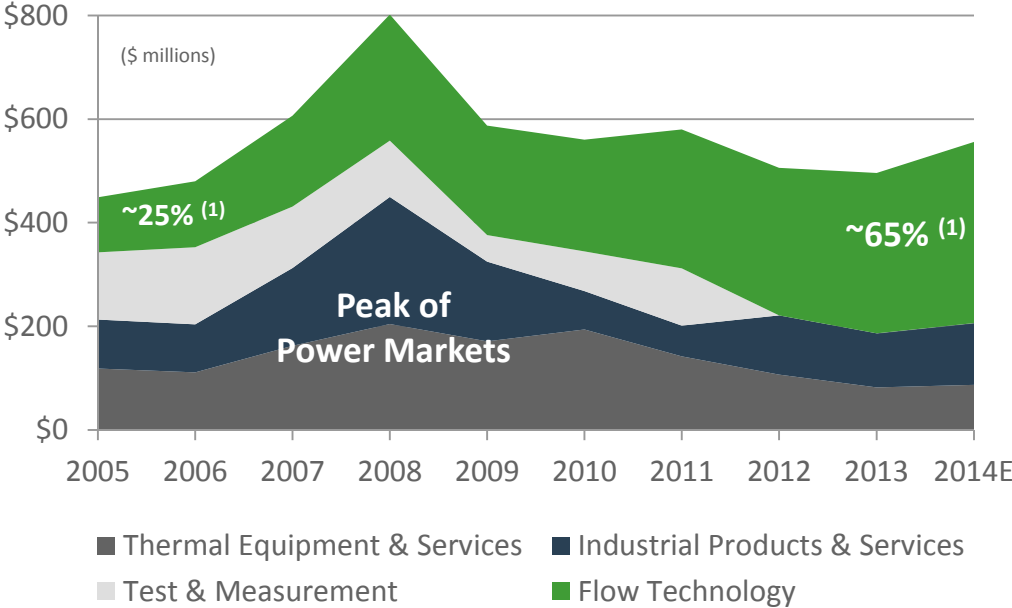
Note: 2014E as of July 30, 2014

This Transformation has Significantly Simplified SPX

Segment Income Development



Segment Income



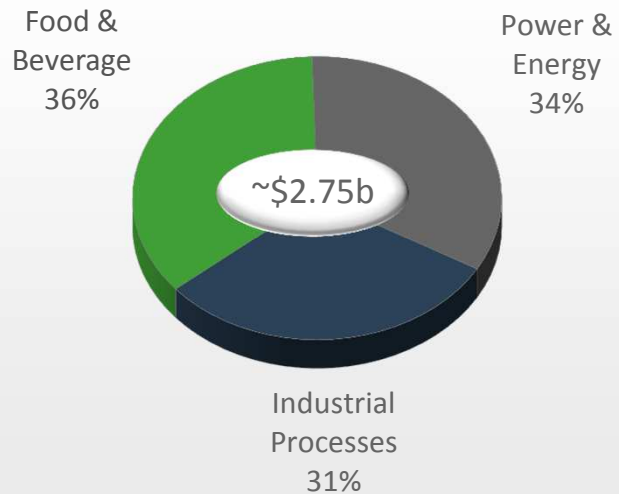
Earnings Impact

- Since 2008, growth and investment in Flow segment, combined with capital allocation actions have largely offset...
- ... the earnings declines at our Thermal and Industrial segments related to the slow recovery in power generation and power T&D markets

⁽¹⁾ Flow income as a % of total company segment income; 2014E as of July 30, 2014

Flow Segment Income Now Represents ~65% of Total Segment Income

Flow 2014E Revenue by End Market

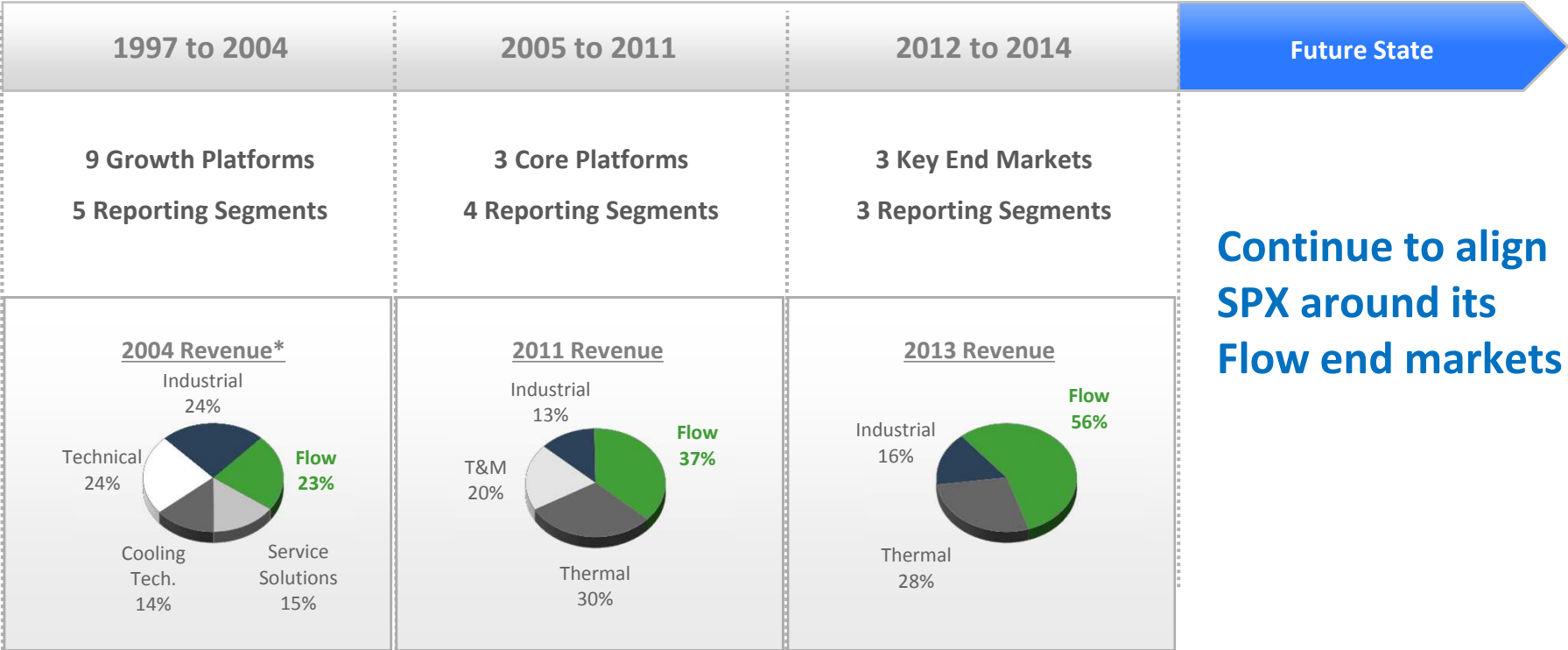


- **Market sectors that require engineered solutions which enable our customers to:**
 - process, transport, meter, filter or dehydrate...
 - ...fluids, gases and powders across a variety of applications
- **Strategic rationale:**
 - i. high growth, high margin potential
 - ii. aftermarket model
 - iii. technology adaptable across multiple end markets
 - iv. fragmented industries
 - v. higher valuation potential

Note: 2014E as of July 30, 2014

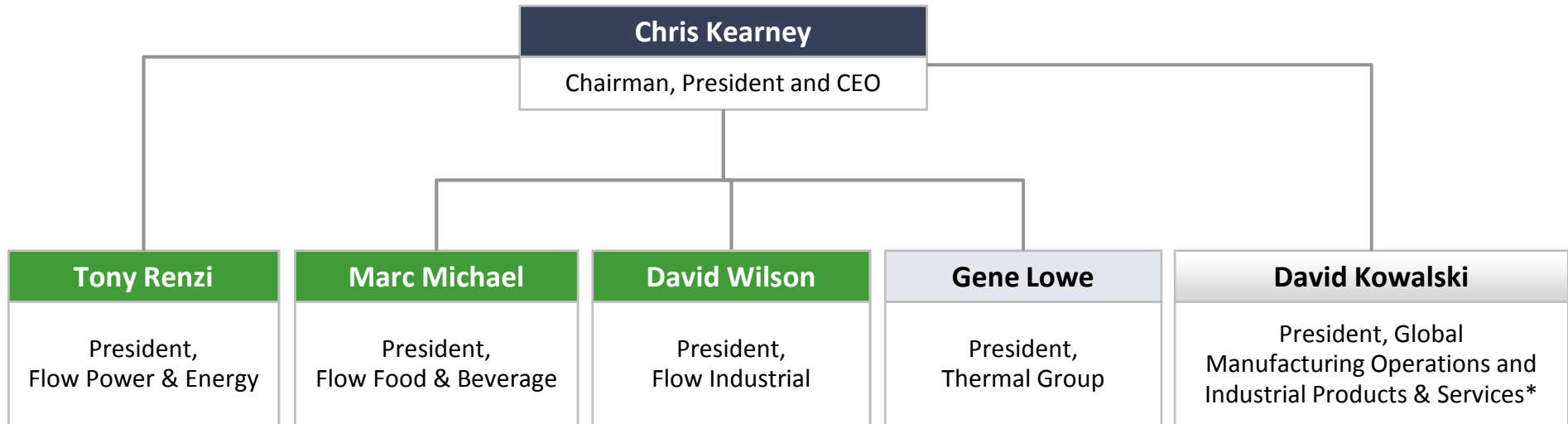
**Many Attractive Characteristics Led to Our Focus on Flow Markets;
We are Well Positioned for Long-Term Growth Opportunities in Key Flow Markets**

Organizational Advancement



*2004 revenue includes EST, Kendro and Bomag

Organizational Structure has Changed as SPX has Transformed and Simplified



*Includes personal comfort heating businesses and Industrial Products and Services

1) Improved operating performance over last five quarters:

- ✓ Transitioned to new operational alignment in 2H 2013
- ✓ **5 consecutive quarters of year-over-year margin expansion**

2) Increased and improved order backlog:

- ✓ Disciplined order acceptance and improved commercial initiatives
- ✓ 6% year-over-year increase in ending Q2 backlog*

3) Significant progress on strategic and capital allocation actions:

- ✓ Generated \$679 million of pre-tax divestiture proceeds
- ✓ Reduced gross debt to EBITDA to 2.2x after completing early bond redemption
- ✓ Completed U.S. Qualified Pension Plan actions
- ✓ Increased annual dividend 50% to \$1.50 per share
- ✓ As of now, completed ~80% of \$500m 10b5-1 share repurchase plan

*Excludes backlog associated with large power projects in South Africa

Significant Progress Over the Last Year
Improving Operating Performance and Returning Capital to Shareholders



Flow Food & Beverage

Marc Michael, President



- 1) Prioritize system selectivity
- 2) Further expansion into emerging markets
- 3) Intensify focus on component sales
- 4) Key account management

Organic Revenue Growth

- 1) Innovation and new product development
- 2) Aftermarket service model
- 3) Improve project execution

Improve Customer Experience



FLOW FOOD & BEVERAGE

Operational Performance

- 1) Improve process discipline on large projects
- 2) Rationalize supply chain
- 3) Renewed Lean focus
- 4) Working capital initiatives

Talent & Organizational Effectiveness

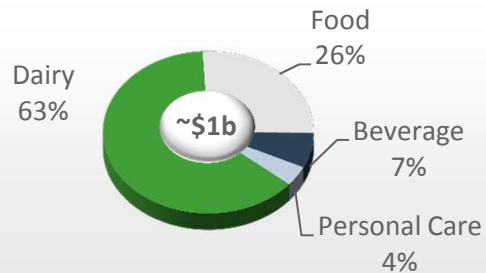
- 1) Global alignment and accountability
- 2) Competency deployment as a basis to manage performance to standard
- 3) Skill mapping for global resource planning

Flow Food & Beverage Initiatives Focused on Improving Customer Experience, Driving Profitable Growth and Improving Operational Performance

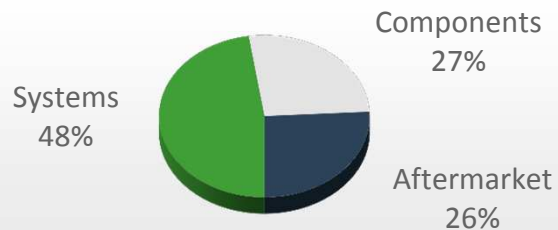
Food & Beverage Overview



2014E Food & Beverage Revenue by Market



2014E Food & Beverage Revenue by Product Type



Note: 2014E as of July 30, 2014

Market Overview

- Regulated, global industry in which customers demand highly engineered, turn-key solutions
- Competitors include GEA, Tetra Pak, Alfa Laval, Krones, IDEX, Sudmo (Pentair) and Fristam
- Key demand drivers:
 - Emerging market capacity expansion
 - Sustainability & productivity
 - Customer product innovation
 - Food safety

Well Positioned as a Leading Global Supplier of Food & Beverage Process Technologies and Aftermarket Services

Customer Examples and Application Capabilities



Customer Examples



Dairy

- Infant Formula
- Milk & Whey Powders
- Dairy Ingredients
- Recombined Milk Products
- Butter & Spreads
- Yoghurt & Fermented Products
- Fresh & UHT Milk
- Pressed Cheese

Foods

- Vegetable Fats
- Margarines
- Baby Food
- Ingredients & Flavorings
- Yeast extract
- Condiments
- Bakery & Confectionery
- Proteins

Beverages

- Soft Drinks
- Tea & Coffee Drinks
- Instant Coffee
- Nutritional & Soy Drinks
- Fruit Juices
- Flavored Water
- Beer
- Wine
- Spirits

Personal Care/Other

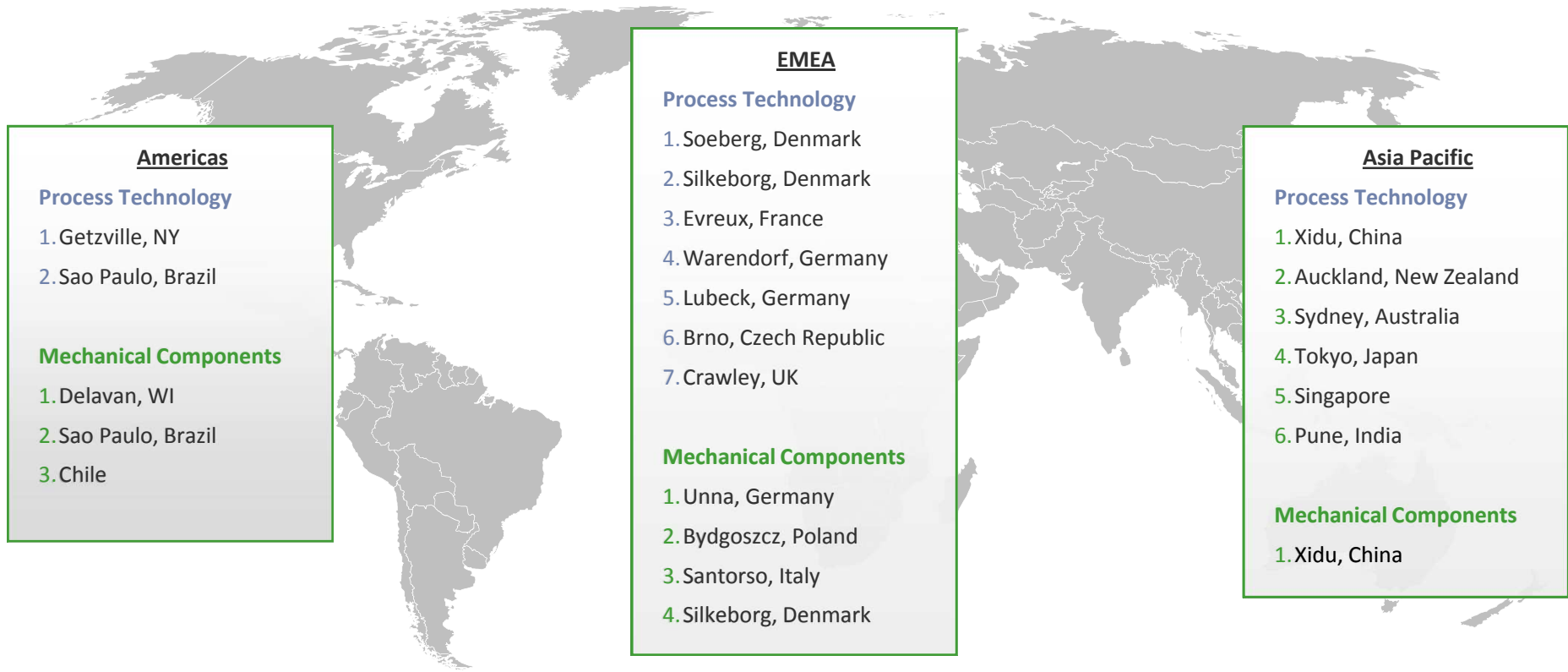
- Silica & Industrial powders
- Extraction, Recovery of Organic Substances
- Cosmetics
- Healthcare
- Detergents
- Solvent Recovery
- Biofuel, Concentration of Glycerol, Methanol

**SPX Food & Beverage Technology is Used in a Wide Range of Product Applications
With a Particularly Strong Presence in Dairy Processing**

Primary Locations

Process Technology sites consist primarily of engineering & project management

Mechanical Component sites consist primarily of manufacturing & product development



Global Capabilities with Local Presence
>500 Engineers, Installations in >70 Countries

Key Food & Beverage Offerings



Process Technology

Liquid Processing



Drying & Evaporation




Extraction & Distillation




Mechanical Components


Separation & Clarification




Dispersion




Mixing




Pumps



Valves



Heat Exchangers



Our Technology Offerings Include Full-Line Process Systems and Process Components

Innovation = Insight + Execution




*with the purpose of creating **something new** to provide **value to customers** and generate **value for SPX shareholders***



The Silkeborg Innovation Centre is One of SPX's
Most Comprehensive R&D Facilities and Critical to Our Success

Innovation Examples



 <p>Integrated (Wet&Dry) Dairy drives productivity, safety solutions and Components / Aftermarket content</p>	 <p>New Dryer air distributor enhances plant performance and customer attraction in Dry Dairy & Food</p>
 <p>Homogenizer pressure and capacity improvements to improve SPX's competitive position</p>	 <p>Unique Thermal Infusion System increases quality in high growth Infant Formula and specialty drinks</p>
 <p>The Mixer portfolio strengthens our market position in Infant formula, Beverage and Food applications</p>	 <p>SPX technology and filling partners for Yoghurt and UHT milk is a strong liquid dairy driver</p>
 <p>Microparticulation of Whey helps our customers create low fat and healthy drinks and foods products</p>	

Innovation and Product Development have Strengthened Our Offerings in Key Growth Markets

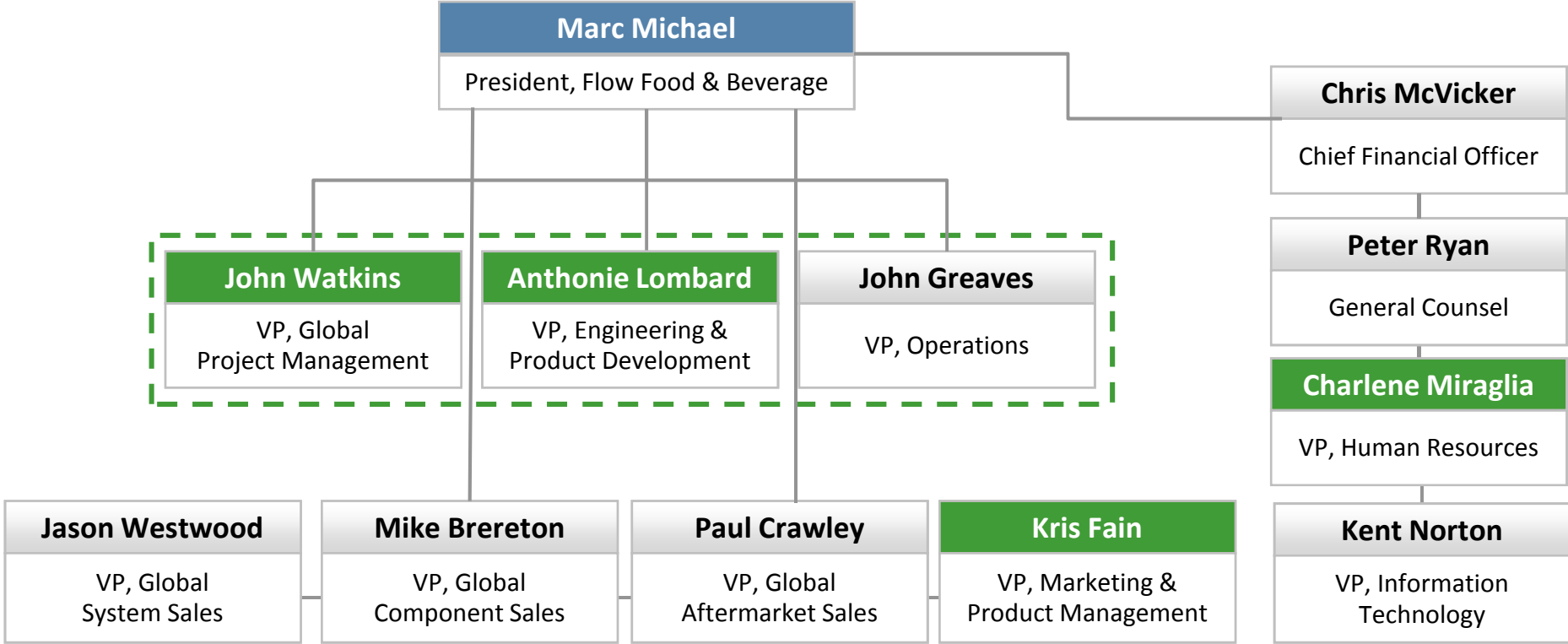
- Rapid strategic and organic growth in our process technology business significantly increased the scope of opportunities, which led to some nice wins and some challenges that we have learned from

- **Assessment of project selectivity one year ago:**
 - Inconsistent approach to assessing project attractiveness
 - We accepted some projects with challenging engineering designs and complex project management
 - We accepted some projects with lower aftermarket potential

- **Assessment of project execution one year ago:**
 - Prior organizational structure made coordinating multi-site projects challenging
 - Opportunity to standardize the process flow (engineering, supply chain & project management)
 - Needed better tools and a formal process to track progress

Identified Opportunities to Improve Our Selectivity and Execution on Large Projects

Flow Food & Beverage Global Leadership Team



Transitioned From a Regional Structure to a Global Organization

1) John Watkins, VP of Global Project Management:

- ❑ Over 25 years of global EPC experience
- ❑ KBR, Shaw Group, Jacobs Engineering

2) Antonie Lombard, VP of Engineering and Product Development:

- ❑ Over 25 years of global R&D and engineering management experience
- ❑ NALCO, ECOLAB, ITT (Xylem)

3) Kris Fain, VP of Marketing and Product Management:

- ❑ Over 15 years of global commercial, marketing and product management experience
- ❑ MeadWestvaco, Tetra Pak, Samsonite

4) Charlene Miraglia, VP of Human Resources:

- ❑ Over 20 years of global organization development experience
- ❑ Cummins Engine, Praxair, CHC Helicopter

Veteran Executives Hired to Provide Leadership in Key Areas

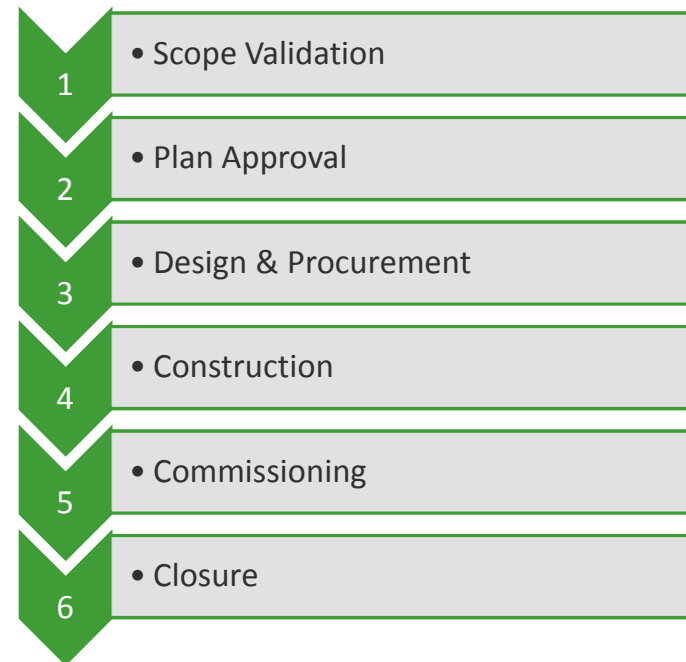
Stage Gates for Large Project Opportunities



Project Selectivity



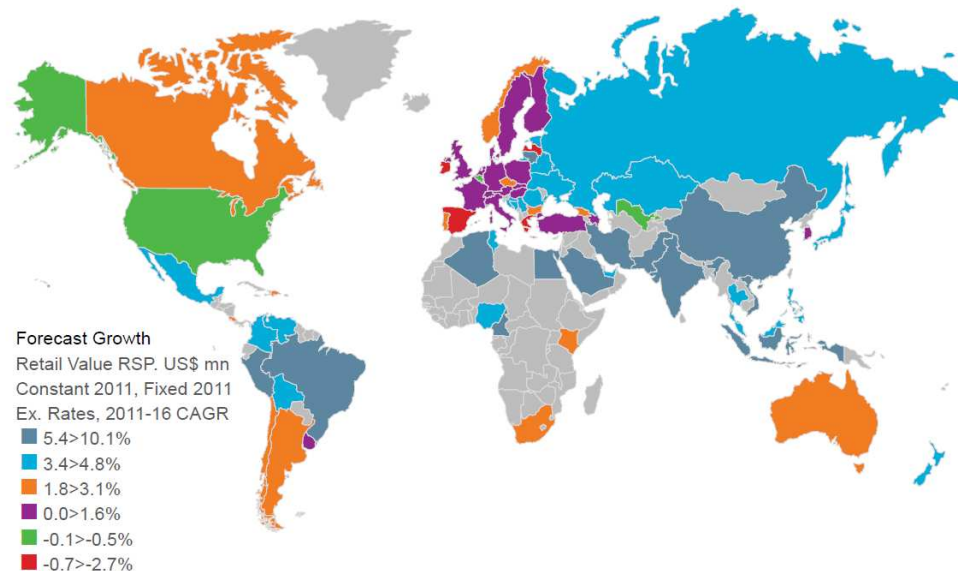
Project Execution



**Structured, Consistent Process Assesses Commercial and Operational Attractiveness;
Developed Standard Approach to Project Management Excellence**

THE STATE OF THE GLOBAL DAIRY MARKET

Global hotspots and contracting markets 2011-2016



- Dynamic growth expected in global dairy market
- Shift in regional market value contribution:
 - North America's and Western Europe's share of the global market is expected to shrink
 - Asia Pacific, Latin America and Middle East expected to account for higher proportions of the global market
 - China and Brazil expected to have the highest growth rate, followed by Russia, India and Iran

Source: Euromonitor International, August 2012: Passport, Tracking Growth Opportunities in the Global Dairy Market

Emerging Markets Driving Substantial Dairy Growth

Recent Dairy Processing System Order



Project Details



- ~\$28m order for a new greenfield dairy in Belarus
- Expected production capacity: 500 tons of milk per day
- Consumer dairy products to include:
 - ❑ Liquid baby food
 - ❑ Wide range of yogurts
 - ❑ Cottage cheese
 - ❑ Extended shelf life milk
 - ❑ Ultra high temperature sterilized milk and cream
- High in SPX factory content:
 - ❑ Valves and pumps
 - ❑ Plate and scraped surface heat exchangers
 - ❑ Bacteria clarifiers
 - ❑ Homogenizers
 - ❑ Extended shelf life technology with microfiltration
 - ❑ Membrane technology
 - ❑ Separators
 - ❑ Ultra high temperature tubular infusion plants

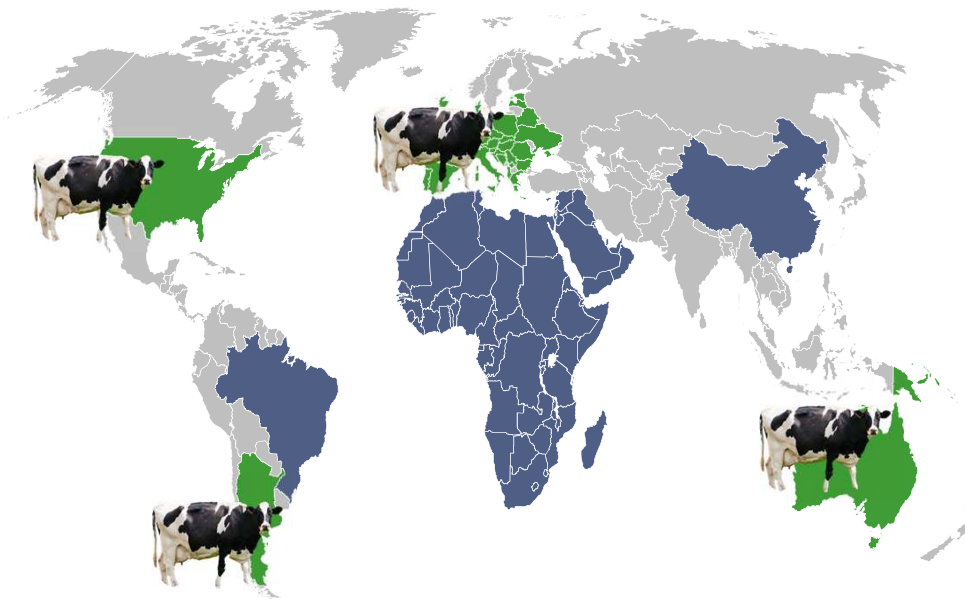


SPX Awarded Contract from Biocom to Provide Dairy Processing System for Baby Food Plant in Belarus

Dairy Industry Trends



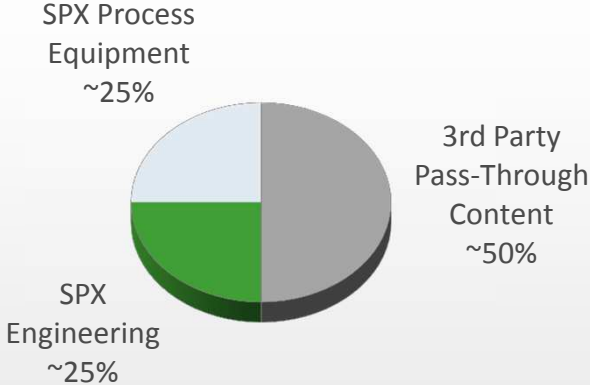
-  Countries with fresh milk surplus
-  Countries with fastest growing demand for dairy products



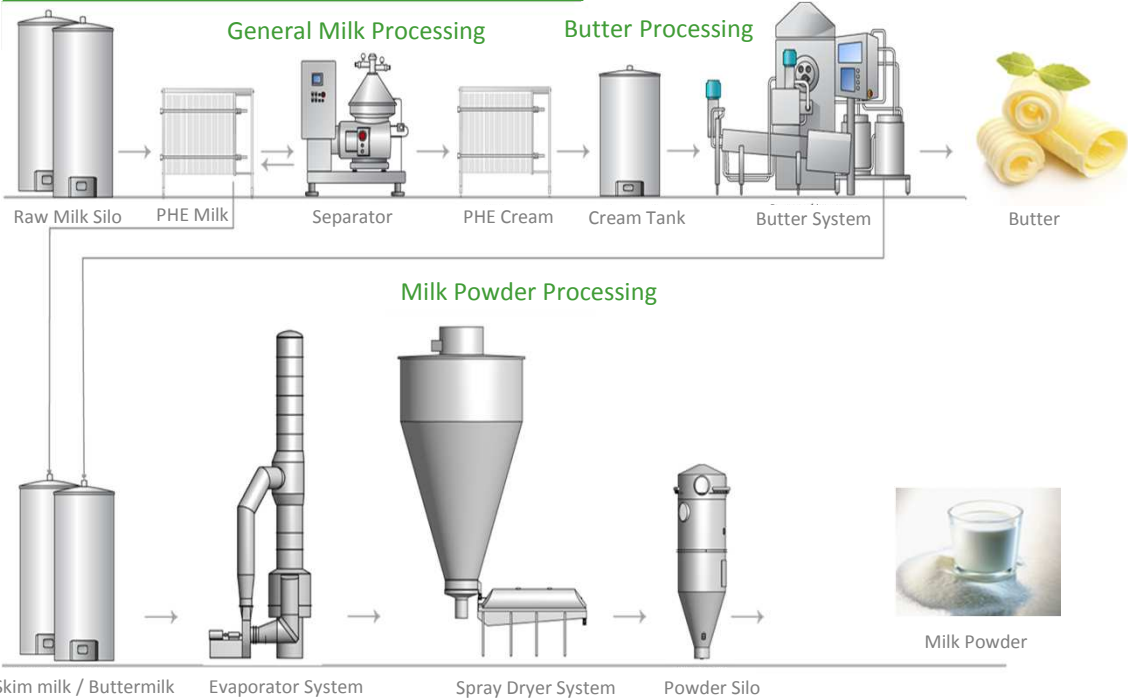
1. The availability of raw, fresh milk is limited in locations where demand is rising
2. As such, suppliers from regions where fresh milk is plentiful are processing the fresh milk into powder for transportation
3. The powder can then be transported to the demand regions where it is reconstituted into liquids and drinkable products

**Fresh Milk is Being Processed and Converted into Powder at the Source Location;
Then Transported to Demand Market and Reconstituted to Liquid Product**

General Cost Breakdown



Integrated Dairy Example



Process System Sales are Structurally Lower Margin Due to 3rd Party Content; However, Growing Installed Base Fosters Component Replacement and Aftermarket Service Business

Key China Market Drivers

1. **Rising disposable incomes and emerging middle class** expected to drive continued growth in milk and nutritious milk-based products
2. **Rising population (expected baby boom) and increased government safety regulations** expected to drive strong growth in infant formula
3. China raw milk price increase fueled by increasing gap between supply and demand
4. European, North American and Oceania producers targeting increased export opportunities

Growth Expectations by China Dairy Sector

	2013 to 2018E Total Growth	2013 to 2018E CAGR
▪ Infant Milk Formula	84%	13%
▪ Spoonable Yoghurt	72%	11%
▪ Drinking Yoghurt	53%	9%
▪ Flavoured Milk Drinks	48%	8%
▪ Long-Life, UHT Milk	20%	4%
▪ Fresh Pasteurised Milk	25%	5%
▪ Butter	27%	5%

Source: Euromonitor International, April 2014

China End Market Dynamics Underpin SPX's Food & Beverage Integrated Dairy Strategy

- June 2013: China's cabinet announces detailed plans to improve the quality of domestic baby milk powder
- July 2013: U.K. imposes limits on infant formula purchases and Hong Kong restricts the amount of infant formula allowed to be transported out of the country
- August 2013: The Chinese government fines six infant milk powder companies ~\$107m for anticompetitive behavior
- April 2014: A Chinese audit of 13 infant formula manufacturers in New Zealand found that all but one have some actions they need to undertake before product import registration will be complete
- May 2014: Chinese government imposes limits on foreign brands of milk powder and infant formula sold in China. Going forward, non-registered offshore production of dairy food may not be imported
- June 2014: Production permits for more than 1/3rd of China's domestic infant formula manufacturers have not been renewed following a six-month campaign to boost the standard of domestically made products
- June 2014: Just 94 foreign infant formula brands given approval for sale in China under new regulations...down from reportedly over 800

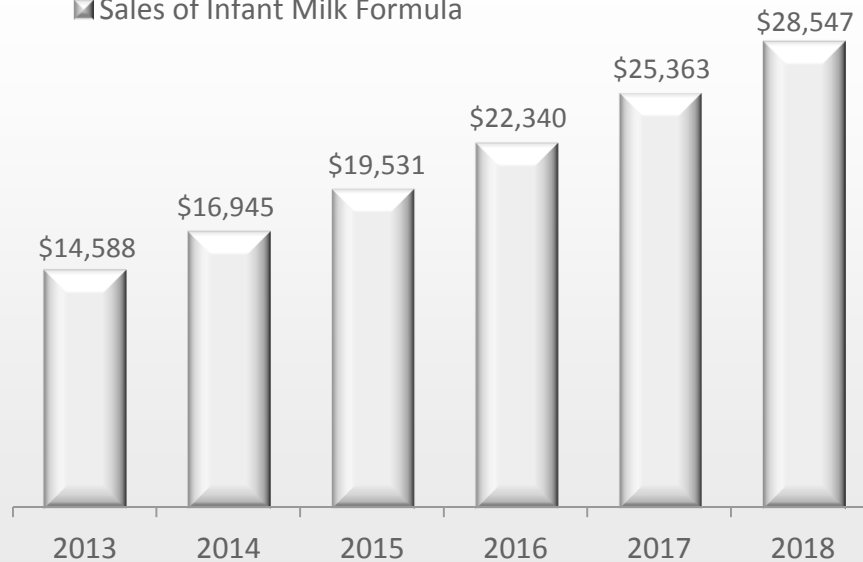
Sources: The New York Times and Dairy Reporter.com

Regulatory Developments Aimed at Improving the Quality of Infant Formula Supply in China

China Infant Formula Market Trends

(\$ millions)

■ Sales of Infant Milk Formula



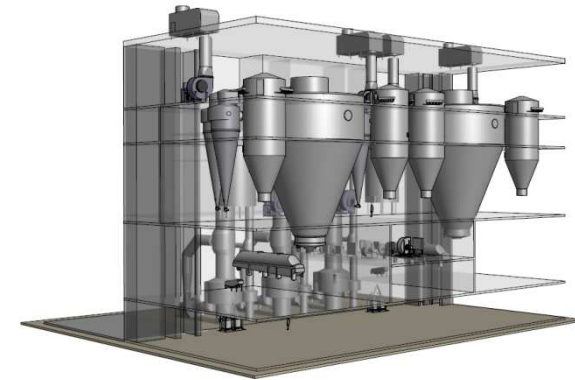
Source: Euromonitor International, November 2013: Passport, Baby Food in China

- Upcoming baby boom expected to drive a **13% CAGR in sales of infant milk formula** from 2013-2018
- Total market expected to more than double to ~\$28 billion by 2018
- Consumers increasingly cautious, preferring high quality brands
- International brands expected to benefit the most from market growth

China's Infant Milk Formula Market Expected to Grow 13% Per Year on Average from 2013-2018

Project Details

- Total investment: ~\$135m
- SPX is providing turn-key process equipment with **>\$50m of value assigned to this project**
- Convert fresh milk and liquid whey into high quality powdered infant formula and whey protein products for export to China
- Expected to produce 90,000 tons of bulk product per year



**China's Growing Demand for High Quality Powdered Infant Formula
Driving Capital Investments in Western Europe**

East China Central Plant (Shanghai)



Project Details

- Total plant investment: ~\$275m
- SPX is providing turn-key process equipment with **>\$60m of value assigned to this project**
- **Biggest dairy plant in China** with > 2.4 million liters of daily product output
- Produces over 30 high-quality dairy products including:
 - Fresh Yoghurt, ESL Yoghurt, Probiotic Drink, Fresh Milk & UHT Milk
- Fully automated plant with central control room providing whole production process traceability



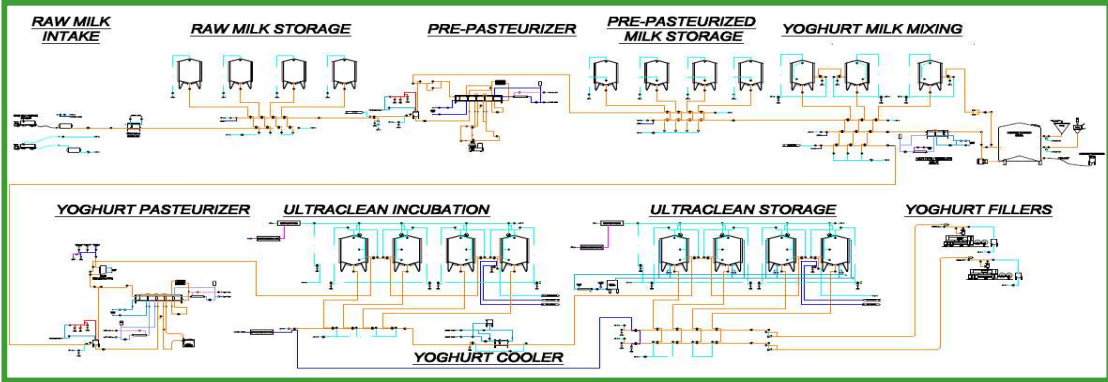
**Great Reference Site for SPX to Showcase Engineering and Execution Capabilities;
Excellent Install Base to Train Internal SPX Engineers (Proposal, Process & Service)**

SPX Technologies Utilized in Bright Dairy Plant



>8,000 valves

>500 pumps



>160 agitators & instant mixers

>40 plate heat exchangers

18 UHT skids

15 homogenizers

3 separators

**Dairy Project in Shanghai Utilizes Multiple SPX Process Technologies;
 SPX Technician On-Site to Provide Customer Service Support and Secure Aftermarket Opportunities**

Where Do Our Customers Need Our Help?

Reduce Downtime & Business Risk

- Maintain 24/7 operating environment
- While also ensuring equipment and process quality / integrity

Outsource Non-core Functions

- Gain self-sufficiency in routine maintenance areas
- Outsource for specialized tasks, when stretched too thin or when significant modifications required

Reduce Overhead & Working Capital

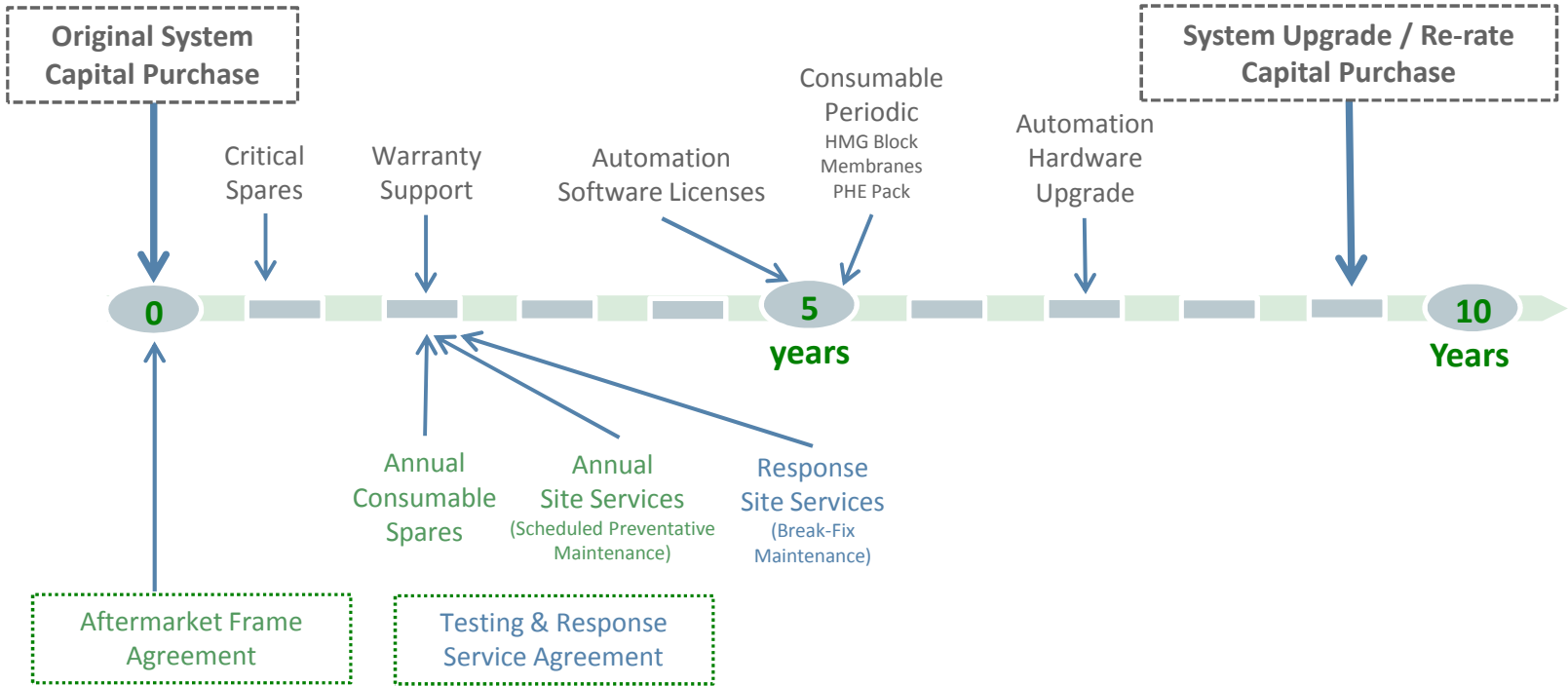
- Reduce internal costs in less frequently needed product and service areas
- Improve utilization rates and productivity of existing assets and processes

Account for Skilled Workforce Shortage

- Labor costs rising as the skilled labor pool remains limited

Significant Opportunity to Leverage Our Technology Competency and Expertise to Provide a Greater Customer Service Offering After We Install a System

First 10 Years of Aftermarket Opportunity for a Typical Food & Beverage System



Aftermarket Opportunity is Typically 20%-30% of the Value of a Food & Beverage System Over the First 10 Years of Service

- 1) Prioritize system selectivity
- 2) Further expansion into emerging markets
- 3) Intensify focus on component sales
- 4) Key account management

Organic Revenue Growth

- 1) Innovation and new product development
- 2) Aftermarket service model
- 3) Improve project execution

Improve Customer Experience



FLOW FOOD & BEVERAGE

Operational Performance

- 1) Improve process discipline on large projects
- 2) Rationalize supply chain
- 3) Renewed Lean focus
- 4) Working capital initiatives

Talent & Organizational Effectiveness

- 1) Global alignment and accountability
- 2) Competency deployment as a basis to manage performance to standard
- 3) Skill mapping for global resource planning

Flow Food & Beverage Initiatives Focused on Improving Customer Experience, Driving Profitable Growth and Improving Operational Performance



Food & Beverage Questions?





Flow Industrial

David Wilson, President



- 1) Geographic expansion
- 2) Adjacent market opportunities
- 3) Key account and channel development

Organic Revenue Growth

- 1) Product management and innovation
- 2) Front end eTools development
- 3) Aftermarket service model

Increase Customer Relevance



FLOW INDUSTRIAL

Operational Performance

- 1) Utilize standard systems
- 2) Consistent operating metric scorecard
- 3) Increase throughput and speed to market

Talent & Organizational Effectiveness

- 1) Global alignment and accountability
- 2) High performance talent development
- 3) Strategic workforce planning

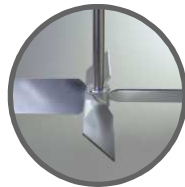
Flow Industrial Initiatives Focused on Increasing Customer Relevance, Driving Profitable Growth and Improving Operational Performance

Flow Industrial Overview

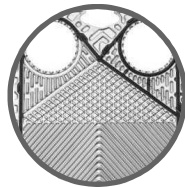
Dehydration



Mixers



Heat Exchangers

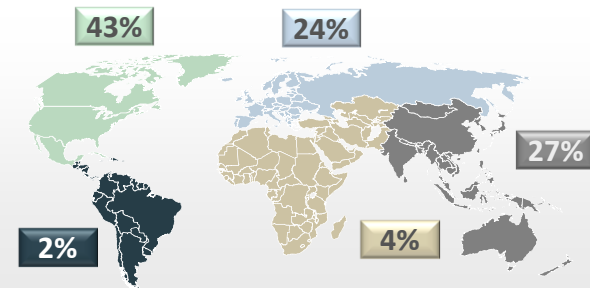


Pumps

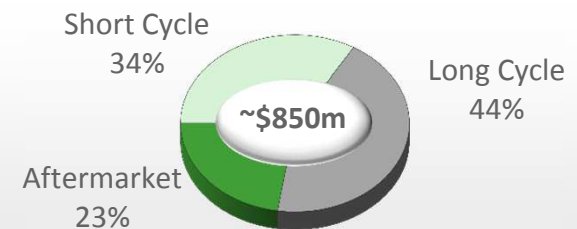


- A leading supplier of industrial flow components with a high degree of engineering and application expertise
- Well recognized brands with large installed base
- Large, global markets with attractive long-term growth characteristics
- Serve our markets primarily through distribution and independent reps
- In most cases, the competitor base is fragmented and regional

2014E Revenue by Geography



2014E Revenue by Product



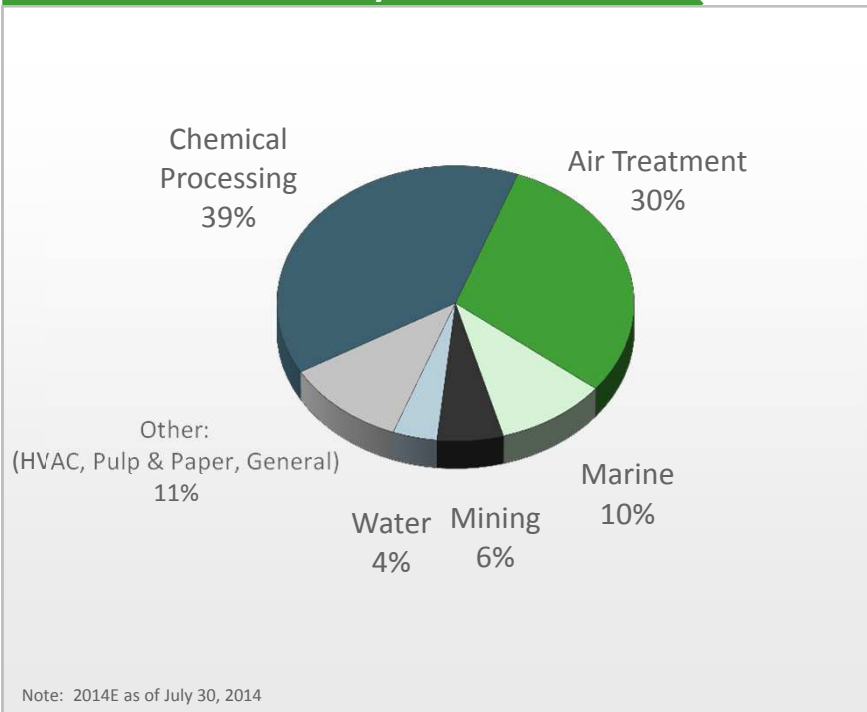
Note: 2014E as of July 30, 2014

**A Leading Supplier of Industrial Flow Components
With Strong Brand Recognition and a High Level of Engineering and Application Expertise**

Flow Industrial End Market Overview



2014E Revenue by End Market



Customer Examples

Large, Diversified Customer Base in a Variety of Industrial End Markets

Flow Industrial Product and Market Matrix



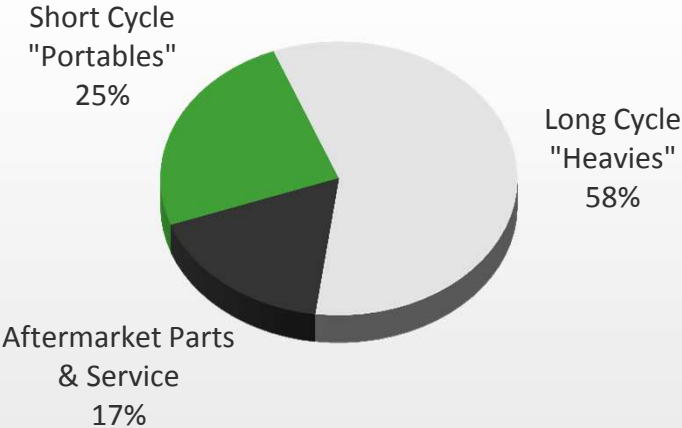
	Chemical Processing	Air Treatment	HVAC, Pulp & Paper, General	Marine & Shipbuilding	Water & Wastewater	Mining & Minerals
Mixers	Green	White	Green	White	Green	Green
Heat Exchange	Green	White	Green	Green	White	Green
Dehydration	Green	Green	Green	Green	White	Green
Pumps	Green	White	Green	Green	Green	Green

Currently Serve Attractive Growth Markets With Strength in Chemical Processing and Mining; Opportunities to Expand into Adjacent Markets Including Offshore Marine, Water & Wastewater, CNG/LNG

Mixer Business Overview



2014E Revenue by Product



Note: 2014E as of July 30, 2014

Product Examples

Top-Entry Mixers



Side-Entry Mixers



Portable Mixers



Sanitary Mixers



A Leading Global Supplier of Top-Entry, Side-Entry, and Portable Mixers

“Heavies”: Large, Highly Engineered Mixers

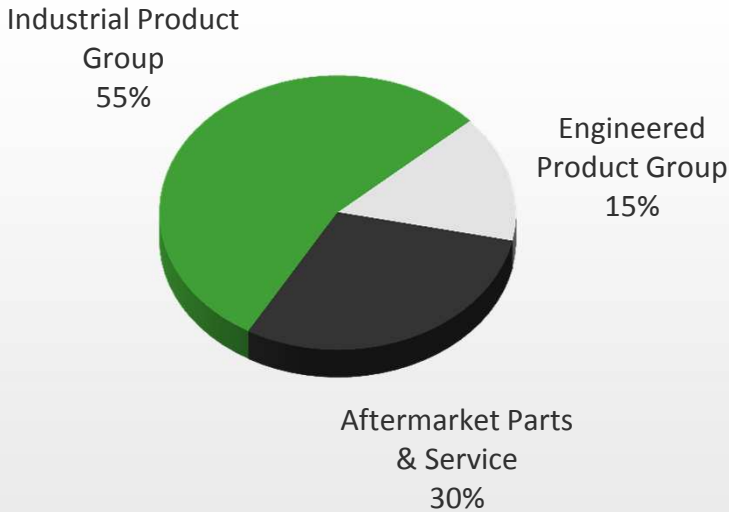


Our Large Mixers Are Used in Processes that Require Blending, Solids Suspension, Mass Transfer and Heat Transfer

Dehydration Business Overview



2014E Revenue by Product



Note: 2014E as of July 30, 2014

Product Examples

Desiccant Compressed Air Dryers



NGV Fueling Station Dryers



Energy Saving Refrigerated Air Dryer



Filters

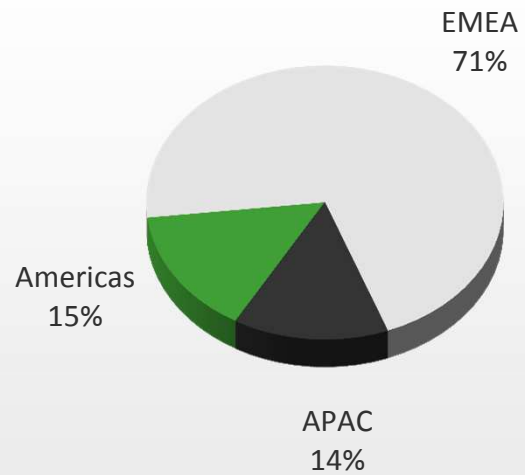


A Leading Global Provider of Air Treatment Technologies

Industrial Pump Business Overview



2014E Revenue by Geography



Note: 2014E as of July 30, 2014

Product Examples

Centrifugal pumps



Gear pumps



Rotary lobe pumps

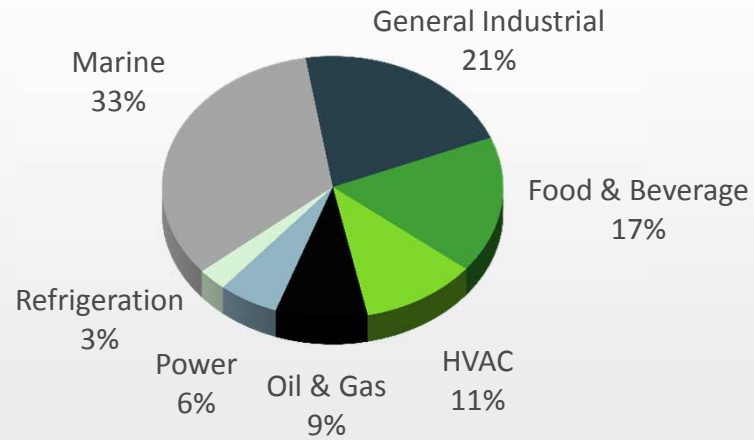


A Niche Supplier of Industrial Pumps in Diverse End Market Applications

Heat Exchanger Business Overview



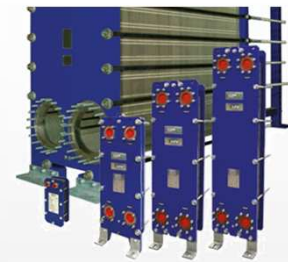
2014E Revenue by End Market



Note: 2014E as of July 30, 2014

Product Examples

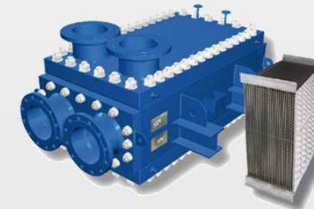
Industrial Plate Heat Exchangers (Gasketed, Semi-Welded, Brazed)



Sanitary Plate Heat Exchangers

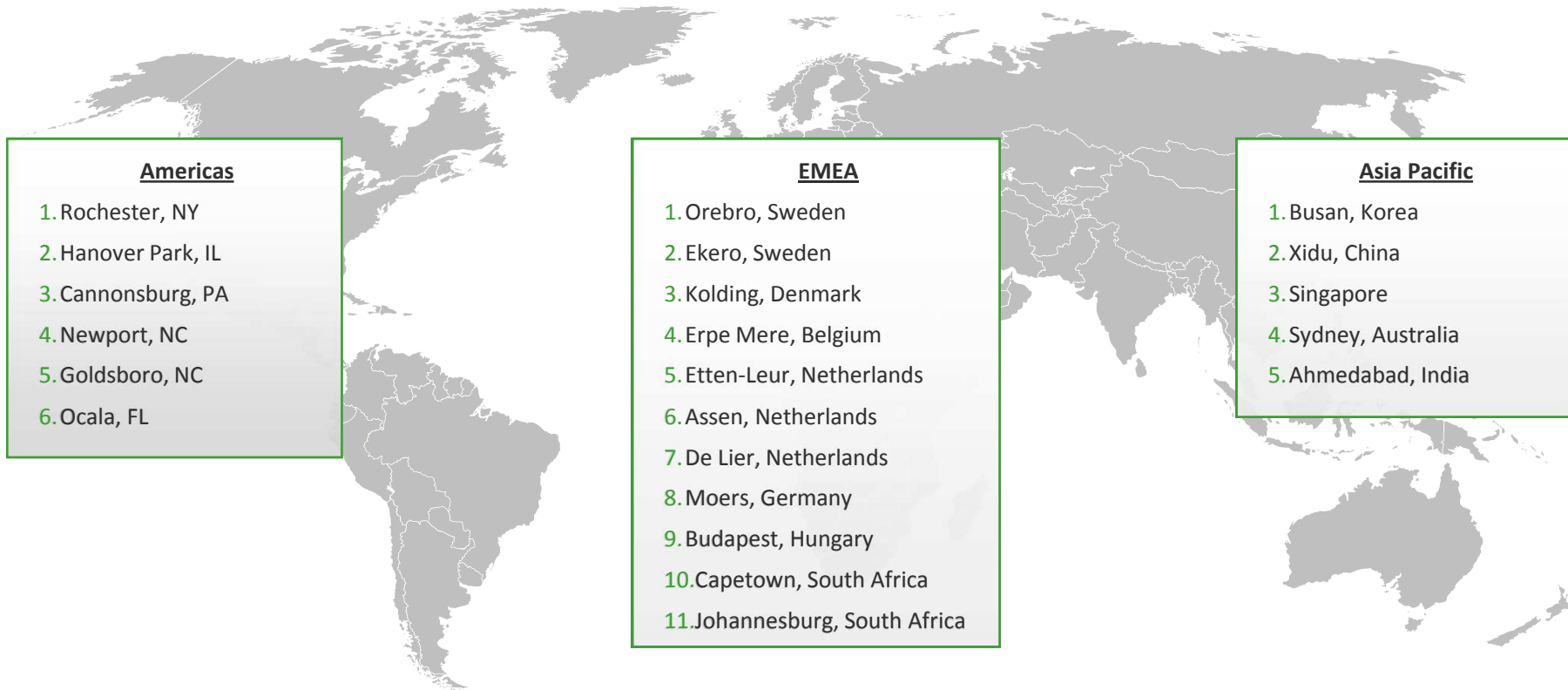


Welded (Hybrid) Plate Heat Exchangers



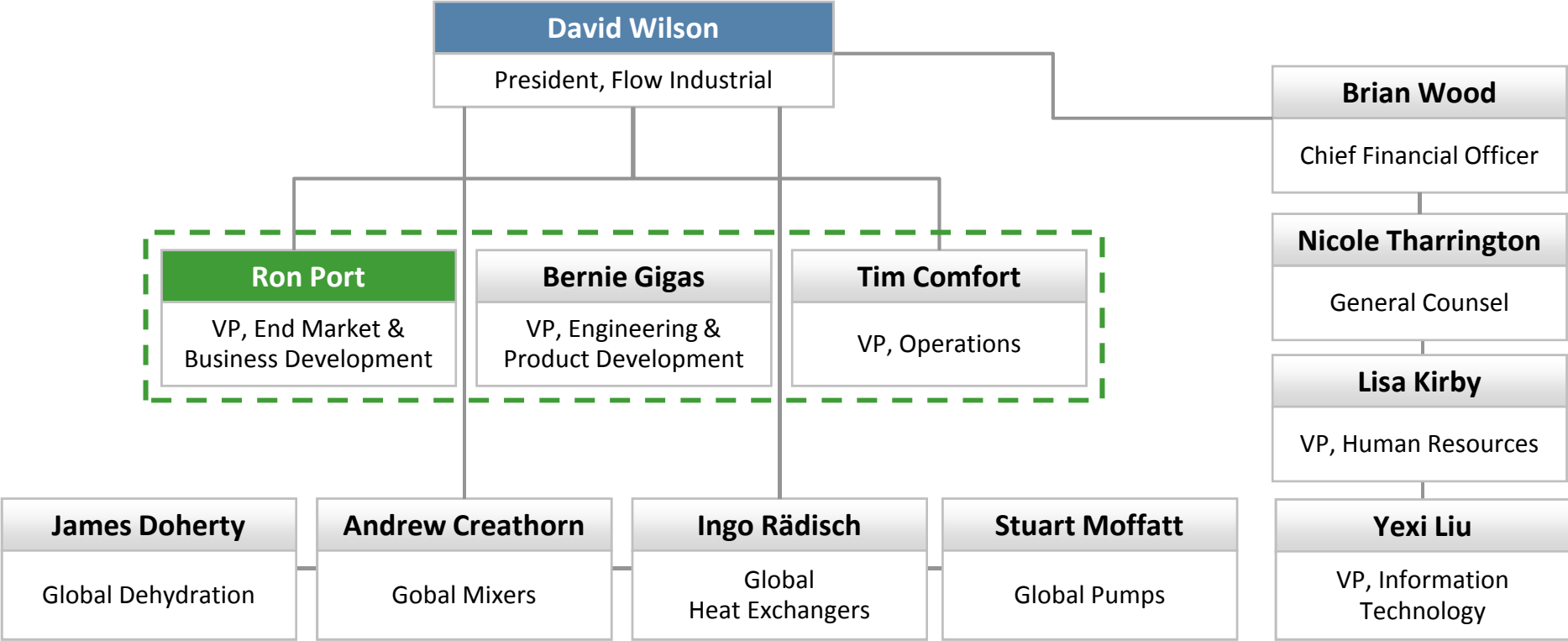
A Niche Supplier of Industrial Heat Exchangers in Diverse Industrial End Markets

Flow Industrial Primary Locations



Global Presence with Opportunities to Optimize Footprint

Flow Industrial Global Leadership Team



Transitioned From a Regional Structure to a Global Organization

Megatrends Benefiting Flow Industrial End-Markets



Demographics: Urbanization, infrastructure development, emerging global middle-class



Economics: High-growth emerging markets, stable GDP in advanced economies, geopolitical dynamics



Energy: Energy savings & cost optimization, energy security



Efficiency: Waste reduction, total cost of ownership



Environmental: Government regulation, environmentalism, carbon footprint



Innovation: Product portfolio development, new business models, customer as partner

Stable Growth Projected Next 3-5 Years

Industry Trends




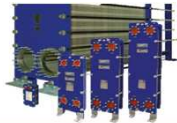


- Urbanization and industrialization driving chemical and water investments in emerging markets
- Abundant shale gas in North America is yielding low cost feedstocks for chemical industry
- Natural gas as transportation fuel small, but growing fast
- Global LNG trade network boosting marine and shipbuilding markets in Asia Pacific
- Demand uncertainty and oversupply have impacted investments in mining markets



Shale Gas and Emerging Market Growth Driving Industrial Investments

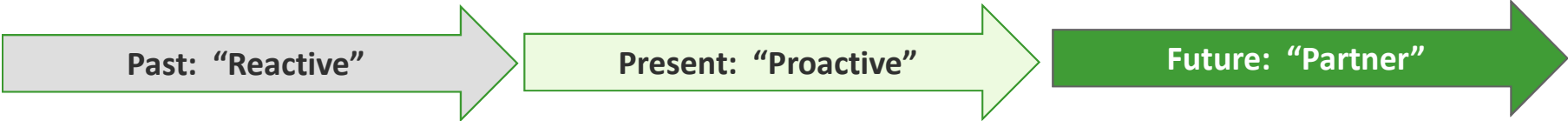
Geographic Expansion Opportunities



		Americas	EMEA	Asia Pacific	
Mixers		X			X Traditionally Strong
Heat Exchangers			X		Geographic Expansion Opportunity
Dehydration		X	X		Geographic Expansion Opportunity
Pumps			X		Geographic Expansion Opportunity

Opportunities to Leverage Footprint, Develop New Channels and Distribute Resources & Capabilities

Increasing Customer Relevance



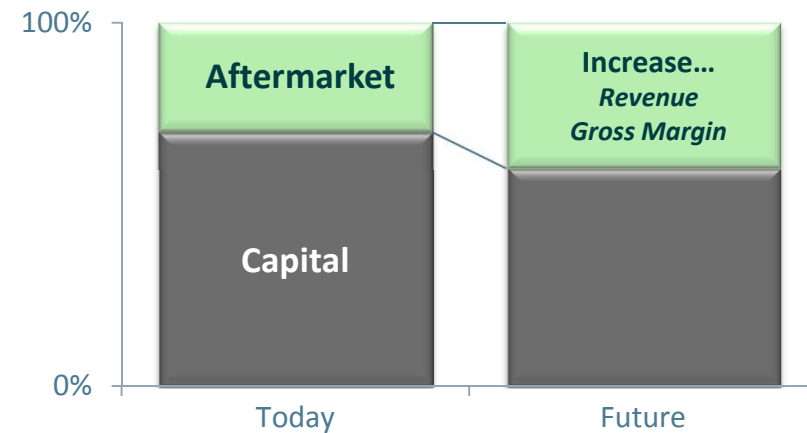
Focused on Improving Customer Experience and Becoming Easier to Do Business With

Aftermarket Growth: Dehydration Case Study



History & Insights

- Dehydration benefits from a large installed base which provides high aftermarket potential
- Our engineered products aftermarket business in the U.S. provides a model to leverage across portfolio:
 - Product registration and e-Commerce solutions drive a proactive aftermarket approach
 - Aftermarket Fulfillment Center along with rapid customer response meets customers' demand for 24-hour turnaround of parts & services
 - Dehydration aftermarket initiatives driving 8%+ year-over-year growth expectation in 2014E



Plan to Leverage this Successful Aftermarket Approach Across All Flow Industrial Product Lines

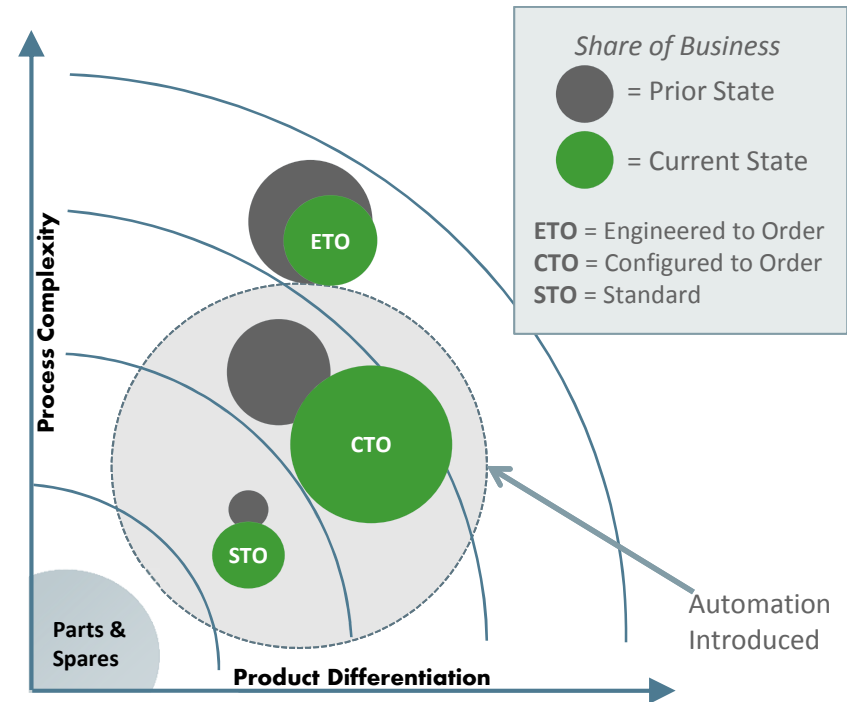
History & Insights

- Mixer business benefits from high degree of automation from initial quote through final production
- Nearly 100% of orders currently placed via e-Sales and over 70% processed automatically through production

<p>Resulted in reduction of...</p> <ul style="list-style-type: none"> Transactional Resources Quote & Order Cycle Time Order Processing Errors 	<p>...and Increase in...</p> <ul style="list-style-type: none"> Standard Product Customer Satisfaction Engaged Sales Team Engineering Capacity
--	---

Reduced Cost & Complexity

Increased Sales & Margin



**eBusiness Model Simplified and Accelerated Quote and Order Process
Thus Reducing Cost and Complexity and Driving Sales Growth and Significant Margin Expansion**

Focused Innovation and Product Development

- Given attractive CNG fuel market potential... SPX developed a next generation suite of fuel station tower dryers
- Improved performance and energy efficiency
- Equipped with high performance particulate and oil removal filtration
- Optimized footprint offers ease of transport, installation and service



Innovation Focused on High Growth Potential, Adjacent Markets

Operating Measurement

- Implemented consistent operational metrics in Q1 2014 in conjunction with Global Manufacturing Organization:
 - Monthly reporting
 - Increased accountability
 - Standardized measurements across businesses
- Scorecard template includes performance trends

Illustrative Scorecard Example

Site	Supplier OTD	Customer OTD	Productivity
Site 1	↑	↑	↑
Site 2	↑	↑	↑
Site 3	↑	↓	↑
Site 4	↑	—	—
Site 5	↑	↑	↑
Site 6	↑	↑	↑
Site 7	↑	—	↑
Site 8	↑	↑	↑
Site 9	↑	↑	↑
Site 10	↑	↑	↑
Site 11	—	↑	↑

Evolving Our Operating Mindset & Measurement Systems to More Quickly Identify “Drivers” of Performance

Factory Planning Initiative



Before

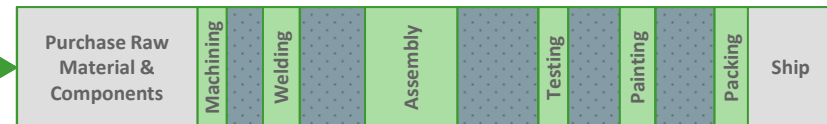


Key changes in approach:

- Transitioned from spreadsheet based orientation to a standardized SAP process orientation
- Analyzing and reducing queue times on routings and work centers
- Flattening bills of materials
- Grouping machines to simplify work center structure

After

Reduction of External & Internal Lead Times



Focused on Reducing Complexity and Risk While Simultaneously Improving Performance

- 1) Geographic expansion
- 2) Adjacent market opportunities
- 3) Key account and channel development

Organic Revenue Growth

- 1) Product management and innovation
- 2) Front end eTools development
- 3) Aftermarket service model

Increase Customer Relevance



FLOW INDUSTRIAL

Operational Performance

- 1) Utilize standard systems
- 2) Consistent operating metric scorecard
- 3) Increase throughput and speed to market

Talent & Organizational Effectiveness

- 1) Global alignment and accountability
- 2) High performance talent development
- 3) Strategic workforce planning

Flow Industrial Initiatives Focused on Increasing Customer Relevance, Driving Profitable Growth and Improving Operational Performance



Flow Industrial: **Questions?**





Flow Power & Energy

Tony Renzi, President



- 1) Disciplined order acceptance
- 2) Key account management
- 3) Expanding channel partners
- 4) Expanding configured-to-order business

Organic Revenue Growth

- 1) Combining product offerings
- 2) Improving on-time customer delivery
- 3) Expanding aftermarket footprint and capabilities

Improve Customer Experience



FLOW POWER & ENERGY

Operational Performance

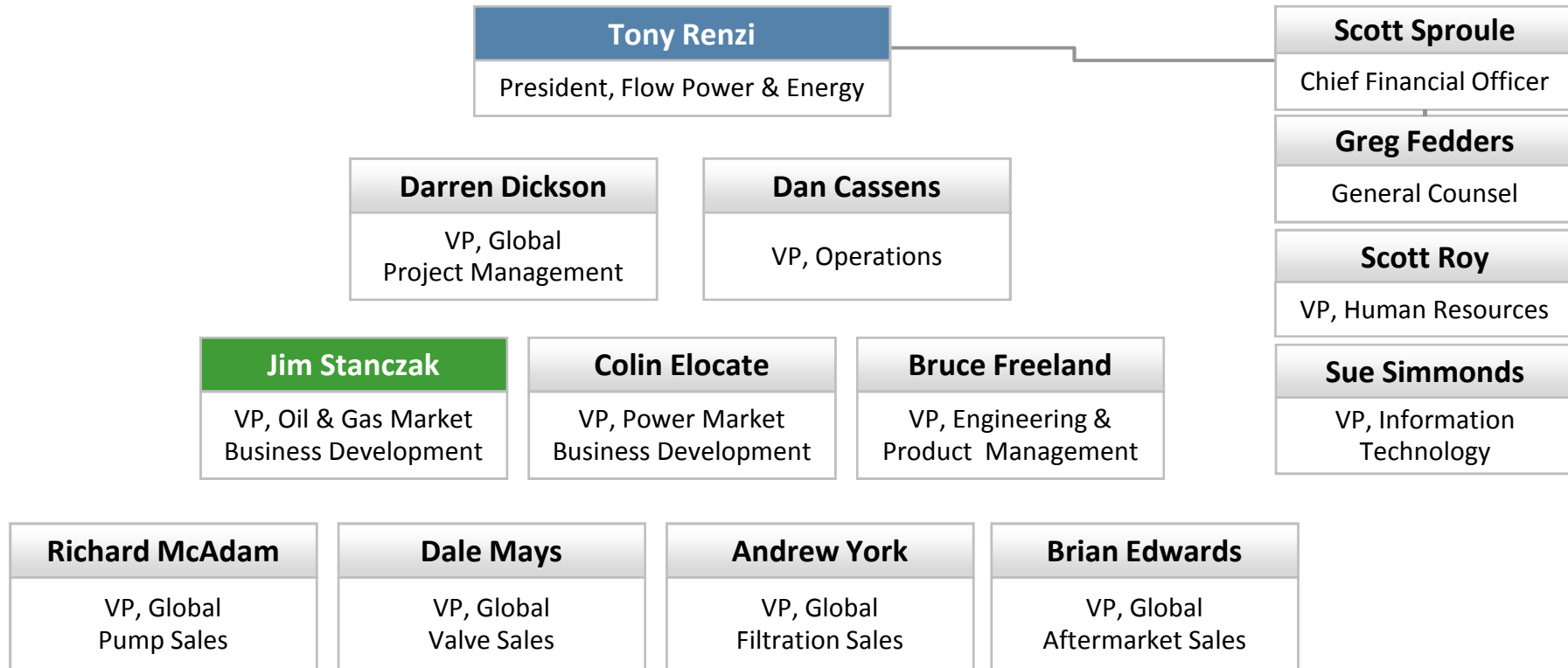
- 1) Stabilized cost structure
- 2) Improving plant productivity to reduce lead times and increase throughput
- 3) Focusing on repeatability in engineering and manufacturing process

Organizational Effectiveness

- 1) Global alignment and accountability
- 2) Localizing and expanding global presence (Korea, China, Middle East, India)

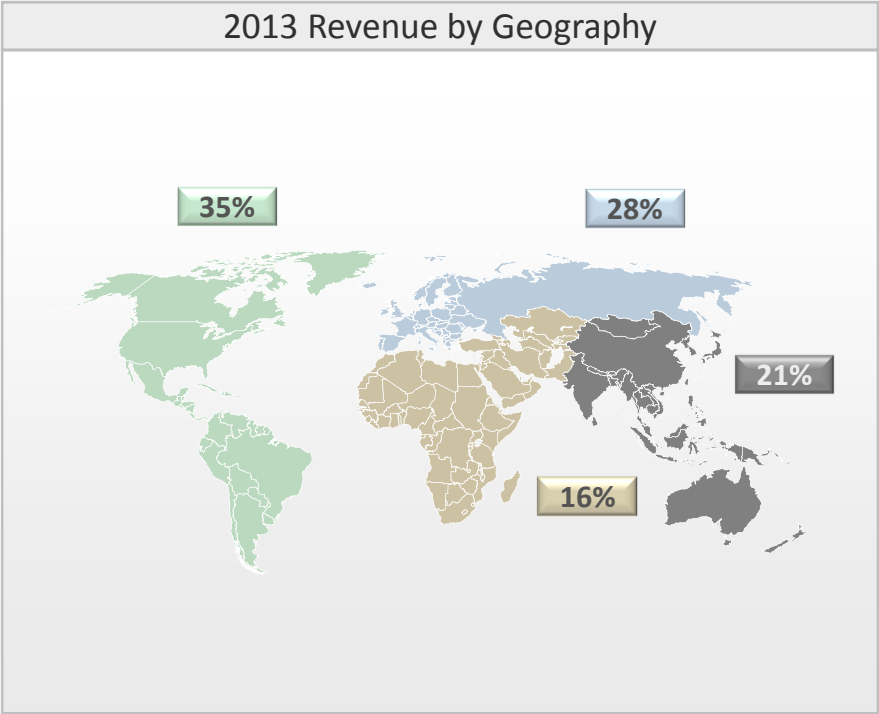
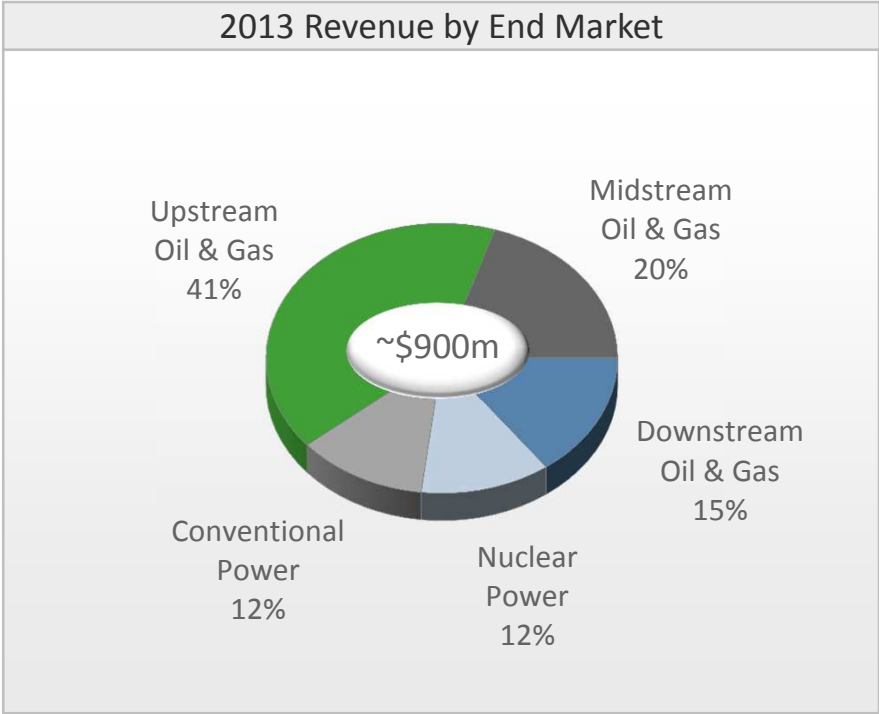
**Continue to Focus on Driving Operational Improvements;
Investing in Commercial Growth Strategy**

Flow Power & Energy Global Leadership Team



**Transitioned to a Global Leadership Team;
Designated Commercial Leads to Drive Focused, Coordinated Strategy for Each Category**

Flow Power & Energy Revenue Breakdown



**~75% of Revenue from Sales into Oil & Gas Markets;
Strong Presence in North America and Western Europe**

End User Examples



Recent Market Trends

Oil & Gas

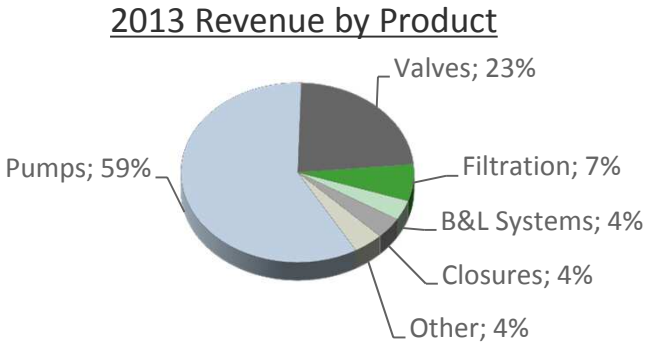
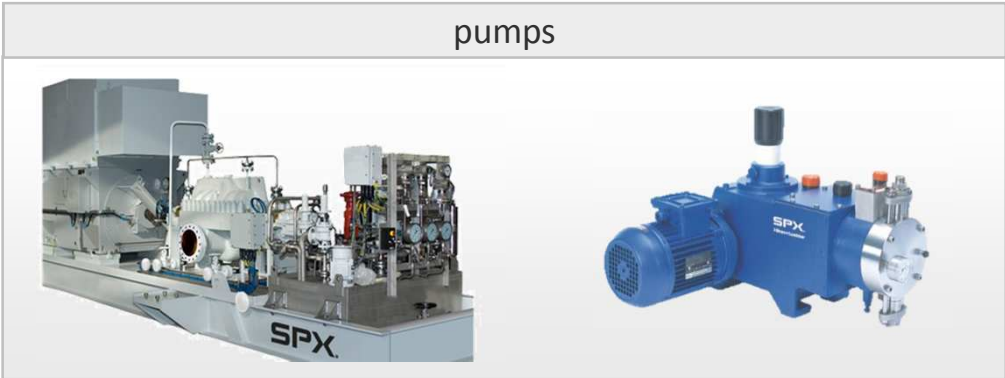
- Demand for oil pipeline valves at a high level
- Aftermarket order activity is steady
- Experiencing order delays for OE pumps due to political uncertainty, financing and lack of growth in global oil and gas demand
- Project pipeline growing with strong quoting activity

Power Generation

- Nuclear market showing signs of life
- Conventional power generation steady at low levels

Encouraged by Growing Frontlog of Opportunities

Flow Power & Energy Product Offering

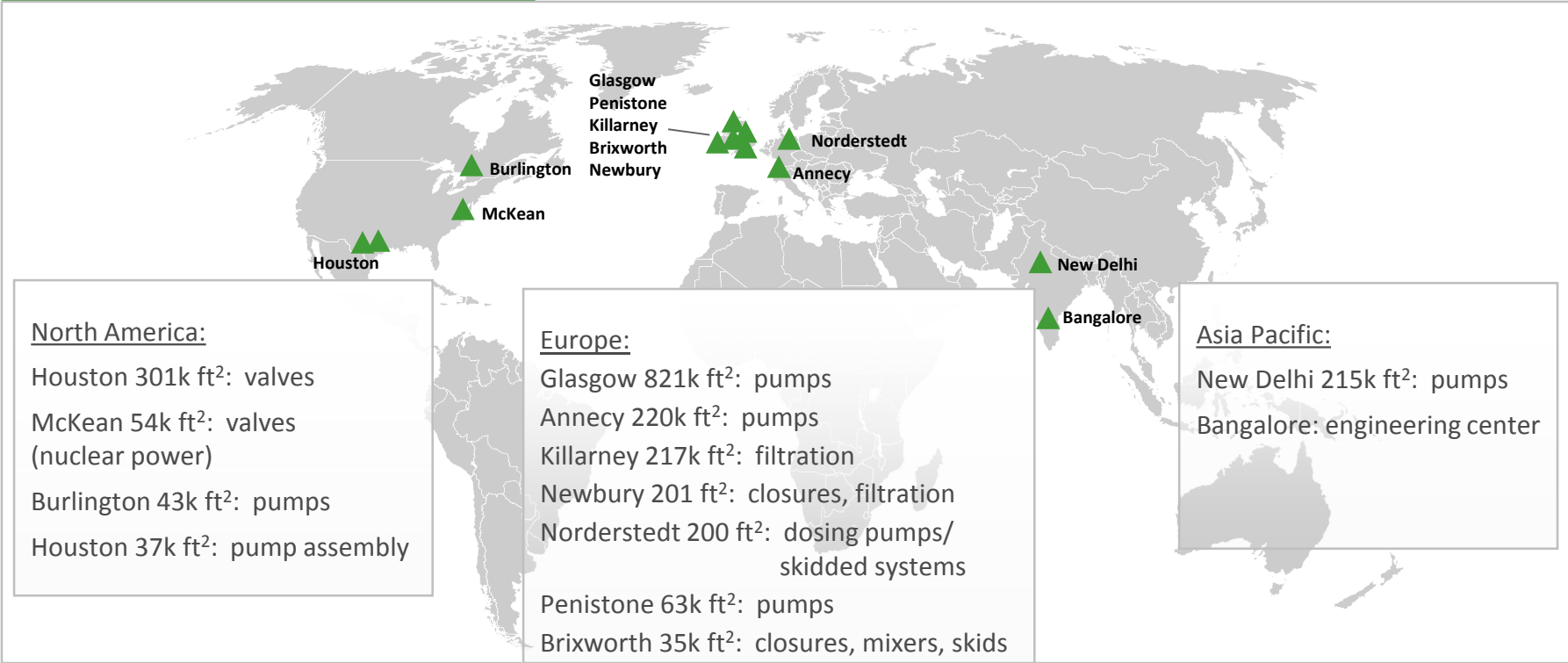


Complementary Products With Very Good Potential for Revenue Synergies Through Cross-Selling Opportunities, Channel Combinations and Key Customer Account Management

Flow Power & Energy Manufacturing and Engineering Sites



Manufacturing & Engineering



Primary Manufacturing and Engineering Facilities Concentrated in North America and Western Europe; Future Investments Expected to be Focused on Localizing Capabilities in Growth Markets

Service Centers



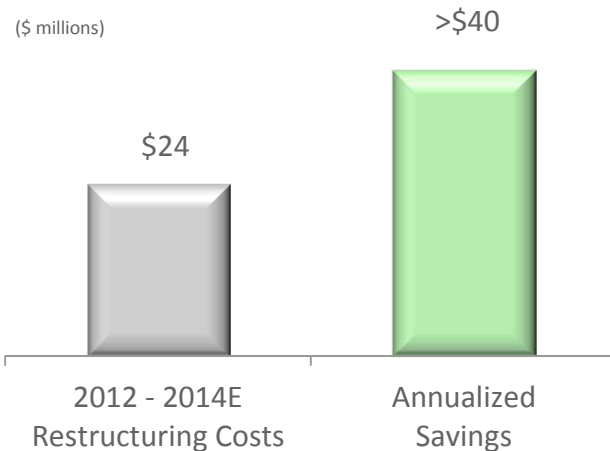
Note: Includes wholly owned service centers, authorized service centers and joint ventures

25 Service Centers Today With Varying Capabilities
Investing in Expansion of Existing Sites *and* New Sites This Year

Cost Reduction Initiatives



- ~550 headcount reductions primarily at ClydeUnion facilities in Europe and North America



Note: 2014E as of July 30, 2014

Battlecreek, MI Facility Closure

- Total net headcount reduction of ~132
- Service center retained
- Backlog and new orders transferred to various locations:
 - Complex recipricating pump and centrifugal pump backlogs transferred to **Burlington**
 - Aftermarket parts transferred to **new distribution center in Houston**
 - Simple recipricating pump backlog transferred to **S&N Houston**
 - Nuclear pumps transferred to **McKean**

Restructuring Efforts Have Simplified Organization and Reduced Overall Cost Structure

Integration Analysis

- Acquired in Q4 2011 for \$744m
- Reduced headcount by ~25%
- Successfully executed the acquired backlog
- Improving operational performance through capital investments and manufacturing process changes
- 2014E:
 - Revenue: ~\$525m
 - Operating margins: 9% to 11%
 - Free cash flow conversion: >100%

Commercial Strategy

- Realigned ClydeUnion's commercial organization
- Expanding configured to order product offering
- Packaging ClydeUnion product offerings with other Flow P&E products to increase customer relevance
- Investing in ClydeUnion's service center footprint and integrating other Flow products, as well as, SPX hydraulic technologies into service centers

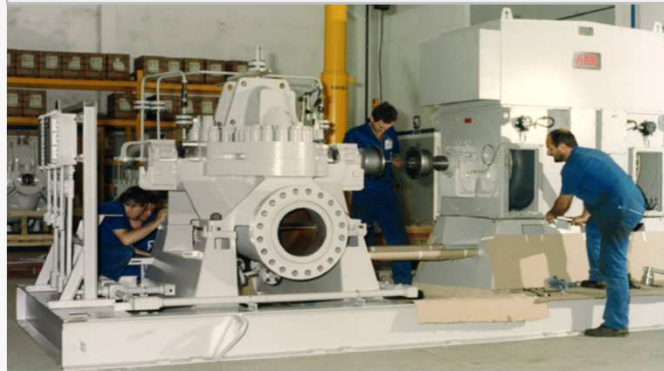
Note: 2014E as of July 30, 2014

**Successfully Improved ClydeUnion's Financial Performance;
Commercial Growth Strategy Underway**

Hydraulic Submersible Pump for Subsea Applications



BB1 Pipeline Pump



Nuclear Safety Pump



BB3 Pump



BB5 Heavy Duty Pump



Flow Power & Energy Growth Initiatives



Organic Growth Initiatives

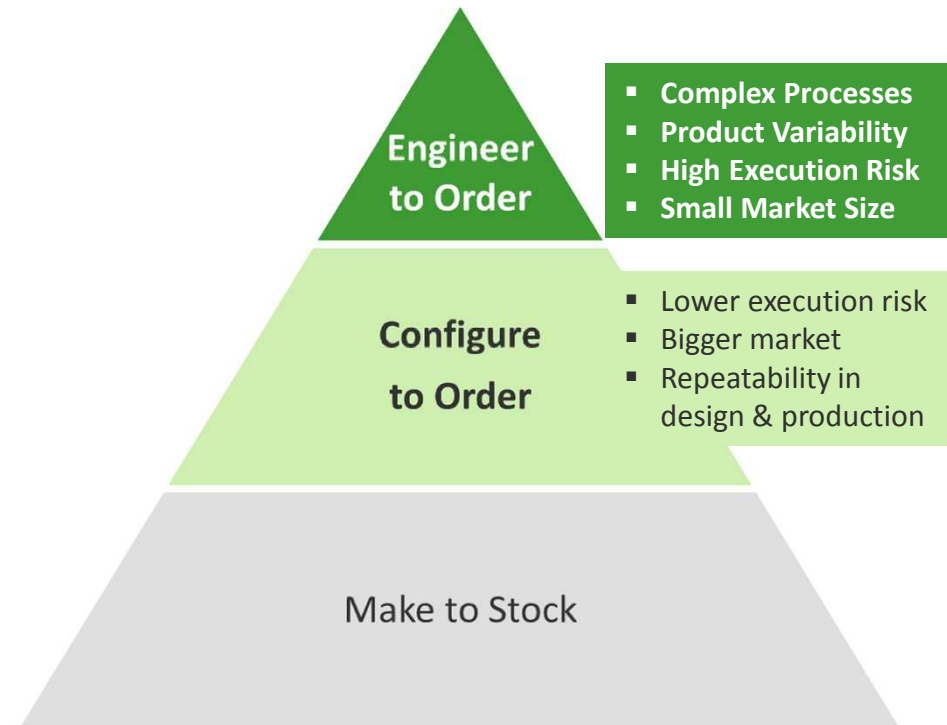
- Transition mix from “engineered to order” to “configured to order”
- Leverage combined technology offerings
- Increase penetration in profitable market segments (i.e. aftermarket, pipeline, subsea, nuclear power)
- Expand global service center footprint and aftermarket capabilities
- Emerging market growth



Focused on Expanding Customer Relevance, Meeting Customer Needs and Growing Presence in Profitable, Attractive Power & Energy Markets

Benefits of a Configured to Order Product Offering

- **Reduces risk of cost overruns & quality issues**
- **Improves productivity:**
 - Repeatability design & manufacturing allows for greater efficiency from order to delivery
- **Reduces cycle & lead times:**
 - Increases on-time deliver & volume capacity, improves speed of cash conversion
- **Increases value proposition to customers**
- **Increases growth potential & reduces order volatility** (less dependency on larger projects)



**Focused on Expanding Configure to Order Business
While Also Maintaining Engineer to Order Capabilities**

Oil & Gas Product Portfolio



Key Oil & Gas Products

- Gate valves
- Surge relief valves
- Closures
- Booster pumps
- Transfer pumps
- Injection pumps
- Plate heat exchangers
- Filters
- Power transformers

valves



booster pumps



surge relief control skid



filters



pigging system

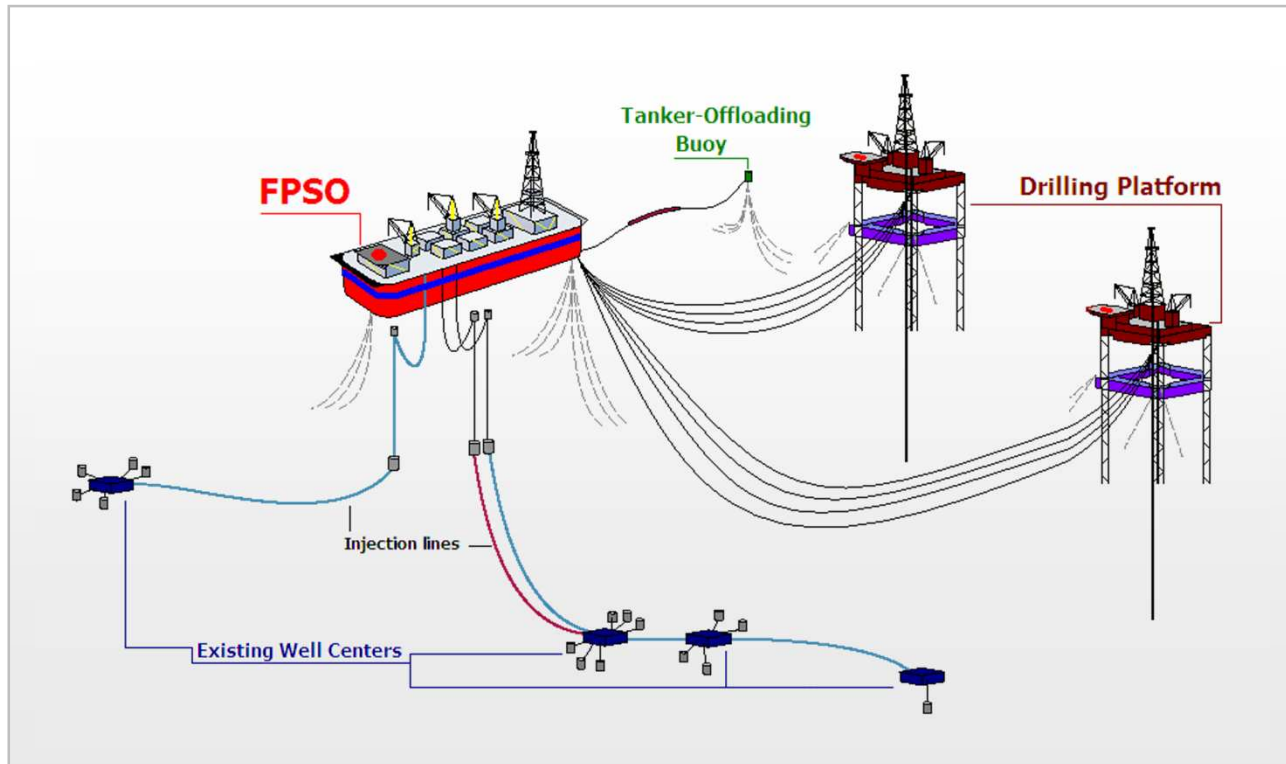


chemical injection system



SPX has a Broad Product Offering for Many Oil & Gas Applications

Floating Production, Storage and Offloading (FPSO) Offering



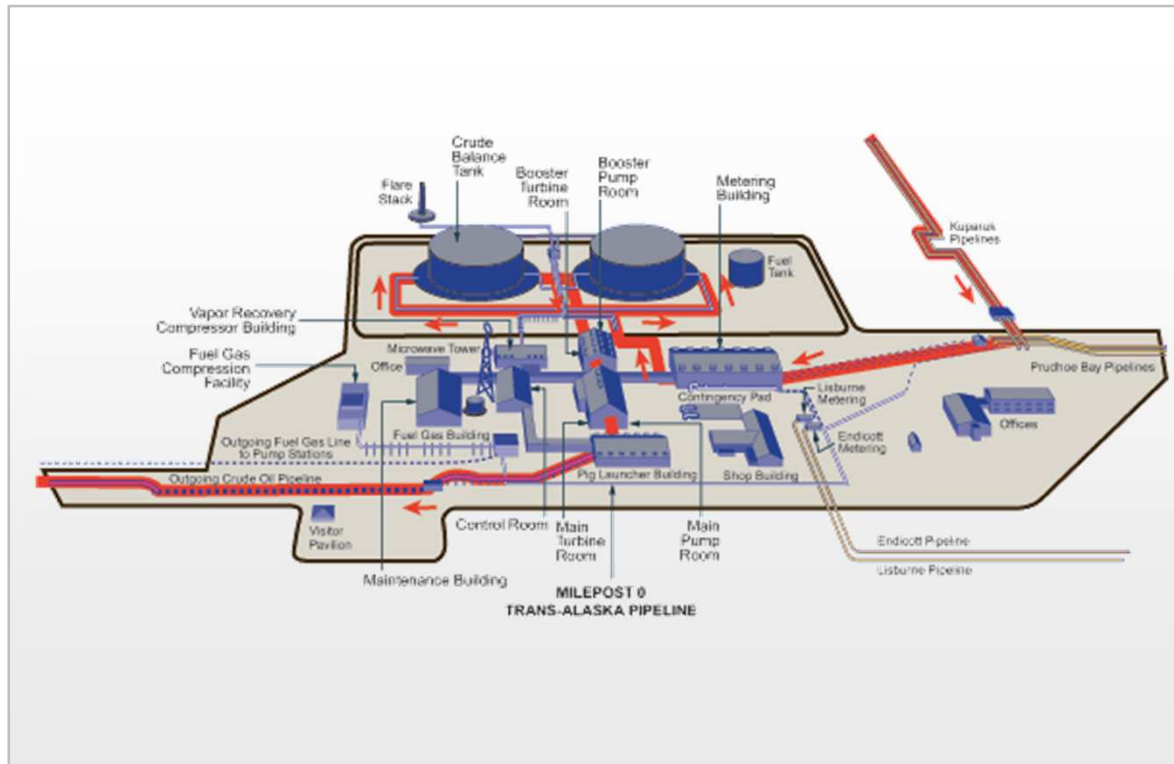
SPX Product Offering for FPSO:

- ❑ water injection pumps
- ❑ oil transfer pumps
- ❑ seawater booster pumps
- ❑ dosing pumps
- ❑ plate heat exchangers
- ❑ filtration



SPX has a Broad Product Offering for FPSO Platforms

Liquid Pump Station Offering



SPX Product Offering for Pump Station:

- ❑ gate valves
- ❑ control valves
- ❑ mainline oil pumps
- ❑ oil booster pumps
- ❑ dosing pumps/chemical injection
- ❑ filtration
- ❑ mixers
- ❑ power transformer

SPX has a Broad Product Offering for Liquid Pump Platforms

Pipeline Expansion Expectations

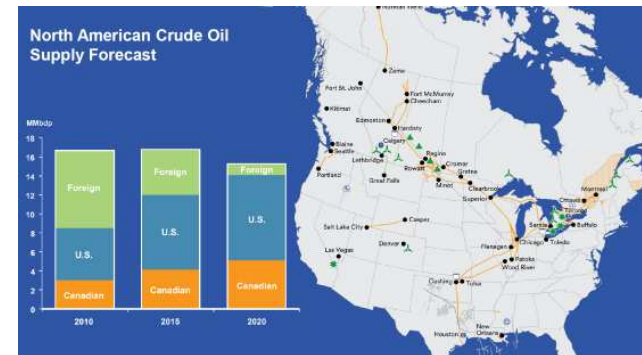
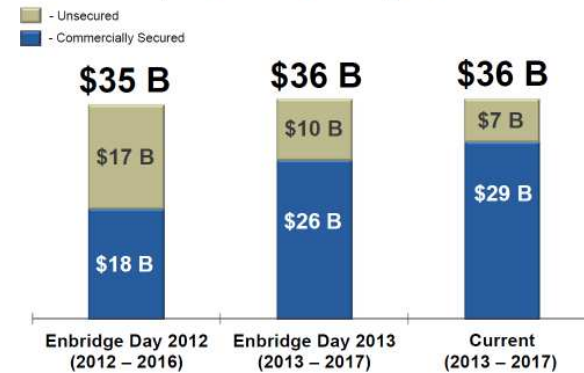


Major Customer Illustration

- Customer expects:
 - ~\$36b growth investment plan through 2017
 - “Record portfolio of attractive investment opportunities”
 - 1.7m barrels per day of incremental market volume
- Key areas of focus:
 - New market access in West and East coasts of Canada, as well as the Eastern U.S. Gulf Coast
 - Alberta Oil Sands
 - Canada Midstream
 - U.S. Offshore Gulf Coast of Mexico
 - Gas distribution
 - Renewable power generation & transmission

Source: Enbridge September 2014 investor presentation

Enterprise Wide Growth Capital In Service



SPX is Well Positioned to Participate in the North American Pipeline Expansion

Valve Distributor Agreement

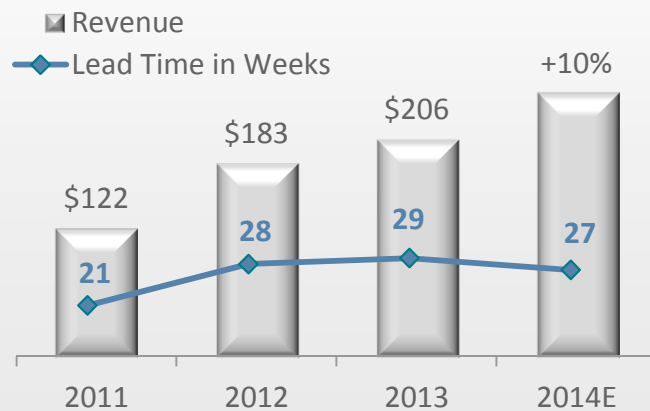
- Finalized first major distribution agreement for valves in Q2 2014
- Establishes a major valve stocking distributor to better support reduced lead time opportunities for pipeline valves
- Stocking program includes:
 - 6"- 24" class 150 & 600 Slab Gate Valves
 - 6"-24" class 600 Expanding Gate Valves
- SPX M&J valves can be specified for pipeline projects administered by our distributor



**Distribution Partnership has Established New Channels
and Capitalizes on Small Valve Production Capability**

4-Phase Plan Details

- Revenue has more than doubled in 3 years
- Extended lead times and facility constraints expected to benefit from 2014 capital investments



Note: 2014E as of July 30, 2014

	Description	Investment	Timing
Phase 1	welding	~\$2m	complete
Phase 2	machining	~\$8m	Q4 2014
Potential Future Phases			
Phase 3	assembly building	~\$10m	2015
Phase 4	machining	~\$20m	2015 - 2019

**~\$10m Investment in Phases 1-2 Significantly Increasing Revenue Capacity;
Potential Future Investments Tied to Demand Trends**

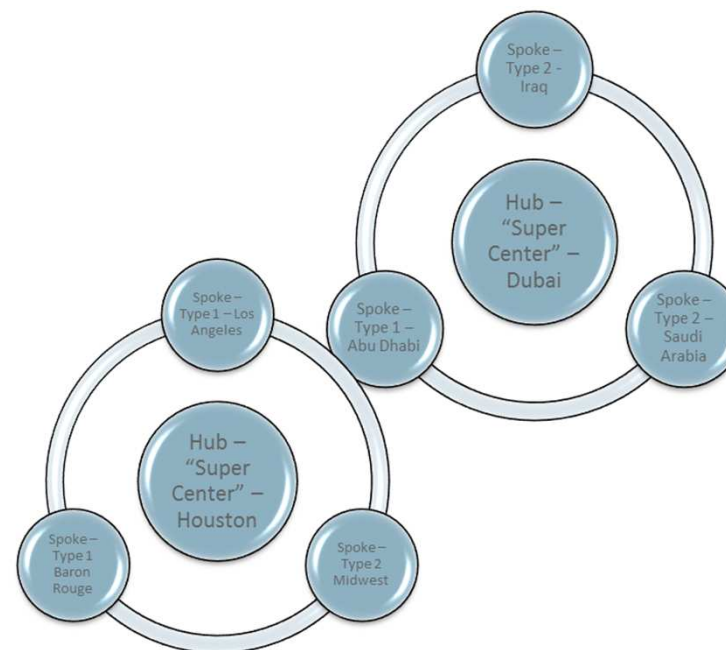
Aftermarket Strategy

- Apply global aftermarket growth plan across all relevant brands
- Expand service center network to leverage existing footprint and increase presence in key markets
- Portfolio-based target markets:
 - ❑ Pipeline (pumps, valves)
 - ❑ Offshore Platform (ClydeUnion injection, Bran & Luebbe, S&N)
 - ❑ Middle East and South America development
- Develop master service agreements with targeted customers
- Expand aftermarket engineering competency as a value proposition for service agreements

**Global, Consistent Approach Across Flow Power & Energy
to Expand Attractive Aftermarket Business**

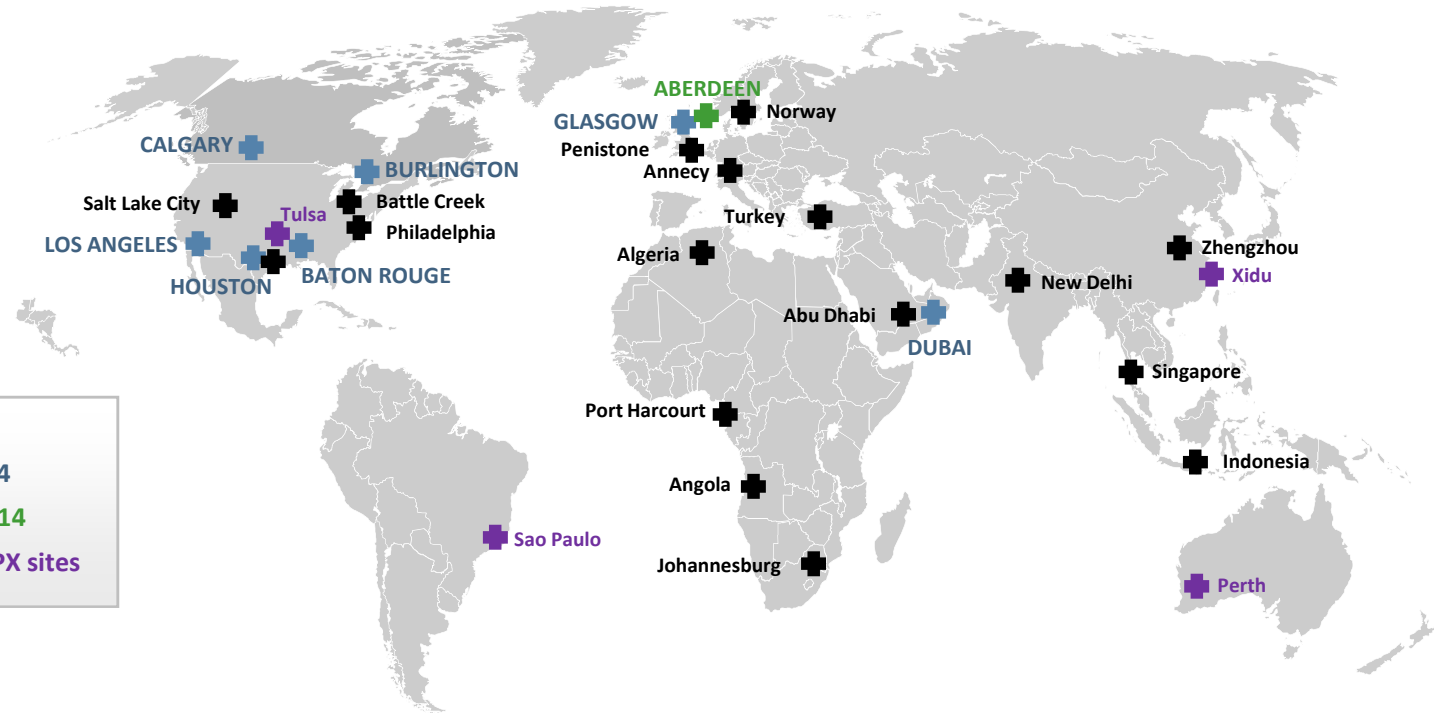
Hub and Spoke Approach

- **HUB:** Super Center depot regionally based where product density is greatest
- **SPOKE:** Frontline location nearby customers' sites; minimal capabilities, high customer intimacy
- **Increased ability to meet customer needs**
- Local capabilities and presence also provides an **additional value proposition** when marketing for OE projects
- This approach can be beneficial when there are tax/duty benefits operating within a region or documentation restrictions crossing regional boundaries



The Hub and Spoke Approach Enables a Broader, More Intimate Aftermarket Presence Through Focused High-Return, Low-Risk Investments

Aftermarket Footprint



- ✚ Existing Site
- ✚ Existing site to be expanded in 2014
- ✚ New site investment planned in 2014
- ✚ Expand P&E presence at existing SPX sites

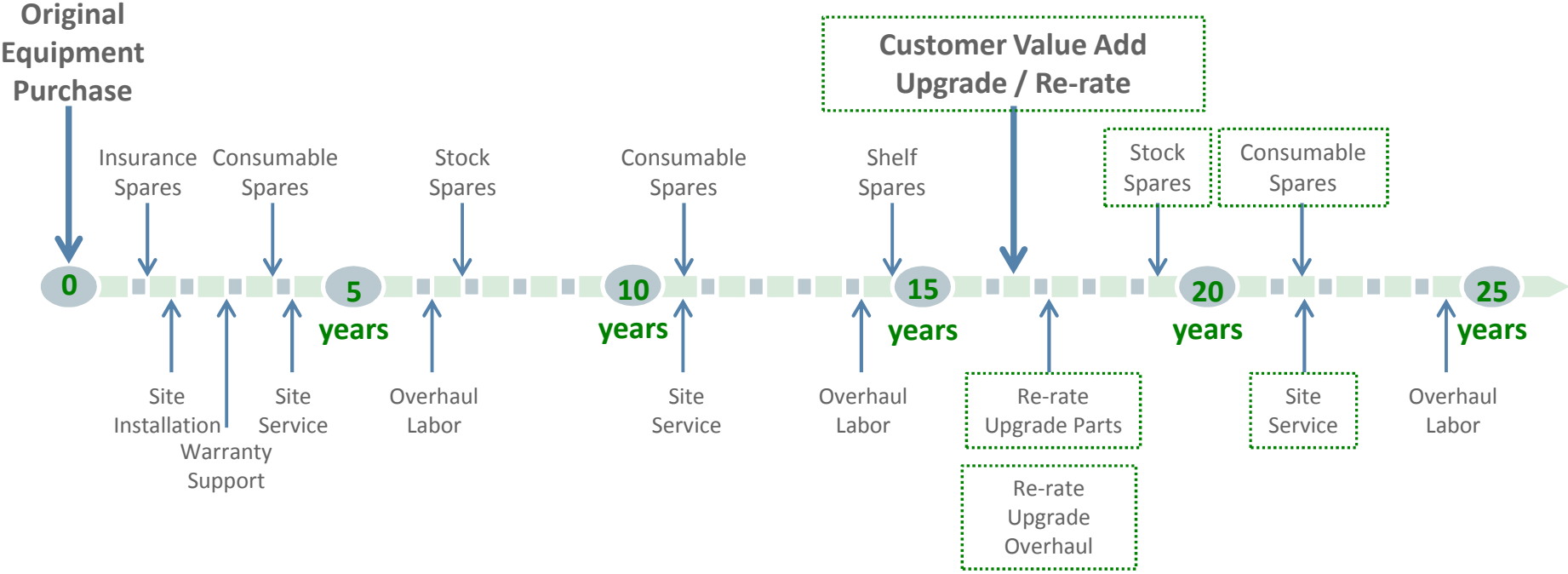
Note: Includes wholly owned service centers, authorized service centers and joint ventures

Evaluating Additional Investments and Strategic Partnerships to Expand Aftermarket Presence in the Middle East, China and South America

Typical Oil & Gas Pump Lifecycle



25 Year Pump Timeline

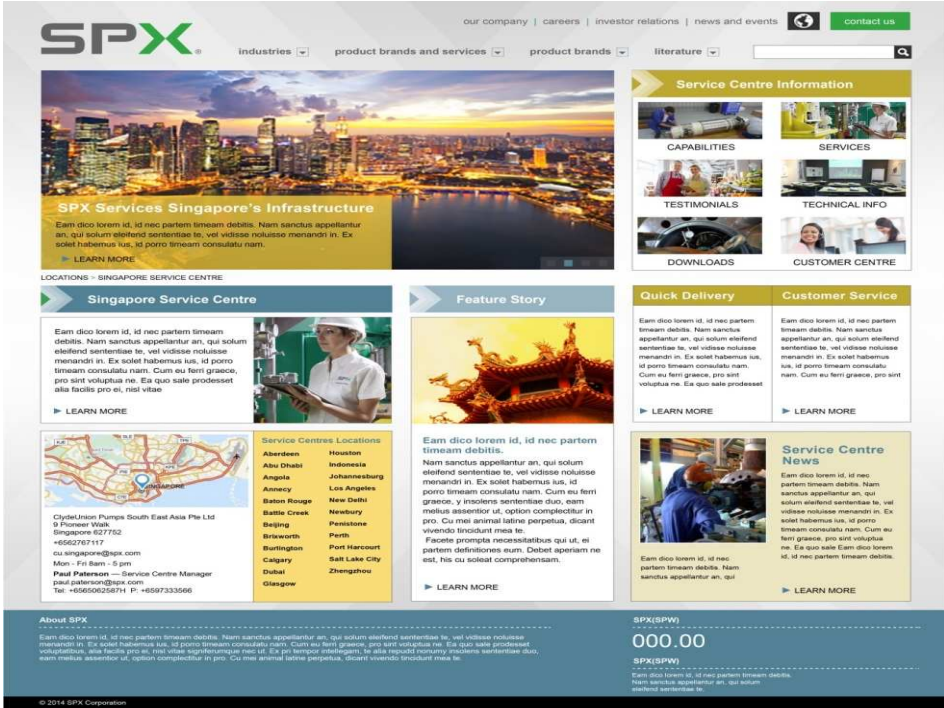


The Typical Product Lifecycle Provides an Aftermarket Revenue Opportunity Ranging from 2x to 5x the Original Equipment Sale Over a 25-Year Period

Aftermarket Websites



- Microsites developed for each service center
- Allowing for customization and localization
- Personal approach to our customers



Increased Customer Awareness Through Regional Service Center Websites



Project Examples



Enhanced Oil Recovery Project



- \$16m order for 134 metering pumps to be manufactured in Germany and delivered in China
- Represents the largest order to ever be delivered from our Nordestedt, Germany facility
- Installed new assembly line with the assistance of Global Manufacturing Operations team
- First 2 phases (30 pumps in each delivery phase) delivered on-time, key milestone
- Realized ~\$1m in net savings so far from cost savings and production efficiency



~63% Reduction in Build Cycle Time

Canadian Pipeline Project



- **\$16m order for 14 ClydeUnion pipeline pump trains** to be used in high speed (6,000 rpm) and high horse-power applications
- Pipeline project in Western Canada
- To execute the order, we are using bare shaft pumps produced in Penistone, England and packaged in Burlington, Canada
- ✓ First units passed initial test and were delivered ahead of schedule



**Successful Execution on Canadian Pipeline Project
Improves Our Position for Future Wins in High Growth Potential Market**

- 1) Disciplined order acceptance
- 2) Key account management
- 3) Expanding channel partners
- 4) Expanding configured-to-order business

Organic Revenue Growth

- 1) Combining product offerings
- 2) Improving on-time customer delivery
- 3) Expanding aftermarket footprint and capabilities

Improve Customer Experience



FLOW POWER & ENERGY

Operational Performance

- 1) Stabilized cost structure
- 2) Improving plant productivity to reduce lead times and increase throughput
- 3) Focusing on repeatability in engineering and manufacturing process

Organizational Effectiveness

- 1) Global alignment and accountability
- 2) Localizing and expanding global presence (Korea, China, Middle East, India)

**Continue to Focus on Driving Operational Improvements;
Investing in Commercial Growth Strategy**



Flow Power & Energy

Questions?





Thermal Group
Gene Lowe

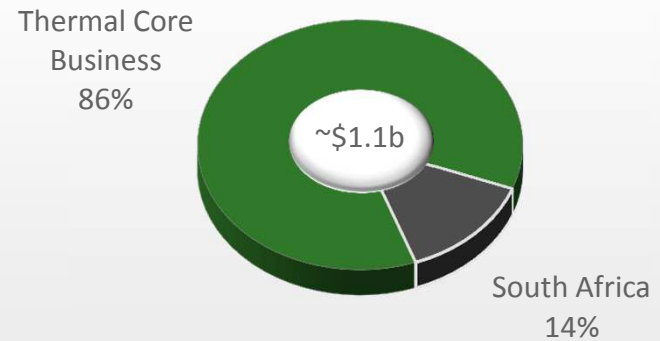


Thermal Group Overview

Business Overview:

- A leading, global supplier of cooling technologies and heat exchangers into power & energy, HVAC and industrial markets
- Large installed base and strong brand reputation
- Market leading innovation with over 250 patents

2014E Revenue Breakdown



Note: 2014E as of July 30, 2014

**Industry Leader in Cooling Technologies and Large Scale Heat Exchangers
Serving Power, Industrial and HVAC Markets**

Package Cooling

closed loop, open circuit cooling tower

Primary Advantages:
Efficient, lower capital investment

Primary Disadvantages:
water consumption, maintenance & evaporation plume



Wet Cooling

closed loop, open circuit cooling tower

Primary Advantages:
Efficient, lower capital investment

Primary Disadvantages:
high water consumption, maintenance & evaporation plume



Dry Cooling

closed loop, air cooled condensor

Primary Advantages:
water conservation, easier permitting, no evaporation plume

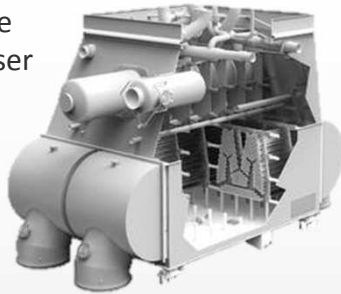
Primary Disadvantages:
higher capital investment, large footprint, modestly less efficient



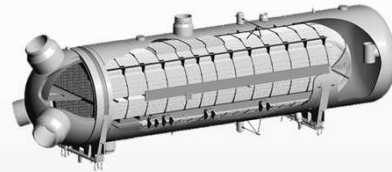
Strong Brand Recognition with a Broad Product Offering That Gives Customers Optionality in Cooling Solution

Key Heat Exchanger and Filter Products

Turbine Condenser



Feedwater Heater



Pulse Jet Fabric Filter



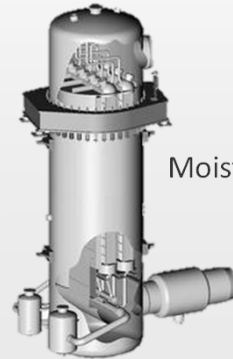
Air Preheater



Electrostatic Precipitator

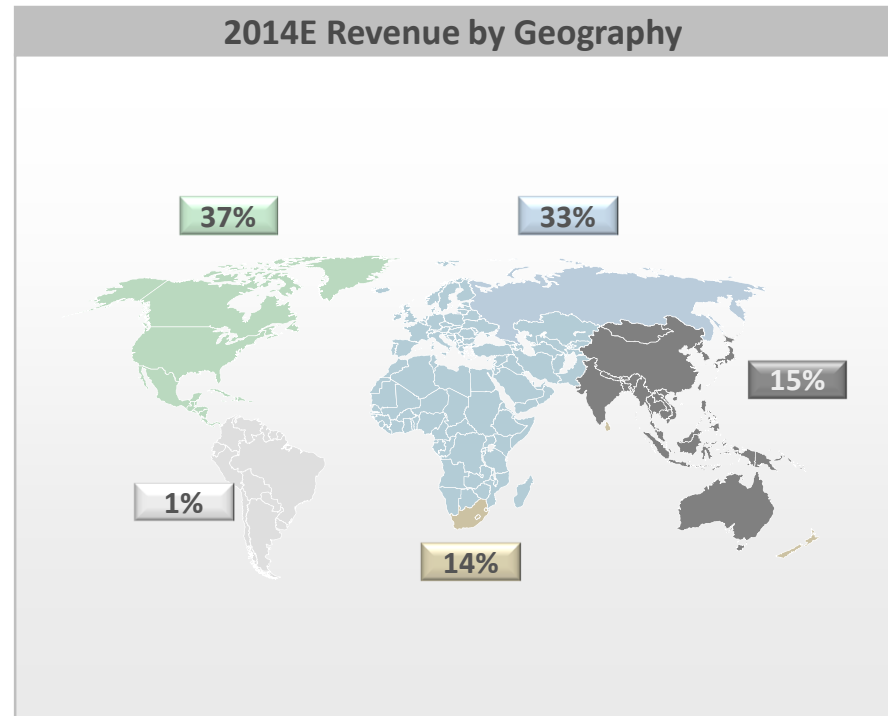
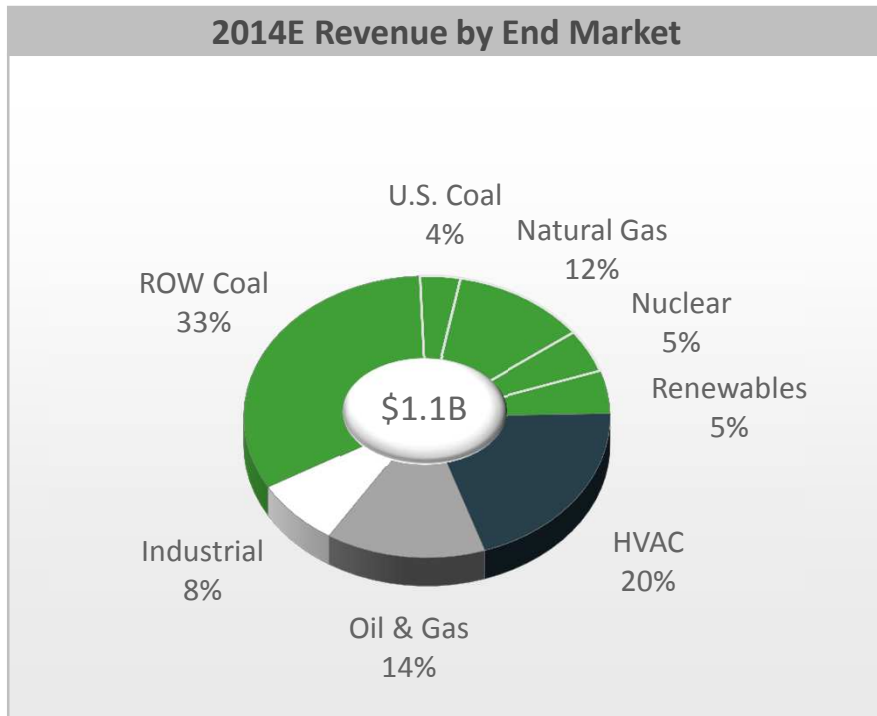


Moisture Separator Reheater



Product Offering Includes Stationary and Regenerative Heat Exchangers, Filter Systems and Boiler Retrofits, Services and Spare Parts

Thermal Group Revenue Profile



Note: 2014E as of July 30, 2014

Diverse End Market Exposure and Global Capabilities



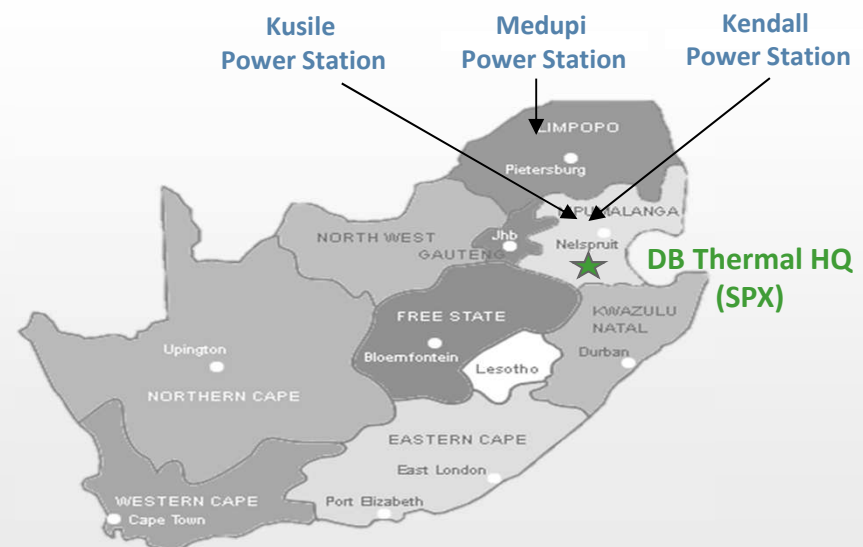
South Africa
Update



Kendall Power Station
4,100 MW

Historical Information

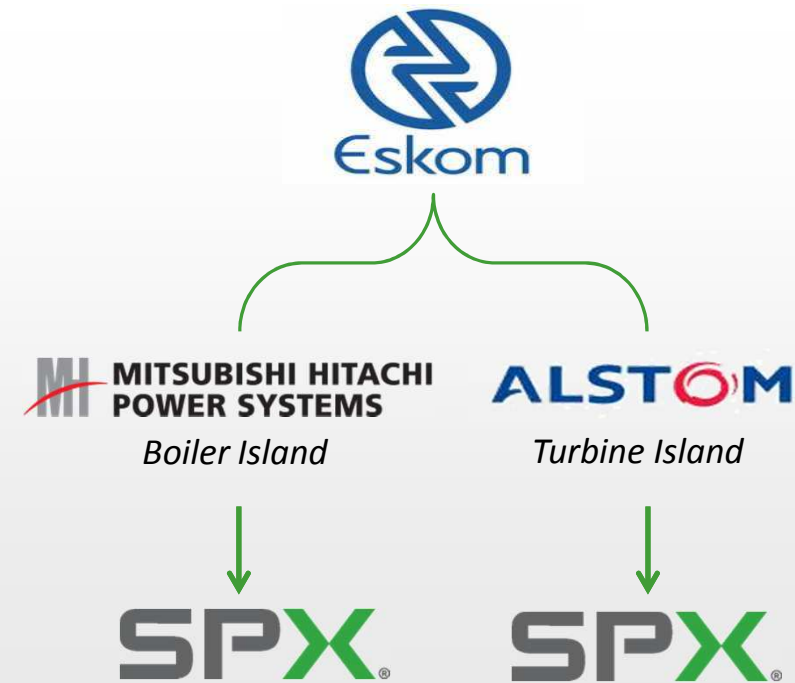
- Established a presence in South Africa as DB Thermal in 1970
- Supplied the Dry Cooling System to Eskom's 4,100 MW Kendall Power Station project, started in 1982 and completed in 1993
- Maintained a service business in South Africa (\$35m to \$40m in annual revenue)



Historical Presence, BEE Qualifications, and Local Manufacturing and Training

South Africa Project Overview

- Eskom is a state-owned South African utility
- Alstom and Mitsubishi Hitachi are the contractors
- Medupi and Kusile are the two mega-projects:
 - **Twelve, 800 mega-watt coal fired plants**
(six at each project site)
- SPX awarded contracts in 2007-2008 to supply critical components on both mega-projects:
 - Initial contracts valued at ~\$700m
 - **Contract price adjustments increased current value to ~\$1.2b**



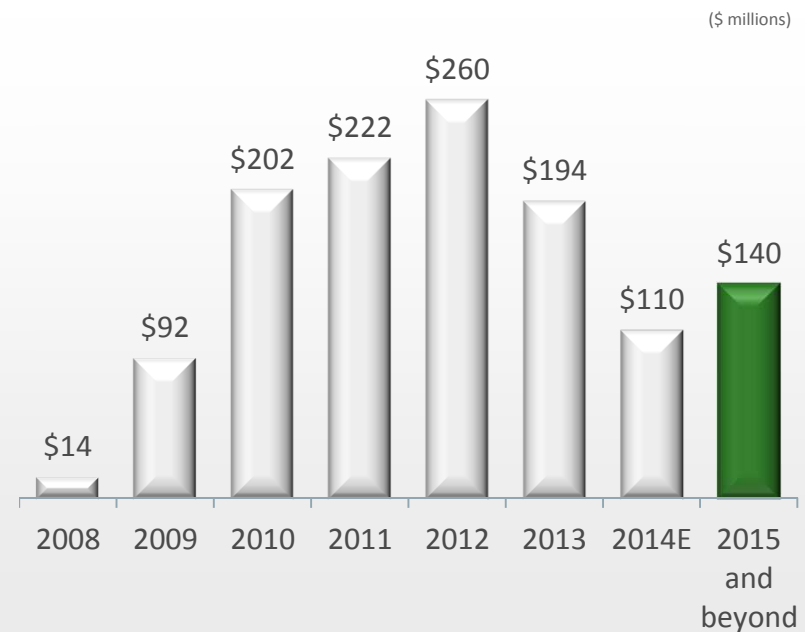
These Two Power Plant Projects Will Add ~10 GW of Power Capacity When Completed

South Africa Projects: Revenue Profile



Remaining Project Timeline

- ~\$200m of estimated future revenue
- Four primary phases to these projects:
 1. **Manufacturing:** ~85% complete today...expect to be essentially finished by end of 2015
 2. **Construction:** Currently scheduled through 2018
 3. **Commissioning:** Each unit is commissioned at various stages once construction is complete
 4. **Warranty:** On our technologies, the warranty period ranges up to 24 months after commissioning



Note: 2014E and future periods as of July 30, 2014

Eskom Expects the First of Twelve Power Plants to be Commissioned by End of 2014...A Significant Milestone

South Africa Projects: Construction in Process



Pulse Jet Fabric Filter



Air Cooled Condenser

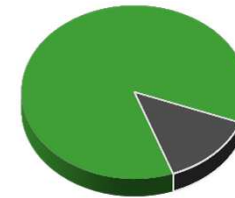


Early Stages of Erection are Underway



Thermal Core Business

Thermal Core
Business
86%



South Africa
14%



Situation Overview

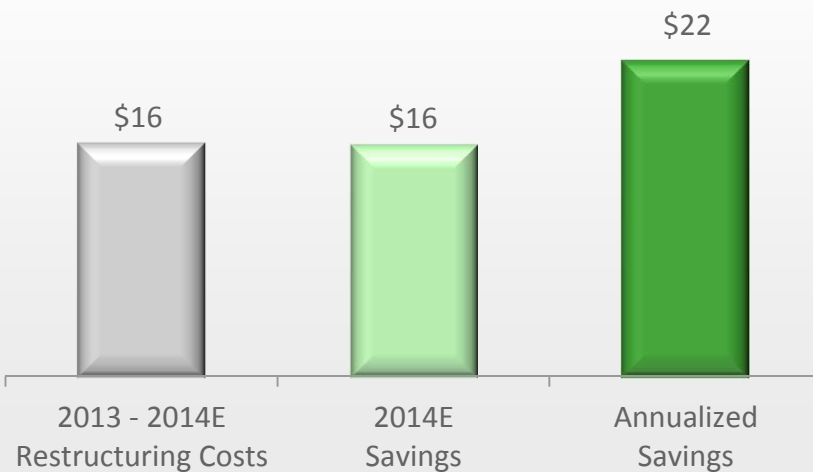
- Key initiatives positively impacting core business:
 - ✓ Reduced cost structure
 - ✓ Returned to order growth
 - ✓ Innovations gaining commercial traction



Key Initiatives are Having a Positive Impact on Core Thermal Business

Thermal Group Restructuring

(\$ millions)



Note: 2014E as of July 30, 2014

Summary of key actions:

- Reorganized management team
- Streamlined into “One Cooling” business
- Targeting headcount reduction of ~220 (*~175 already achieved*)
- Evaluating additional actions

Restructuring Efforts Have Simplified Organization and Reduced Overall Cost Structure

Channel Expansion and Marketing Initiatives:

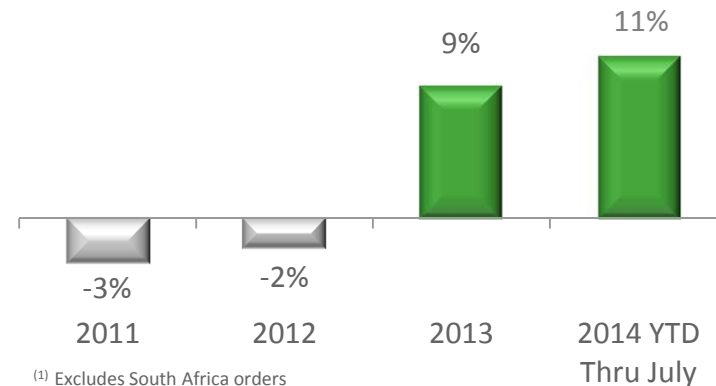
- Implemented value selling tools and installed base programs
- Building channels to target adjacent geographies and increase higher margin aftermarket and parts

“One Cooling”:

- Integrated the commercial strategies and best practices of evaporative and dry cooling organizations into “One Cooling”
- Significant increase in win rate, including several strategic orders in North America since organizational re-alignment
- Expanding into adjacent markets



Thermal Orders ⁽¹⁾ Year-Over-Year Variance



Orders in Core Business ⁽¹⁾ Continue to Strengthen

Thermal Group Backlog



Sequential Backlog Analysis

(\$ millions)

- Core Backlog
- South Africa Backlog
- Estimated contract price adjustments to South Africa backlog

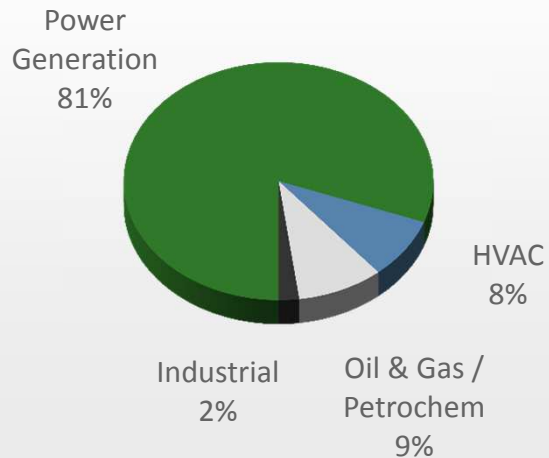


- Core backlog up 11% versus the prior year

Core Thermal Group Backlog Increased 11% Year-Over-Year

2010 Revenue by End Market

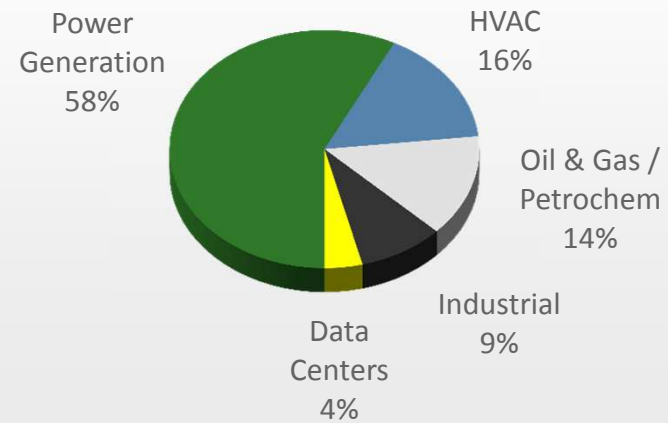
Non-Power Revenue:
19% of total



Note: All periods exclude revenue related to the South Africa power projects

2014E Revenue by End Market

Non-Power Revenue:
~42% of total



Note: 2014E as of July 30, 2014

**Focusing on Growth Opportunities in HVAC, Oil & Gas and Industrial Markets
Has Driven a Significant Increase in Non-Power Related Revenue**

■ Package Towers:

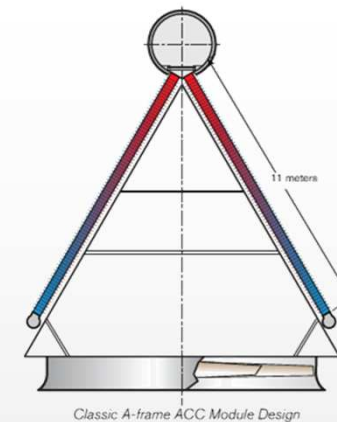
- ❑ Strengthened core NC product line with ultra quiet and efficiency technologies
- ❑ Extended product range by developing new offerings (MD, MHF)
- ❑ Key innovations driving sustained growth



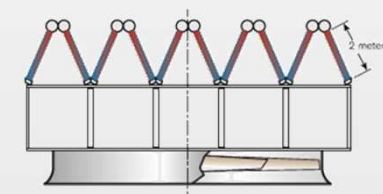
**Innovation has Led to Market Share Gains Over the Past Few Years;
We Continue to Drive Innovation to Support Our Customers**

▪ **ModuleAir™ air cooled condenser:**

- ❑ Construction savings of up to 25% as compared to standard A-frame
- ❑ Shorter, safer construction time
- ❑ Enhanced annual average power plant output
- ❑ Several patents in process
- ❑ Gaining commercial traction:
 - ✓ Commissioned first order
 - ✓ Won a second order, robust pipeline
 - ✓ Will take time to show references



Classic A-frame ACC Module Design



ModuleAir A-frame ACC Module Design

In Early Stages of Commercializing New Innovations, But Gaining Traction

Innovation Initiatives: Modular Wet Cooling



**Strong Value Proposition: Speed, Quality, Lower Labor, Reduced Risk;
Customer Reaction has Been Very Positive**

▪ **ClearSky™** (plume abated cooling): →

- ❑ Hybrid wet/dry technology that virtually eliminates plume
- ❑ We have established blue chip references and won several additional orders
- ❑ Strong pipeline for new opportunities
- ❑ Patent protected

Nothing Could Be Clearer

Cooling tower systems have been around for decades; in fact, the Marley brand has been synonymous with leading cooling tower technology since 1922.

And while every Marley cooling system is designed for maximum performance, certain environmental conditions can lead to visible water vapor plumes – plumes that can affect visibility and safety as well as public perception, and potentially delay permits and jeopardize project timelines.

For many, finding a cooling solution that provides exceptional performance and value while minimizing plume development has been challenging.

A Break in the Clouds

ClearSky Plume Abatement System

Why is plume abatement important?

Aesthetics / Neighbor Relations – Even though the cooling tower plume is made up of water vapor, a community may perceive it as unwanted or smoke-related. This may affect the use of nearby land or decrease property values.

Safety – Community concerns regarding visibility can be removed by significantly reducing visible plume.

Retrofit – The ClearSky Plume Abatement System can be added to existing cooling towers in many cases, making plume abatement even more economical.

Permitting – Permitting can be a long and costly process. Eliminating the visible plume may enhance a smooth permitting process.

Water Conservation – Water is increasingly becoming a scarce and valuable commodity. Removing water from the vapor plume can help decrease water-related costs and help the environment.

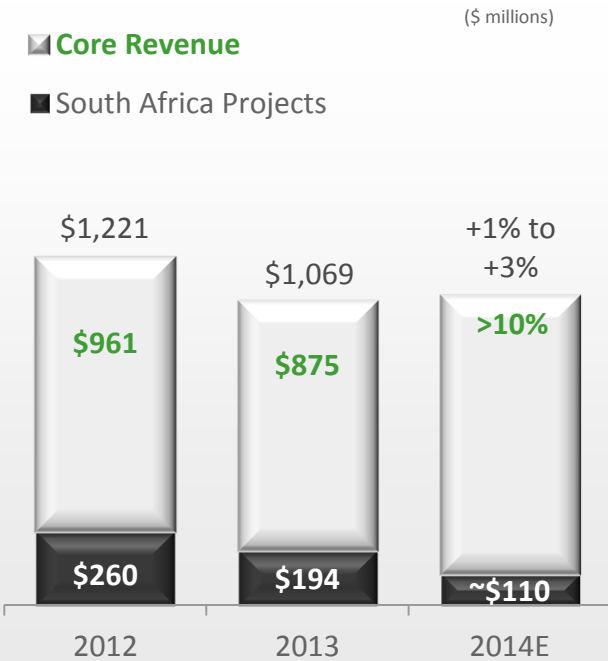
Recently Announced a New Award of ~\$50m to Supply Our ClearSky Solution for an Indirect Coal Liquefaction Project in China

Full Year Financial Analysis

2014 Expectations:

- 1% to 3% total revenue growth:
 - **>10% core revenue growth**
 - \$84m decline in revenue from South Africa projects

- Targeting >10% bookings growth



Note: 2014E as of July 30, 2014

Thermal Core Revenue Expected Grow >10% in 2014E

Situation Overview

- Key initiatives positively impacting core business:
 - ✓ **Reduced cost structure**
 - ✓ **Returned to order growth**
 - ✓ **Innovations gaining commercial traction**
- South Africa power projects ramping down:
 - Aggressively managing projects, but challenges remain



Key Initiatives are Having a Positive Financial Impact on Our Core Thermal Business



Thermal Group: Questions?

- SPX Marley cooling towers are installed on the top of ONE World Trade Center





Personal Comfort Heating

David Kowalski





Key Product Offerings



residential
boilers



commercial
boilers



wash-down, corrosion
resistant heaters



digital wall heaters

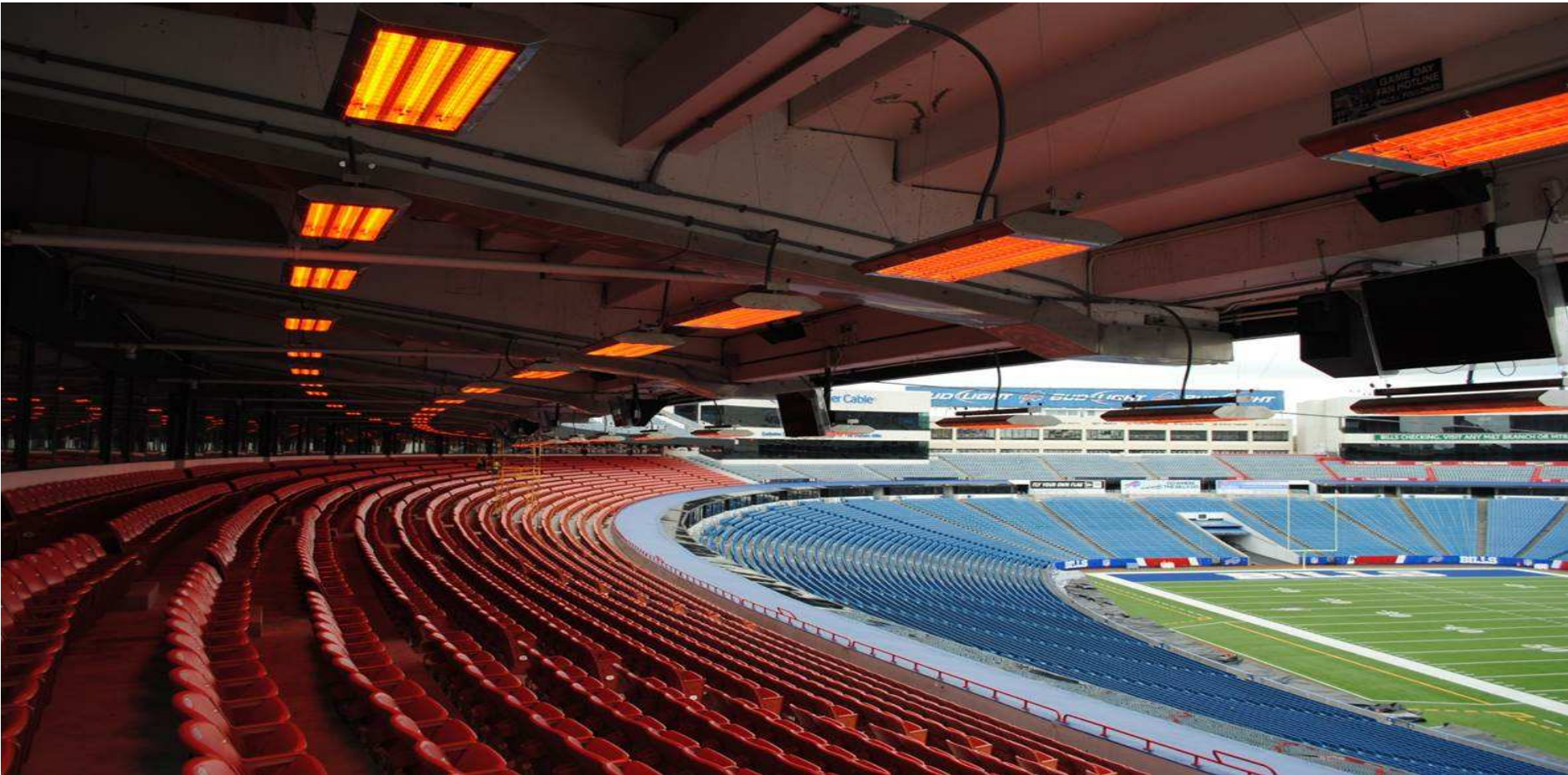


aluminum
convection heaters



Broad Product Offering of Heating Solutions for Residential and Commercial Applications

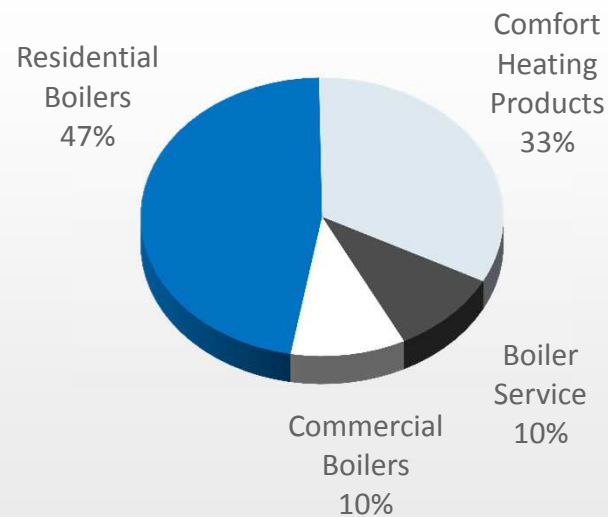
Marley Engineered Products Heaters
at Ralph Wilson Stadium in Orchard Park, NY





Business Overview

2014E Revenue Breakdown



Note: 2014E as of July 30, 2014

- Strong brand reputation in North America
- Sell primarily through distribution with end customers concentrated in the Northeast and Midwest
- A highly seasonal, short-cycle, business with sales volume often tied to the severity of winter weather
- Manufactures in three locations
- Eden, NC, the primary boiler manufacturer, is one of SPX's best practitioners of Lean principles

A Leading U.S. Supplier of Personal Comfort Heating Products



Financial Overview



**Steady Revenue Growth Aided by Recent Harsh Winters and Commercial Initiatives;
Steady Margin Improvement Despite Increased Investments in Innovation**



Industrial Products and Services



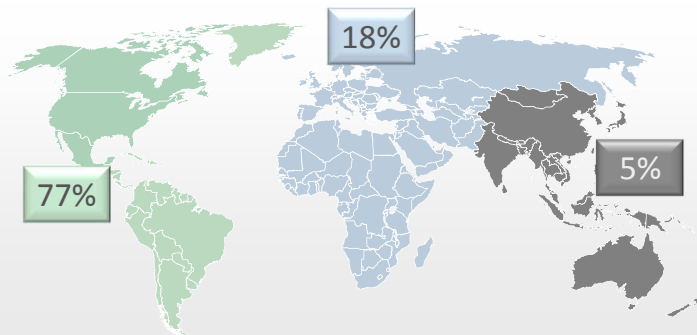
Industrial Products & Services Overview



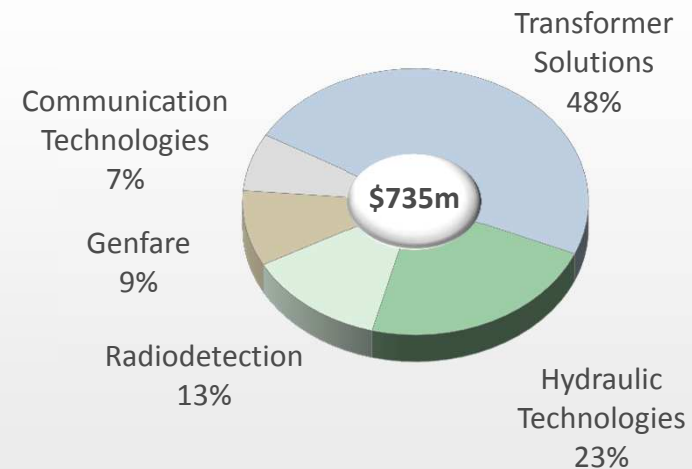
Segment Overview

- 2013 revenue: \$735m
- Niche businesses concentrated in the United States with leading market positions and attractive profitability and cash flow characteristics

Revenue by Geography



2013 Revenue by Business



Industrial Products & Services Comprises Niche Businesses With Attractive Profitability and Cash Flow Characteristics

SPX Transformer Solutions



Medium Power Transformers
10 to 100 MVA



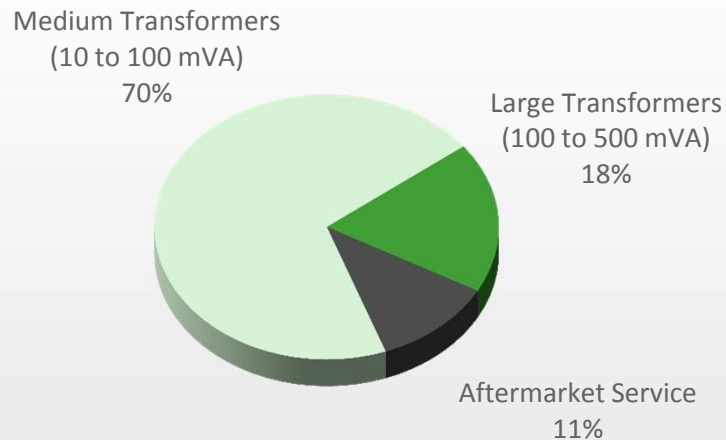
Extremely High Voltage (EHV) Power Transformers
100 to 500 MVA



A Leading Supplier of Power Transformers into the North American Power Grid

Business Overview

2014E Revenue Breakdown



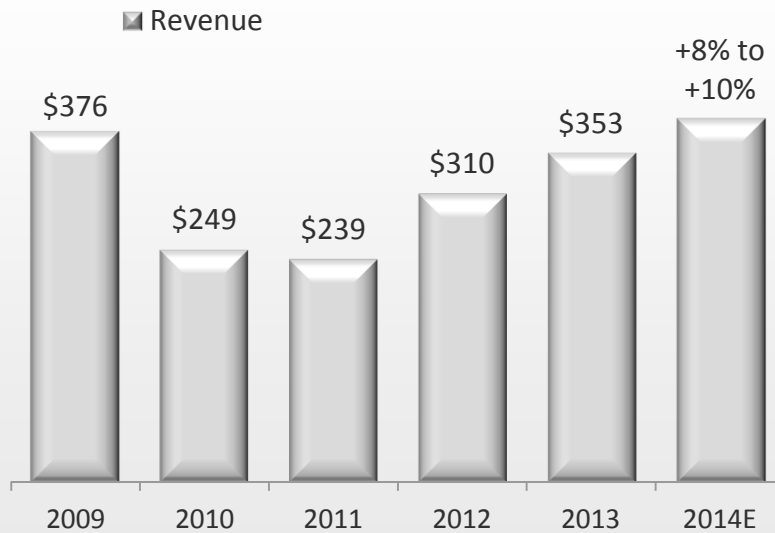
Note: 2014E as of July 30, 2014

- SPX is a leading supplier of power transformers into North America with strong brand equity for quality and reliability
- Customers include:
 - Public and private electric utilities
 - Independent power producers (ex: oil and gas)
 - Data centers
- Manufacturing locations in Waukesha, WI and Goldsboro, NC with service center in Dallas, TX

A Leading Supplier of Power Transformers into the North American Power Grid

Financial Overview

(\$ millions)



Note: 2014E as of July 30, 2014

- End market trends:
 - Replacement demand has been strong
 - Market pricing challenging, market lead times stable
- Our focus has been on driving higher levels of operational efficiency and reducing cost, with emphasis on product redesign opportunities
- Commercial initiatives:
 - Increasing focus on the market segments that best leverage our manufacturing and engineering value
 - Increasing exposure to oil & gas and data centers

In the Current End Market Environment, Our Focus is on Reducing Cost, Improving Productivity and Increasing the Focus of our Commercial Strategy

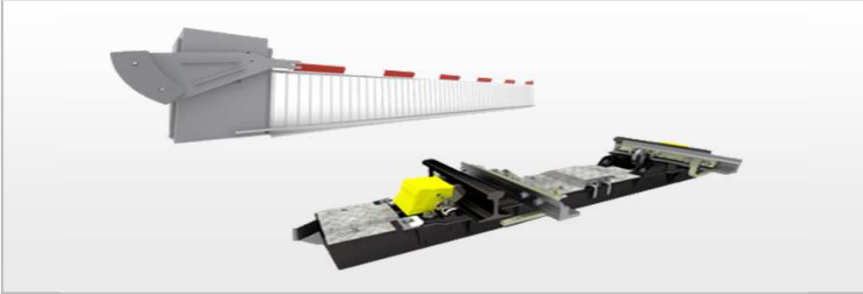
Power Tools & Systems



Hydraulic Bolting Systems



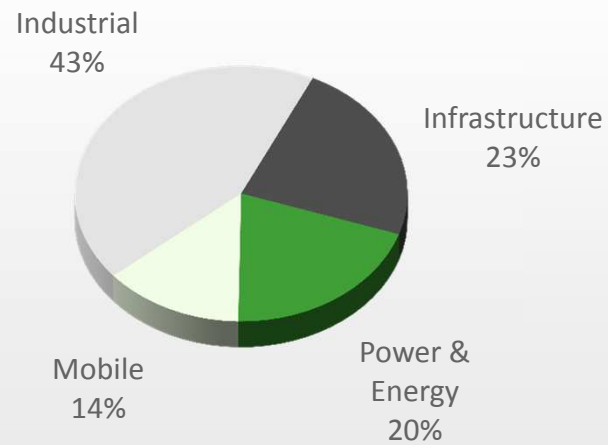
Rail Systems



Hydraulic Technologies Delivers High Density Power and Control Systems to Customers in Global Industrial, Infrastructure and Power & Energy Markets

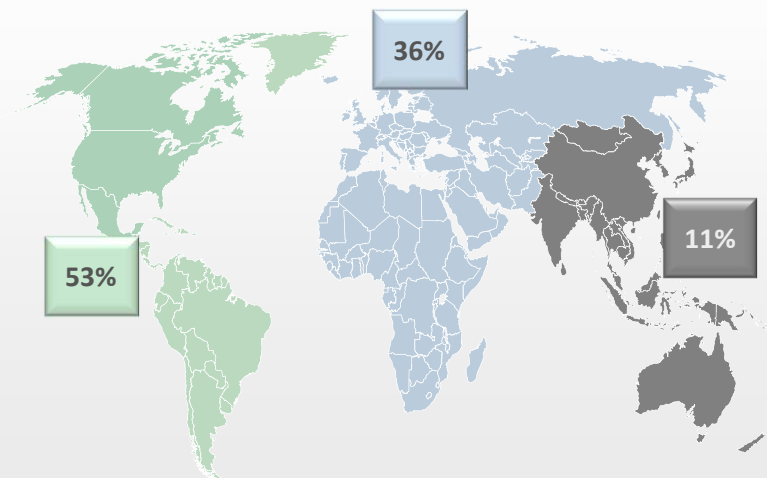
Business Overview

2014E Revenue by End Market



Note: 2014E as of July 30, 2014

2014E Revenue by Geography



Hydraulic Technologies Delivers High Density Power and Control Systems to Customers in Global Industrial, Infrastructure and Power & Energy Markets

Financial Overview

(\$ millions)



Note: 2014E as of July 30, 2014

- ~11% revenue CAGR over the last 5 years:
 - Acquired Torque Tension Systems in 2010
 - Steady organic growth, above GDP
- Operating performance has continued to improve with productivity at an all time high at Rockford
- Key growth initiatives:
 - Further develop sales channels
 - Expand packaged offerings of Bolting Systems and companion Powerteam tools and solutions
 - Expand service business by combining with Flow Power & Energy service center footprint

**Consistent Revenue Growth Over Past Six Years;
Significantly Improved Operating Performance**

Radiodetection



Locators



Dry Air



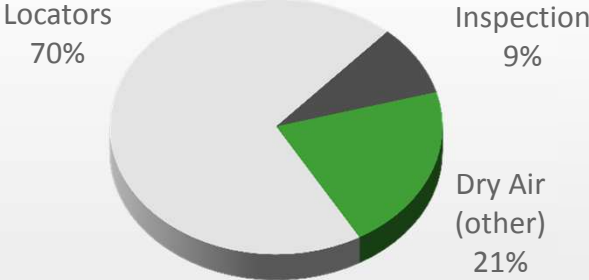
Inspection



Products Apply to Oil & Gas, Telecom, Water & Sewage and Electrical Transmission Markets

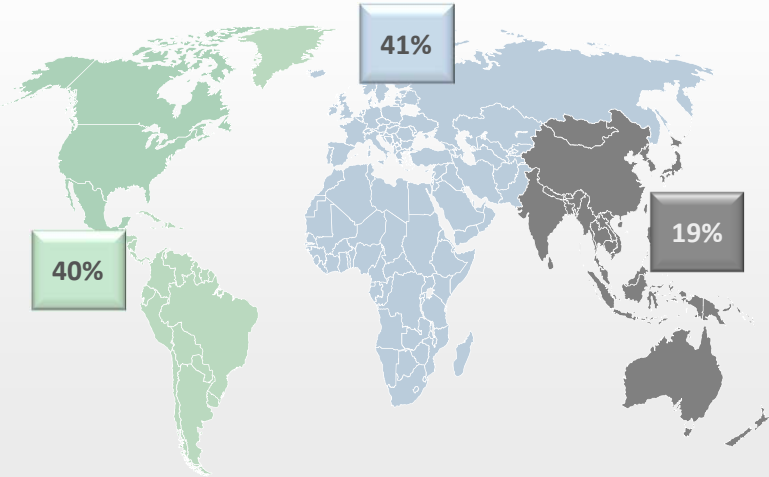
Business Overview

2014E Revenue by Product



Note: 2014E as of July 30, 2014

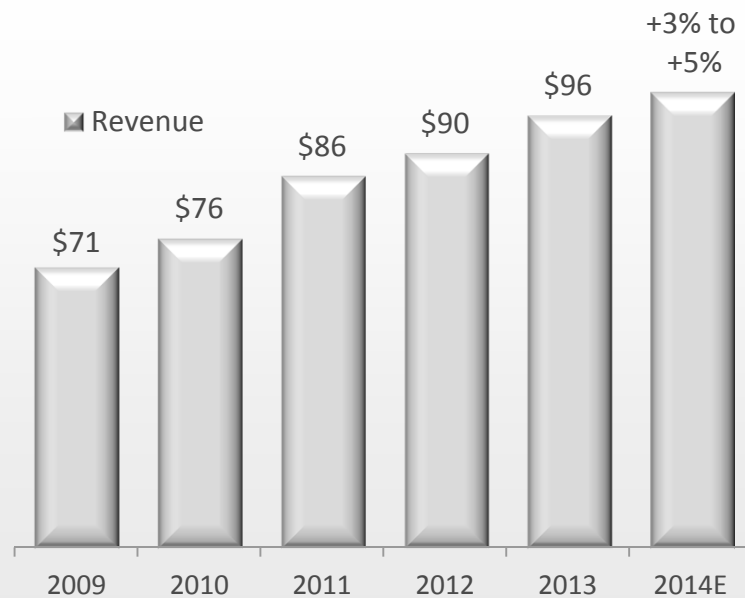
2014E Revenue by Geography



A Leading Global Supplier of Underground Pipe and Conduit Detection Equipment

Financial Overview

(\$ millions)

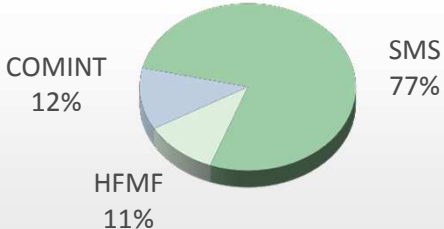


Note: 2014E as of July 30, 2014

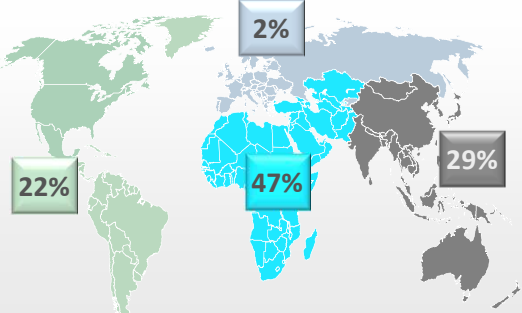
- ~8% revenue CAGR over the last 5 years
- Global infrastructure growth has led to increased demand for locator and inspection products
- Low manufacturing overhead provides high operating leverage on sales growth
- Strong operating margins maintained by steady release of new product enhancements

Radiodetection's Focus on Enhanced Features has Resulted in Strong Loyalty from the End User Community

2014E Revenue by Technology Offering



2014E Revenue by Geography



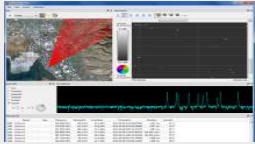
Note: 2014E as of July 30, 2014

Key Product Offerings

Spectrum Monitoring Systems (SMS)



Communications Intelligence (COMINT)

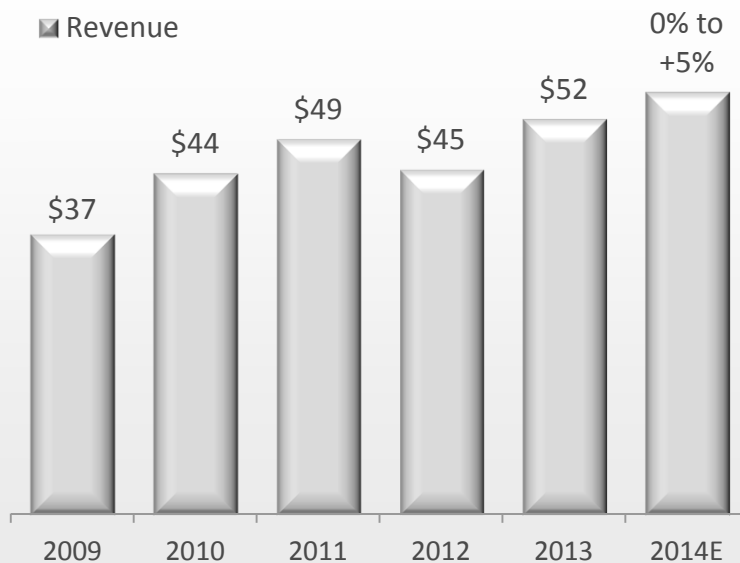


**A Recognized Leader in Radio Monitoring and Geolocation;
Customers Include Governments (U.S. Allies) Around The World**

Historical Financial Analysis

(\$ millions)

■ Revenue



Note: 2014E as of July 30, 2014

- Expansion of mobile wireless driving growth in spectrum monitoring market
- Anti-terrorism and drug interdiction efforts drive increased demand for communication intelligence technology
- Contract timing is hard to predict; however, pipeline of opportunities has increased over time
- Customer expectations for increasingly portable equipment has led to ongoing engineering investments to reduce size, weight and power requirements

**Quickly Evolving Technology and Increased User Demands
has Led to Steady Increases in Engineering Investment**

1) Leading North American supplier of farebox units used in public transportation (primarily buses):

- ❑ Historical market position concentrated on hardware oriented farebox installations on buses

2) Rapidly evolving technology in the market has driven significant changes in Genfare organization:

- ❑ Transformation from “farebox supplier” to “fare collection system solution provider”
- ❑ Increased investment in engineering, program management and marketing
- ❑ Partnerships with larger public infrastructure system integrators

3) New product introductions have expanded product offering to include:

- ❑ Mobile ticketing
- ❑ Cloud based data hosting
- ❑ Remote ticket validator
- ❑ Point of sale delivery systems

Technology Investments have Kept Genfare at the Forefront of Rapidly Evolving Transportation Market

Genfare Technology Innovation

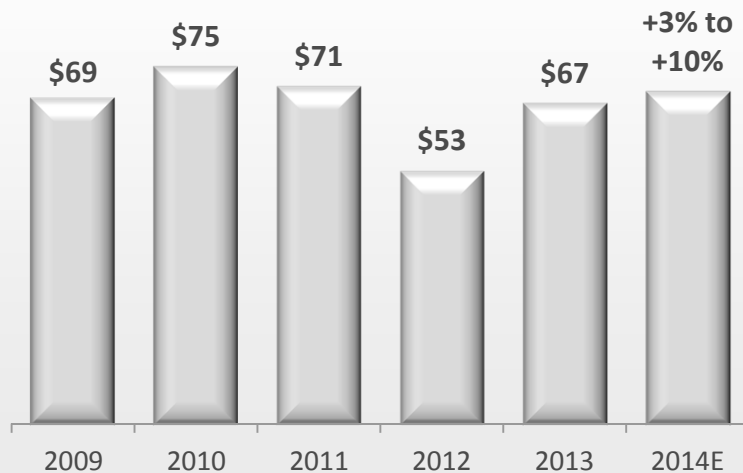


Fast Fare Suite of Products Integrated With Back-End Support is Creating a New Industry Standard

Financial Analysis

(\$ millions)

■ Revenue



Note: 2014E as of July 30, 2014

- Customers are primarily U.S. cities; Federal Funding through the U.S. Highway Bill is essential
- The revitalization of urban centers and the influx of young professional ridership has increased demand
- New found popularity of electronic fare media and solutions that emphasize cost savings in fare collection will result in substantial potential for a replacement/upgrade market
- Contract timing is hard to predict; however, pipeline of opportunities has increased over time

Continued Investment at Genfare to Maintain Market Leadership as the Core Technology Quickly Evolves



Global Manufacturing Operations (GMO)

David Kowalski



GLOBAL MANUFACTURING OPERATIONS

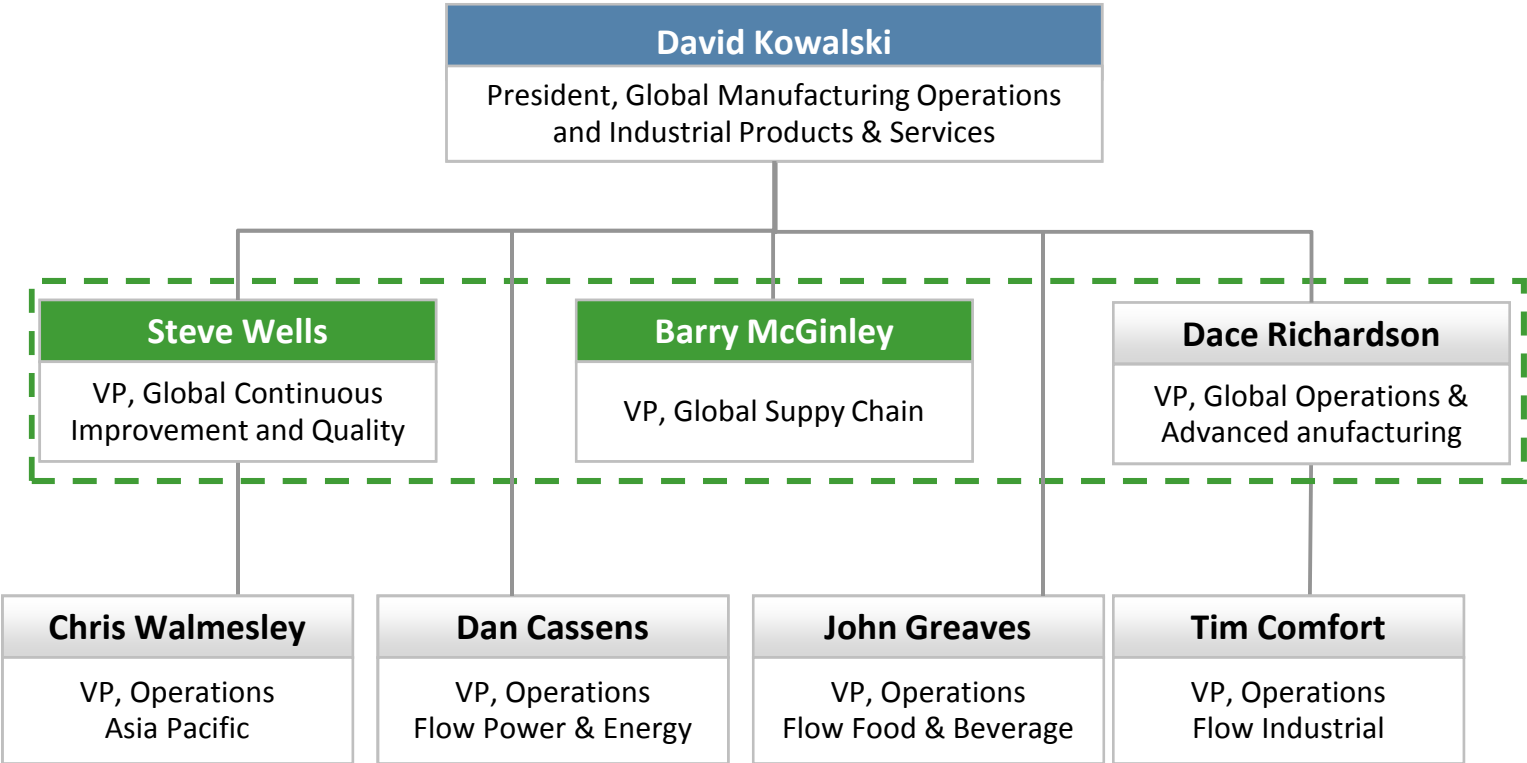


Priorities Focused on Re-Energizing Continuous Improvement Programs, Improving Supply Chain Management and Optimizing Global Footprint

- ✓ Established Global Manufacturing Operations leadership team
- ✓ Evaluated footprint initiatives ...finalizing initial action plans:
 - Paced by physical expansion efforts, followed by potential facility consolidations
- ✓ Defined and implemented a consistent set of metrics across the organization
- ✓ Began steering continuous improvement initiatives accordingly
- ✓ Defined global sourcing strategy and organized improvement activities
- ✓ Organized central supply chain resources around key commodities and rationalization of contracts

**Global Manufacturing Leadership Team Established with Defined Roles;
Initial Evaluation Largely Complete; Expect Actions to Accelerate Over Next 18-24 Months**

Global Manufacturing Operations Team



Established, Veteran, Organization with Defined Responsibilities

Barry McGinley, VP Global Supply Chain

- Over 20 years of experience in Supply Chain, Project Management, Engineering and Business Development:
 - ❑ Praxair
 - ❑ ExxonMobil
- 10 years living and working overseas:
 - ❑ China, Spain, Belgium, Korea, Nigeria, Brazil

Steve Wells, VP Global Quality & Continuous Improvement

- 30 years in Operations and Engineering:
 - ❑ Goodrich/United Technologies
 - ❑ Sun Chemical
 - ❑ RR Donnelley
 - ❑ AlliedSignal/Honeywell
- Certifications:
 - ❑ Six Sigma Master Black Belt (Allied Signal)
 - ❑ Lean Practitioner (Goodrich)
 - ❑ CQM/OE (ASQC), Lead Auditor (RABSQA)

Added Two Experienced Leaders With Successful Track Records

Strategic Approach

- **Identify lower cost manufacturing solutions that can be implemented quickly, with limited business disruption:**
 - ❑ “Lift and Shift” to existing locations
 - ❑ Targeting low-cost labor regions where SPX has an established, successful, operation
 - ❑ Reduce # of sites and overhead costs
- **Focus on actions consistent with end market growth strategy:**
 - ❑ Localize in higher growth regions, reduce delivery times, improve customer experience
 - ❑ **One SPX**

Expansion Actions Under Review

Two major initiatives to “prime the pump”:

- **Bydgoszcz, Poland:**
 - ❑ Expand from 121k sq. ft. leased facility to 300k sq ft owned facility
 - ❑ Land purchased, new construction beginning
 - ❑ Polish tax incentives
 - ❑ 2014E revenue ~\$60m; potential revenue >\$250m
- **Expand capabilities in Busan, Korea:**
 - ❑ 2014E revenue ~\$15m; potential revenue ~\$50m+

**Footprint Strategy Consistent with End Market Growth Plans and Cost Reduction Initiatives;
Initial Expansion Actions in Poland and Korea Enable Other Moves**

Preliminary Footprint Optimization Plan



- **Houston:**
 - Market growth opportunities in oil & gas for valves, pumps and aftermarket service
 - Consolidation of multiple sites
- **China:**
 - Successful track record in certain product lines
 - Continued localization to reduce lead times and cost
 - Freight, supply chain, labor
- **Poland:**
 - Successful low cost manufacturing option
 - Proven team, multi-functional manufacturing and engineering
 - 20%+ labor efficiency/cost advantage
- **Korea:**
 - Successful dehydration operation
 - Opportunity to pull through SPX Flow portfolio and expand our offering to Korean EPC's



Evaluating Manufacturing Footprint Optimization Based on Market Potential and Cost Competitiveness

Bydgoszcz History and Planned Expansion



- Facility aquired with APV in 2007, process capabilities have led to volume increasing 3X to \$60m today
- 110,000 sq. ft. of factory space to be expanded to 300,000 sq. ft.
- Transferred products to be drawn from various sites with a priority on similar processes, materials or end markets
- Expect expansion to increase annual revenue potential at this location to ~\$250m

Products Currently Manufactured in Bydgoszcz



F&B pumps



F&B valves



F&B heat exchangers



F&B skids



Industrial pumps



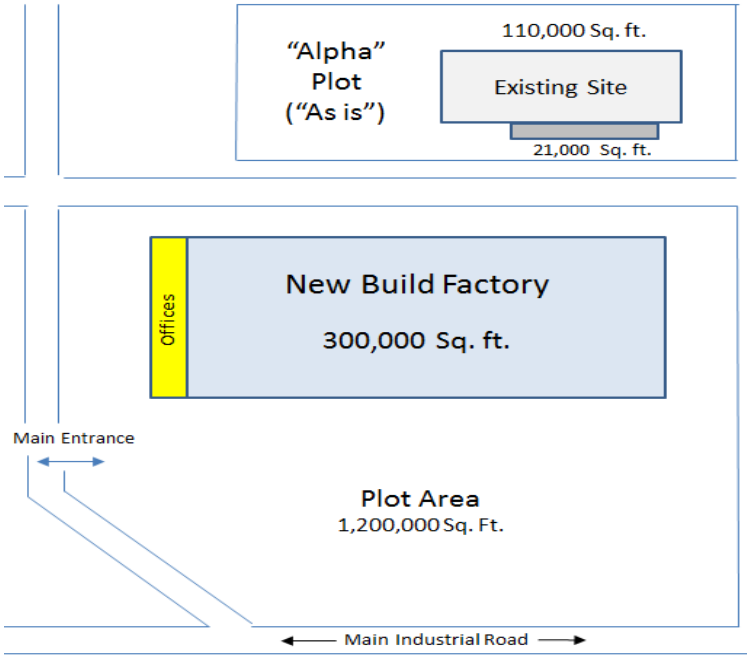
district heat exchangers



tubular heat exchangers

Skilled Workforce with Strong Operational Performance Drives Opportunities for Growth

Bydgoszcz Planned Expansion



Land Purchased in Q3 2014

Global Manufacturing Operations: Summary Evaluation



- Footprint**
 - High return on investment opportunities in low cost and high growth potential regions
 - Expect phased approach over the next 2-3 years; continued restructuring expense
- Supply Chain**
 - Only ~30% of total sourcing spend concentrated in enterprise wide programs
 - Opportunity to leverage global supplier relationships
- Continuous Improvement**
 - Reduced lead times and improved on-time delivery will lead to higher organic growth potential
 - The journey never ends...room for improvement even at our leanest facilities

Future State

- ✓ **Simplified organization**
- ✓ **Quicker delivery**
- ✓ **Higher quality customer experience**
- ✓ **Improved competitive position**
- ✓ **Higher margin performance**

Operating Initiatives Expected to Contribute to Achieving Top End of Flow's 13%-15% Target Operating Margin Range



Questions?

David Kowalski





Delavan Plant Tours

David Kowalski



Delavan, Wisconsin

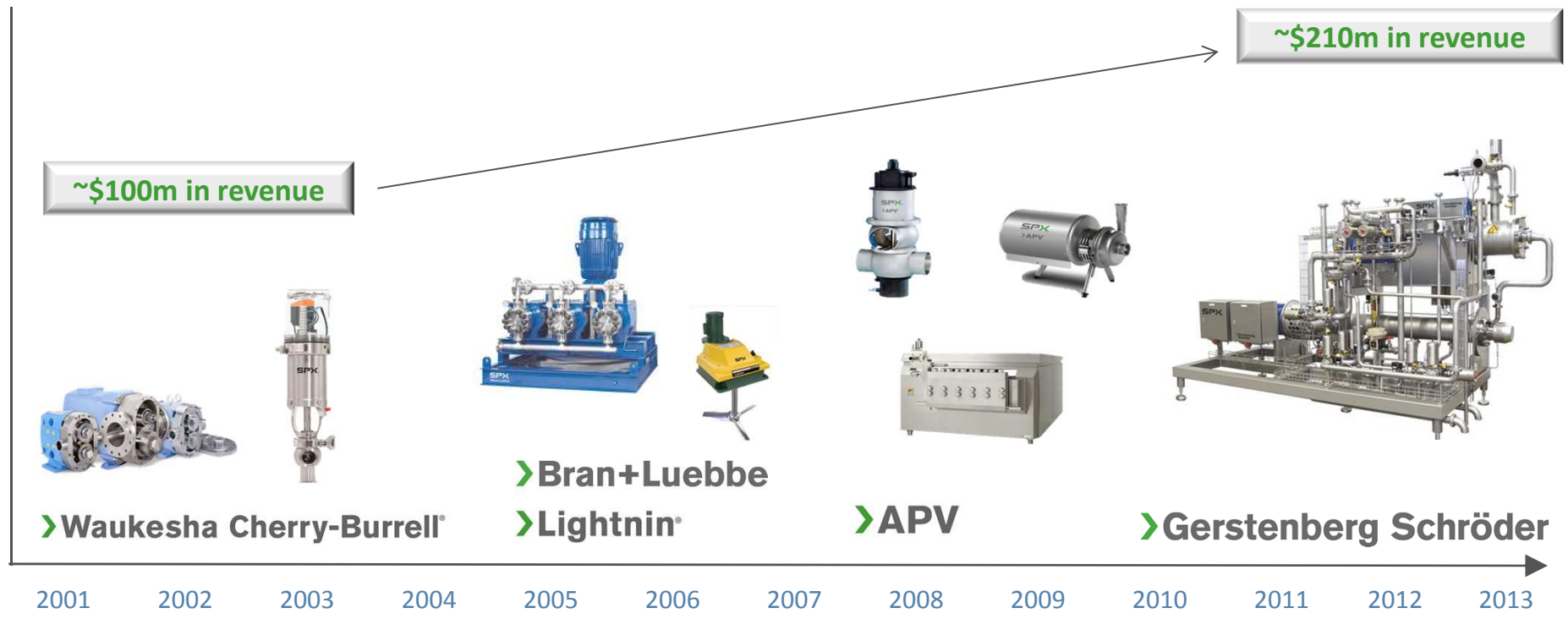


- Established in 1977 as Superior Stainless
- Acquired by SPX in 2001 with United Dominion
- Two buildings; ~300k square feet of manufacturing space
- ~400 employees, skilled workforce
- Products manufactured primarily in stainless alloys
- >85% of sales into Food & Beverage market
- Nearly all sales into North America



Skilled Workforce with Strong Operational Performance Drives Opportunities for Growth

Delavan History



Delavan's Sales and Production Capabilities have Expanded Significantly Over Time With Limited Capacity Investment

Pumps & Valves Manufactured at the Sugar Creek Facility



Food & Beverage PD Pump



Pharmaceutical PD Pump



Industrial PD Pump



F&B Lobe Pump



Food & Beverage Centrifugal Pump



Universal Centrifugal Pump



Continuous Process Mix Proof Valve



Butterfly Valve



Pressure Relief Valve



Shut-Off, Divert and Tank Valve



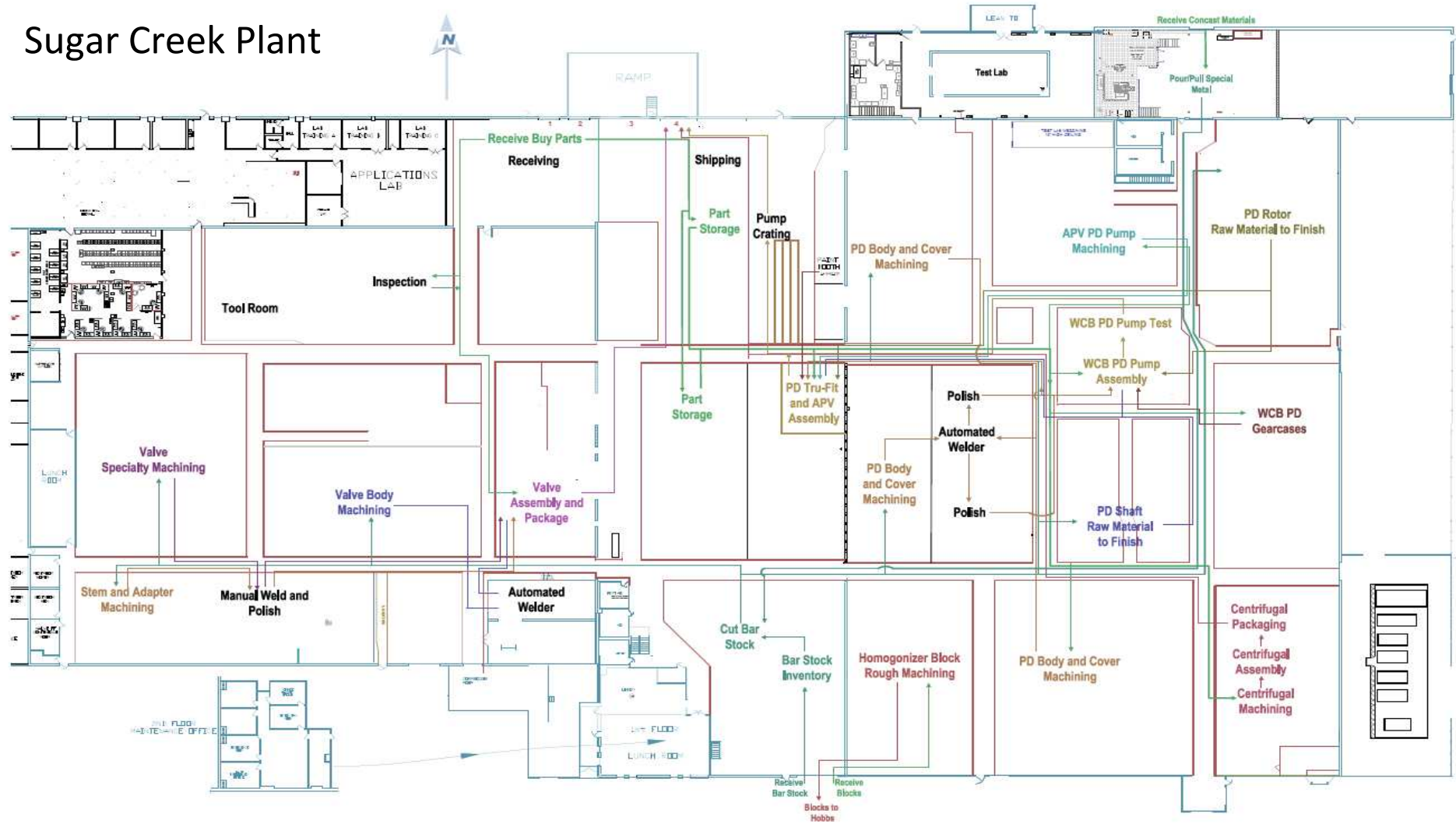
Throttling/Regulating Valve



Minimal Spill Valve

A Variety of Pumps and Valves are Manufactured at the Sugar Creek Facility

Sugar Creek Plant



Primary Products Made at Hobbs Facility



Vertical Scraped Surface Heat Exchanger



Scraped Surface Heat Exchanger



Metering Pump Skidded System



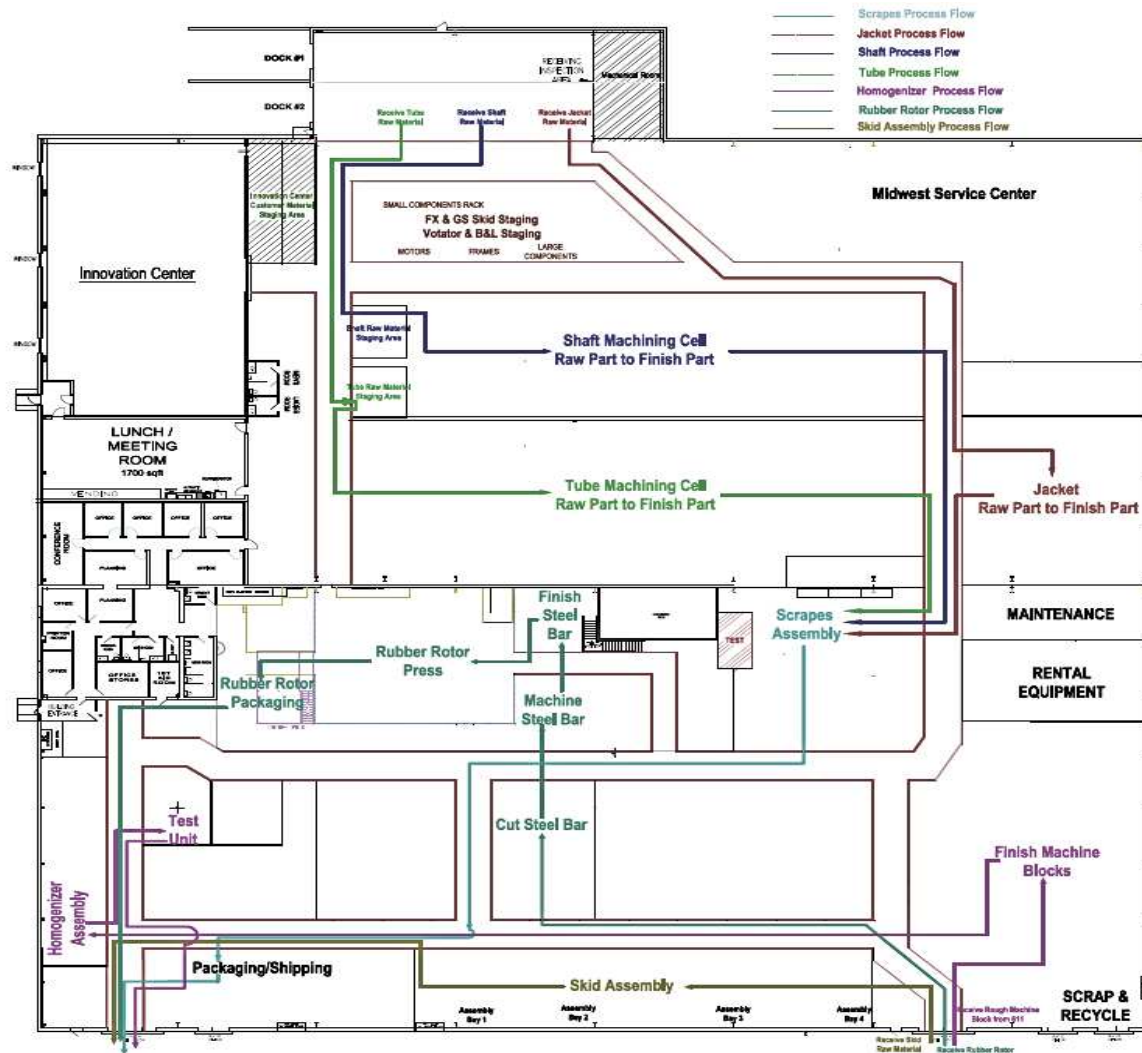
Homogenizer



Bacon Press

Heavy Duty Components and Skids are Manufactured and Assembled at the Hobbs Facility

Hobbs Plant



SPX[®]