

SPX Reports Fourth Quarter 2008 Results

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Revenues and Segment Income up 17%

Adjusted Earnings Per Share from Continuing Operations Exceeds Guidance

CHARLOTTE, NC - February 25, 2009 - SPX Corporation (NYSE:SPW) today reported results for the fourth quarter and year ended December 31, 2008:

Fourth Quarter Highlights:

- Revenues increased 16.9% to \$1.51 billion from \$1.29 billion in the year-ago quarter. Organic revenue growth* was 6.7%, while completed acquisitions increased reported revenues by 14.5%. Currency fluctuations decreased reported revenues by 4.3%.
- Segment income and margins were \$226.5 million and 15.0%, compared with \$193.8 million and 15.0% in the year-ago quarter.
- Diluted net income per share from continuing operations was a loss of \$0.20, compared with income of \$1.85 in the year-ago quarter. Fourth quarter 2008 results include a non-cash charge of \$123.0 million (\$119.4, net of tax), or \$2.26 per share, for impairment of intangible assets at the company's boiler unit. This charge was taken in conjunction with the company's year-end impairment testing as required under SFAS No. 142, and resulted from the impact of the substantial deterioration in economic conditions in the fourth quarter of 2008.
- Adjusted net income per share from continuing operations* was \$2.06, excluding the impact of the impairment charge noted above, as compared to the company's guidance of \$1.90 to \$2.00.
- Net cash from continuing operations was \$253.7 million, compared with \$280.3 million in 2007. Increased cash spending for restructuring actions, primarily associated with the integration of APV, drove the majority of the decline.
- Free cash flow from continuing operations* during the quarter was \$213.6 million, compared with \$244.6 million in the year-ago quarter. The decrease was due primarily to the cash restructuring noted above and increased capital expenditures to support the continued growth in the company.

Full Year 2008 Highlights:

- Revenues increased 28.0% to \$5.85 billion from \$4.58 billion in 2007. Organic revenue growth* was 6.2%, while completed acquisitions and the impact of currency fluctuations increased reported revenues by 20.3% and 1.5%, respectively.
- Segment income and margins were \$801.6 million and 13.7%, compared with \$606.2 million and 13.2% in 2007.
- Diluted net income per share from continuing operations was \$4.68, compared with \$5.23 in 2007. The primary driver of the decrease was the Q4 non-cash impairment charge of \$119.4 million, net of tax, noted previously. For the full year, this charge equates to a charge of \$2.21 per share.
- Adjusted net income per share from continuing operations* was \$6.53, as compared to the company's guidance of \$6.40 to \$6.50, and \$4.85 in 2007. The primary driver of the improvement over 2007 was increased segment income.
- Net cash from continuing operations was \$404.7 million, compared with \$411.1 million in 2007. Free cash flow from continuing operations* was \$288.3 million, compared with \$328.5 million in 2007. The primary driver of the decline in free cash flow was increased capital expenditures in 2008 to support the continued growth of the company.

Chris Kearney, Chairman, President and CEO said, "2008 was a very strong year for SPX. We continued to deliver growth and

improvement across the company, reduced our debt and leverage statistics, improved our processes and enhanced our talent base around the world. We also made substantial strategic progress, monetizing non-core assets and initiating the integration of our APV acquisition.

"However, global economic conditions changed drastically in the final months of the year, and we were not immune to these events. We experienced backlog declines in the fourth quarter, and were required to record an impairment charge to the asset value of one of our businesses. The first quarter of 2009 continues to be difficult for our customers, and we are anticipating that trend will continue throughout the year. Nevertheless, we remain squarely focused on managing the company through these difficult conditions, and our strong liquidity will enable us to be flexible in executing on our long term strategy for growth." Kearney concluded.

FINANCIAL HIGHLIGHTS - CONTINUING OPERATIONS

Flow Technology

Revenues for the fourth quarter of 2008 were \$479.1 million compared to \$310.5 million in the fourth quarter of 2007, an increase of \$168.6 million, or 54.3%. The increase was due primarily to the acquisition of APV and organic revenue growth* of 3.4%. The organic revenue growth related primarily to strong sales into the power and oil and gas markets, as well as pricing improvements and new product introductions. The impact of currency fluctuations decreased revenues by 8.4% from the year-ago quarter.

Segment income was \$71.2 million, or 14.9% of revenues, in the fourth quarter of 2008 compared to \$50.8 million, or 16.4% of revenues, in the fourth quarter of 2007. The increase in segment income was due primarily to the APV acquisition, as well as the strong level of organic growth. The decline in segment margins was also due to the APV acquisition, which currently operates at margins below the rest of the segment, offset partially by margin expansion in the remainder of the segment.

Test and Measurement

Revenues for the fourth quarter of 2008 were \$250.3 million compared to \$315.0 million in the fourth quarter of 2007, a decrease of \$64.7 million, or 20.5%. Organic revenues* declined 17.1%, due primarily to lower North American aftermarket and dealer equipment tool volumes. The impact of currency fluctuations decreased revenues by 4.3% from the year-ago quarter.

Segment income was \$18.0 million, or 7.2% of revenues, in the fourth quarter of 2008 compared to \$40.9 million, or 13.0% of revenues, in the fourth quarter of 2007. The decline in segment income and margins was due primarily to the organic revenue decline noted above.

Thermal Equipment and Services

Revenues for the fourth quarter of 2008 were \$497.1 million compared to \$437.6 million in the fourth quarter of 2007, an increase of \$59.5 million, or 13.6%. Organic revenues* increased 16.9% in the quarter, driven by continued strength in global power equipment sales as well as timing of large project revenues. The impact of currency fluctuations decreased reported revenues by 3.3% from the year-ago quarter.

Segment income was \$70.0 million, or 14.1% of revenues, in the fourth quarter of 2008 compared to \$52.3 million, or 12.0% of revenues, in the fourth quarter of 2007. The increase in segment income and margins was due primarily to the organic growth noted above, as well as improved project mix in 2008.

Industrial Products and Services

Revenues for the fourth quarter of 2008 were \$281.2 million compared to \$226.5 million in the fourth quarter of 2007, an increase of \$54.7 million, or 24.2%. The increase was due primarily to organic revenue growth* of 25.0%, related largely to increased sales of domestic power transformers and crystal growing equipment. The impact of currency fluctuations decreased revenues by 0.8% from the year-ago quarter.

Segment income was \$67.3 million, or 23.9% of revenues, in the fourth quarter of 2008 compared to \$49.8 million, or 22.0% of revenues, in the fourth quarter of 2007. The increase in segment income and margins was driven largely by the organic growth noted above, in addition to manufacturing efficiencies achieved from continuous improvement initiatives across the segment.

OTHER ITEMS

Dividend: On February 23, 2009, the Board of Directors announced a quarterly dividend of \$0.25 per common share payable on April 2, 2009, to shareholders of record on March 13, 2009. The fourth quarter 2008 dividend of \$0.25 per common share was paid on January 2, 2009.

Share Repurchases: On September 19, 2008, the company announced that it had adopted a written trading plan under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, to facilitate the repurchase of up to 3.0 million shares of its common stock on or before October 30, 2009, in accordance with a share repurchase program authorized by its Board of Directors.

On December 18, 2008, the company announced that the repurchases under that plan had been completed, and that it had adopted an additional written trading plan under Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, to facilitate the repurchase of up to 3.0 million additional shares of its common stock on or before December 31, 2009, in accordance with a share repurchase program authorized by its Board of Directors.

During the fourth quarter, the company repurchased a total of 3.6 million shares of its common stock for \$122.9 million. In 2009, through February 24, the company has repurchased 1.9 million shares of its common stock for \$82.5 million.

Discontinued Operations: During the third quarter of 2008, the company committed to a plan to divest two product lines, one previously reported in its Flow Technology segment and one previously reported in its Test and Measurement segment. The sales of these product lines have been completed.

During the fourth quarter of 2008, the company committed to a plan to divest a product line which was previously reported in its Industrial Products and Services segment. This sale is expected to be completed in 2009.

The financial condition, results of operations, cash flows and any gain or loss anticipated or realized from the sale of the product lines discussed above have been reported as discontinued operations in the attached condensed consolidated financial statements.

Form 10-K: The company expects to file its annual report on Form 10-K for the year ended December 31, 2008 with the Securities and Exchange Commission by March 2, 2009. 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.

SPX Corporation is a Fortune 500 multi-industry manufacturing leader. The company offers highly-specialized engineered solutions to solve critical problems for customers.

SPX is focused on providing solutions that support the expansion of global infrastructure, with particular emphasis on the growing worldwide demand for energy and power. Its innovative product portfolio, containing many energy efficient products, includes cooling systems for power plants throughout the world; custom engineered process equipment that assists a variety of flow processes including food and beverage manufacturing, oil and gas exploration, distribution and refinement and power generation; handheld diagnostic tools that aid in vehicle maintenance and repair; and power transformers that regulate voltage for electrical transmission and distribution by utility companies.

SPX is headquartered in Charlotte, North Carolina and employs more than 17,000 people worldwide in over 35 countries. Visit www.spx.com. (NYSE: SPW)

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

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, quarterly reports on Form 10-Q, and other. 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," "estimate," "guidance," "target" 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.

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