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Agenda

- Mark Gliebe, CEO – Opening Comments
- Chuck Hinrichs, CFO – Financial Update
- Jon Schlemmer, COO –Operations Update
- Mark Gliebe – Summary Comments
- Questions & Answers
- Close

Opening Comments

- Warranty Reserve
 - \$28 Million Warranty Expense in 2Q 2011
 - 50k Standard Motors Used in Outdoor HVAC
 - Caused by Inadequate Lubrication
 - Not a Safety Concern
 - Root Cause Identified and Corrected
 - We Will Learn from this Experience

Opening Comments

- EPC Closing Anticipated Within the Month
- Record Quarter Excluding Warranty Expense
- Strong Revenue Growth
- Price Increases Implemented
- Improving Margins

Quarter Highlights

- Strength in Other Businesses Offsetting HVAC Headwinds
- AFMC Acquisition
- Closing of New Financing Arrangements at Competitive Rates
- Continued Energy Efficient Product Introductions
- Progress on EPC Acquisition

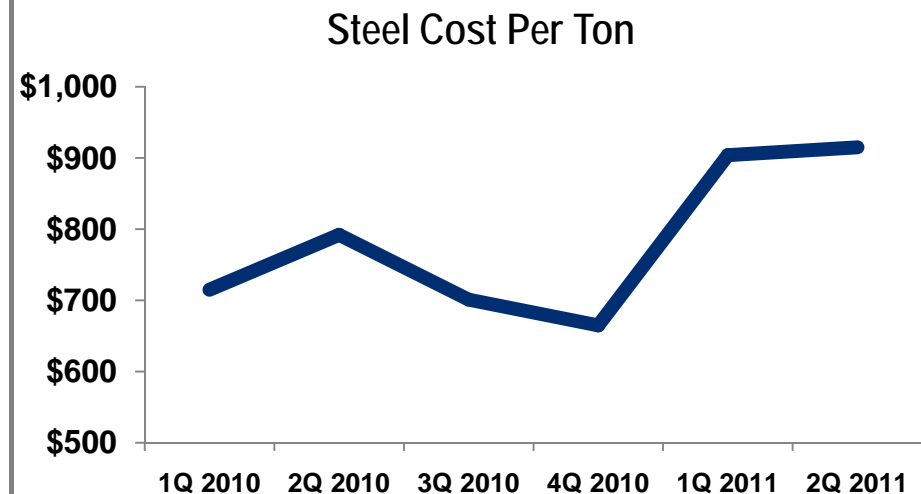
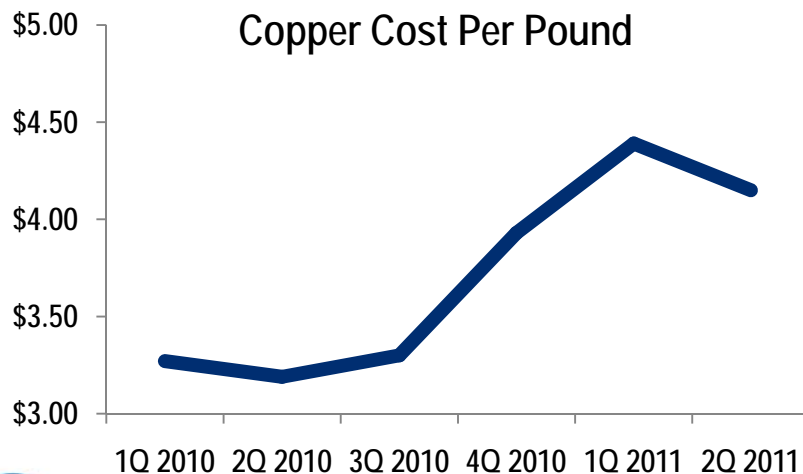
Financial Highlights

Sales Growth

- Sales up 16.7% in 2Q11
- \$60 million from Acquired Companies
- Volume and Price Gains

Gross Profit

- \$28 million incremental Warranty expenses in COGS
- Excluding \$28 million, Gross Margin was 26.2%
- YTD 2011 Inflation covered by price and productivity gains



Financial Highlights

Capital Expenditures

- \$10.8 million in 2Q11
- 2011-2012 capital expenditures increasing for two China factory relocations

Other Operating Data

- Depreciation and Amortization of \$22 million in 2Q11
- Acquisition expenses of \$3.3 million in 2Q11 related to EPC

Income Tax Rate

- 2Q11 ETR of 28.6% lower due to warranty expense in U.S.
- 2H 2011 ETR of 31 – 32%

Balance Sheet as of 7/2/11

- Cash of \$275 million
- Total Debt of \$442 million



Financial Highlights

New \$500M Unsecured Revolving Credit Facility

- Closed on June 30, 2011
- 5-year maturity
- No change in financial covenants
- No borrowings outstanding

New \$500M Senior Notes

- Initial closing on July 14, 2011
- Final closing in August for a total of \$500 million
- Unsecured Notes with an average maturity of 10-years
- Average Interest Rate of 4.74%



3Q 2011 EPS Guidance

3Q 2011 EPS Guidance of \$1.11 - \$1.17

- EPS Guidance Does Not Include EPC
- Lower Sales Volume Primarily HVAC Related
- \$4.4 million Higher Interest Expense EPS (\$0.07)
- Higher 3Q 2011 ETR versus 2Q 2011 EPS (\$0.05)
- Analysts' Consensus May Include EPC in 3Q 2011

Operations Update

- Sales Up 17%
 - Mechanical Sales Up 15%
 - North American C&I Sales Up 20%
 - Generator Sales Up 34%
 - Asia Sales Up 14%
- Sales Outside the US Represent 37% of Total

Operations Update

- HVAC Sales Negatively Impacted by:
 - Weak Consumer Confidence
 - Cool Spring Experienced in Much of US
 - Reduction of Federal Tax Credit
 - Reversion to R22 Refrigerant in Outdoor Condensers
- Productivity And Price Increases Offsetting Current Quarter Inflation

Operations Update

- Ramu Inc Acquired in April 2011
 - SR Technology Offers Energy Efficient Alternative
 - Product Development Underway
- Australian Fan and Motor Company (AFMC) Acquired in June 2011

New Products

- Exceeds NEMA Premium and European IE4 Efficiency Levels
- High Torque and Increased Power Density Capability
- Robust Drive Compatibility
- Higher Efficiency Alternative Available for a Wide Range of Applications

SyMAX™

3 HP to 10 HP



New Products

- Accommodates Wells Up to 12,000 Feet Deep
- Alternative to Conventional Pumping Units
- LRP® Technology Offers
 - Safety Improvements
 - Aesthetics
 - Production
 - Reductions in Down-hole Failures
 - Significant Cost Savings

Heavy Duty Linear Rod Pump



Third Quarter Outlook

- Strength in Commercial and Industrial and Mechanical Businesses
- Continued HVAC Headwinds
- Inflationary Pressure Offset by Productivity Initiatives and Pricing Actions
- Excited to Finalize EPC Acquisition
 - Great Progress on Functional Integration Planning
 - Work To Do on Commercial and Synergy Integration
 - Great Talent and Cultural Fit

Summary

- Sincerely Regret Any Inconvenience Our Customers are Experiencing
- Great 2nd Qtr. Excluding Warranty Expense
- Businesses Other Than HVAC Performed Well
- Pricing and Productivity Covered 2Q Inflation
- Energy Efficient New Product Intros Continue
- 3rd Qtr Guidance:
 - HVAC Continued Weakness
 - Most Other Business Continued Strength
- EPC Transaction Expected to Close This Month

Questions and Answers



Thank you



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