

Company Registration No 4928454

SPX AIR FILTRATION LIMITED

Report and Financial Statements

Year ended 31 December 2006

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SPX AIR FILTRATION LIMITED

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SPX AIR FILTRATION LIMITED

Officers and professional advisers

Directors

PJ O Leary	
MA Reilly	
KL Lilly	appointed 1 January 2006
RB Bricker	resigned 1 January 2006
CA Walker	resigned 26 April 2006

Secretary

MR Services Limited

Registered Office

c/o Vokes Air Limited
Farrington Road
Burnley Lancashire
BB11 5SY
UK

Solicitors

Eversheds LLP
Bridgewater Place
Water Lane
Leeds
LS11 5DR
United Kingdom

Auditors

Deloitte & Touche LLP
Chartered Accountants
Birmingham UK

SPX AIR FILTRATION LIMITED

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2006

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

Activities

The company acts as an investment holding company through its shareholdings in a number of its subsidiaries. For a list of subsidiaries refer to note 7 of the financial statements.

Business performance and future prospects

The company did not receive any income from its investments in the current year (2005 Nil)

Directors do not expect any significant changes in the business prospects in the foreseeable future

Results and dividends

The results for the year are shown on page 7. The directors do not recommend payment of a dividend for the year (2005 Nil). The loss for the year of £514,000 was transferred to reserves (2005 loss £77,000).

Directors and their interests

The directors of the company who served throughout the financial year unless stated otherwise are as shown on page 2.

None of the directors hold any interests in shares or any share options in the company.

Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the directors are aware there is no relevant audit information of which the company's auditors are unaware and
- The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

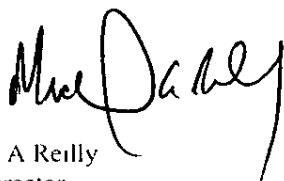
This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

SPX AIR FILTRATION LIMITED

Directors' report (continued)

Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

A handwritten signature in black ink, appearing to read 'M A Reilly', written in a cursive style.

M A Reilly
Director

30 November 2007

Approved by the Board of Directors
and signed on behalf of the Board

SPX AIR FILTRATION LIMITED

Statement of directors' responsibilities Year ended 31 December 2006

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of SPX Air Filtration Limited

We have audited the financial statements of SPX Air Filtration Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members as a body in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work for this report or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

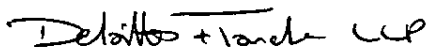
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham, UK

5 December 2007

SPX AIR FILTRATION LIMITED

Profit and loss accounts Year ended 31 December 2006

	Notes	2006 £'000	2005 £'000
Interest receivable and similar income	4	967	1,212
Interest payable and similar charges	5	(1,499)	(1,289)
Loss on ordinary activities before taxation		(532)	(77)
Tax on loss on ordinary activities	6	18	-
Loss on ordinary activities after taxation and for the financial period		(514)	(77)

All activities derive from continuing operations

There have been no recognized gains and losses for the current year other than as stated in the profit and loss account above and accordingly, no separate statement of total recognized gains and losses is presented

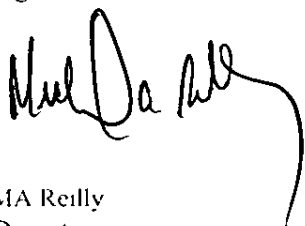
SPX AIR FILTRATION LIMITED

Balance sheet As at 31 December 2006

	Notes	2006 £000	2005 £000
FIXED ASSETS			
Investments	7	<u>16,670</u>	<u>16 670</u>
CURRENT ASSETS			
Debtors	8	34,495	21 703
CREDITORS: amounts falling due within one year	9	(38,194)	(24,888)
NET CURRENT LIABILITIES		<u>(3,699)</u>	<u>(3,185)</u>
NET ASSETS		<u>12,971</u>	<u>13,485</u>
CAPITAL AND RESERVES			
Called up share capital	10	13,000	13 000
Profit and loss account	11	<u>(29)</u>	<u>485</u>
SHAREHOLDERS' FUNDS		<u>12,971</u>	<u>13 485</u>

These financial statements were approved by the Board of Directors on 30 November 2007

Signed on behalf of the Board of Directors



MA Reilly
Director

SPX AIR FILTRATION LIMITED

Notes to the accounts Year ended 31 December 2006

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Exemption from consolidated accounts

In accordance with section 228A of the Companies Act 1985, the company has taken the exemption from preparing consolidated financial statements because it is a wholly owned subsidiary of a company incorporated in the United States of America which prepares consolidated financial statements, including the results of the company, drawn up in a manner equivalent to the Seventh European Company Law Directive. The financial statements of company's parent company are publicly available as explained in note 13.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Cash Flow Statement

Under FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary company and a group cash flow statement is included in the financial statements of its parent company. The financial statements of company's parent company are publicly available as explained in note 13.

Related party transactions

Under FRS 8, the company is exempt from the requirements to disclose transactions with other group companies as it is a wholly owned subsidiary. The financial statements of company's parent company are publicly available as explained in note 13.

SPX AIR FILTRATION LIMITED

Notes to the accounts

Year ended 31 December 2006

2 Information regarding directors and employees

The company had no employees in current and prior year except directors as listed on page 2 of the financial statements

The directors did not receive any emoluments in respect of their services to the company (2005 Nil)
The remuneration for the services of certain directors is borne by other group undertakings. No part of their remuneration can be specifically attributed to their services to the company

3 Operating profit

Both in the current and prior year auditors' remuneration was borne by other group companies. The fees payable to the company's auditors for audit of this company's accounts amounted to £4,250 (2005 £3,795). There were no non-audit fees in the current or prior year

4 Interest receivable and other income

	2006 £'000	2005 £'000
Interest receivable on amount owed by group undertakings	<u>967</u>	<u>1,212</u>

5 Interest payable and other charges

	2006 £'000	2005 £'000
Interest payable on bank loans and overdraft	<u>1,499</u>	<u>1,289</u>

SPX AIR FILTRATION LIMITED

Notes to the accounts Year ended 31 December 2006

6 Tax on loss on ordinary activities

a) Factors affecting the tax charge for the year

The total tax credit amounts to £18 000 on account of a prior year adjustment relating to a group relief claim (2005 Nil)

The reconciliation between the nil current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows

	2006 £'000	2005 £'000
Current tax reconciliation		
Loss on ordinary activities before tax	(532)	(77)
Current tax credit at 30%	(160)	(23)
Effects of		
None recognition of current year tax loss	160	23
Prior year adjustment	(18)	-
Total current tax credit	(18)	-

There is an unprovided deferred tax asset at period end of £183 000 (2005 £23 000) in respect of tax losses. This balance has not been recognised as the company is not expected to make profits in foreseeable future

SPX AIR FILTRATION LIMITED

Notes to the accounts Year ended 31 December 2006

7 Investments – shares in group undertakings

	£'000
Cost	
At 1 January and 31 December 2006	16 670
Provisions	
At 1 January and 31 December 2006	-
Net book value	
At 1 January and 31 December 2006	16 670

The investment at year-end represents shareholdings in the following companies

Subsidiary	Principal business activity	Country of Incorporation
Vokes-Air Limited	Manufacture of air filtration products	England
Scandfilter International AB	Manufacture of air filtration products	Sweden
Atex Filter GmbH & Co OHG	Manufacture of air filtration products	Germany
Vokes-Air AG	Distribution of air filtration products	Switzerland
Vokes-Air SAS	Distribution of air filtration products	France
Vokes-Air SL	Distribution of air filtration products	Spain
Vokes-Air BV	Distribution of air filtration products	Netherlands
Vokes-Air GMBH	Distribution of air filtration products	Austria
Vokes-Air SRL	Distribution of air filtration products	Italy
Vokes Limited	Distribution of liquid filtration products	UK

8 Debtors – Amounts falling due within one year

	2006 £'000	2005 £'000
Amounts owed by group undertakings	34 495	21 703

Notes to the accounts

Year ended 31 December 2006

9 Creditors' amounts falling due within one year

Bank loans and overdrafts
UK Corporation tax

2006	2005
£7,000	£7,000
38,194	24,870
-	18
38,194	24,888

10 Called up share capital

2006	2005
£7,000	£7,000
13,000	13,000
13,000	13,000

Authorised
13,000,001 ordinary shares of £1 each
Called up, allotted and fully paid
13,000,001 ordinary shares of £1 each

11 Profit and loss account

As at 1 January 2006
Loss for the year
At 31 December 2006

£'000
485
(514)
(29)

Notes to the accounts
Year ended 31 December 2006

12 Reconciliation of movements in shareholders' funds

	2006	2005
Loss for the financial year	(514)	(77)
Opening shareholders' funds	13 485	13 562
Closing shareholders' funds	12 971	13 485

13 Ultimate parent company

The company's ultimate holding company and controlling party is SPX Corporation, incorporated in the United States. A copy of the group consolidated accounts can be obtained from 13515 Ballantyne Corporate Place, Charlotte, NC 28277, United States of America.