



First Quarter 2010

Forward Looking Statements

This presentation contains statements that we believe are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “continue,” “guidance”, or words of similar meaning. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this release. Factors that could cause such a variance include the following: significant volatility in raw material prices; competitive pressures on the company’s businesses; inability to implement pricing actions; negative impact of future pension contributions on the company’s cash flow; instability in the company’s electric motor and water products markets; further weakening in housing construction; further weakening in commercial construction; timing of any recoveries in housing or commercial construction; a slowdown in the Chinese economy; further adverse changes in customer liquidity and general economic and capital market conditions; difficulties integrating the water treatment acquisition, and realizing future growth and profit expectations.

Forward-looking statements included in this press release are made only as of the date of this presentation, and the company is under no obligation to update these statements to reflect subsequent events or circumstances. All subsequent written and oral forward-looking statements attributed to the company, or persons acting on its behalf, are qualified entirely by these cautionary statements.

This presentation contains certain non-GAAP financial measures as that term is defined by the SEC. Non-GAAP financial measures are generally identified by “Adjusted” (Adj.), “Non-GAAP” or “Before Restructuring”.

First Quarter Highlights

- Record EPS of \$1.01 on sales of \$523 million
- China water heater sales still growing; \$59 million in sales
- Water treatment products being improved for retail distribution in China later this year
- Electric motor customers restocking
- Lower operating and raw materials costs contribute to higher profits, but rising commodity prices pressure future margins
- Full year earnings guidance of \$3.20 to \$3.40 per share

First Quarter Results

	2010	2009	Change	% chg.
Sales	\$ 523.4	\$ 481.6	\$ 41.8	9%
Net Earnings	30.9	8.7	22.2	255%
EPS	\$ 1.01	\$ 0.29	\$ 0.72	248%

2009 Earnings and
EPS are non-GAAP

(in millions, except per share)

First Quarter Sales

	2010	2009	Change	% chg.
Water Products	\$ 366.7	\$ 339.0	\$ 27.7	8%
Electrical Products	157.8	143.6	14.2	10%
Intersegment	<u>(1.1)</u>	<u>(1.0)</u>	<u>(0.1)</u>	
Total Sales	<u><u>\$ 523.4</u></u>	<u><u>\$ 481.6</u></u>	<u><u>\$ 41.8</u></u>	9%

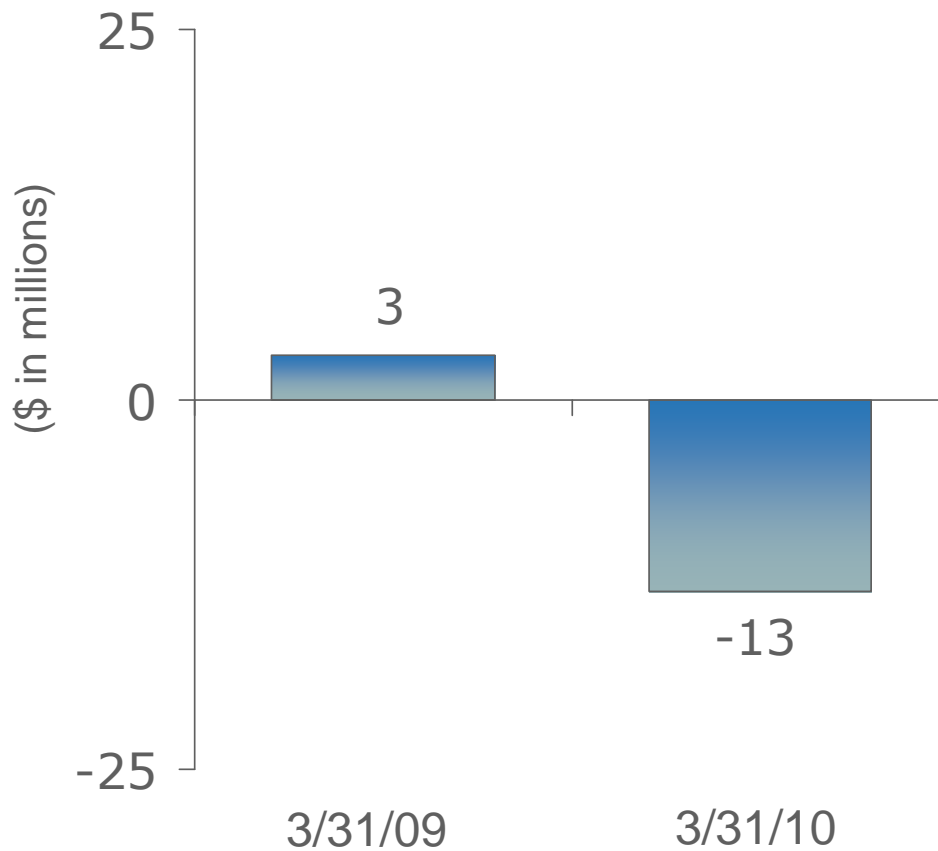
(in millions)

First Quarter Operating Profit

	2010	2009	Change	% chg.
Water Products	\$ 43.9	\$ 29.1	\$ 14.8	51%
Electrical Products	14.3	(3.1)	17.4	na
Corporate	<u>(13.4)</u>	<u>(11.5)</u>	<u>(1.9)</u>	17%
Total Operating Profit	<u>\$ 44.8</u>	<u>\$ 14.5</u>	<u>\$ 30.3</u>	209%
<u>Margin</u>				
Water Products	12.0%	8.6%		
Electrical Products	9.1%	-2.1%		

(in millions, except margins)

First Quarter Operating Cash Flow



- Operating cash flow of -\$13 million
- Full year cash flow of \$115 to \$125 million
- Debt to capital ratio of 26%
- Capital expenditures of \$10 million



2010 Outlook

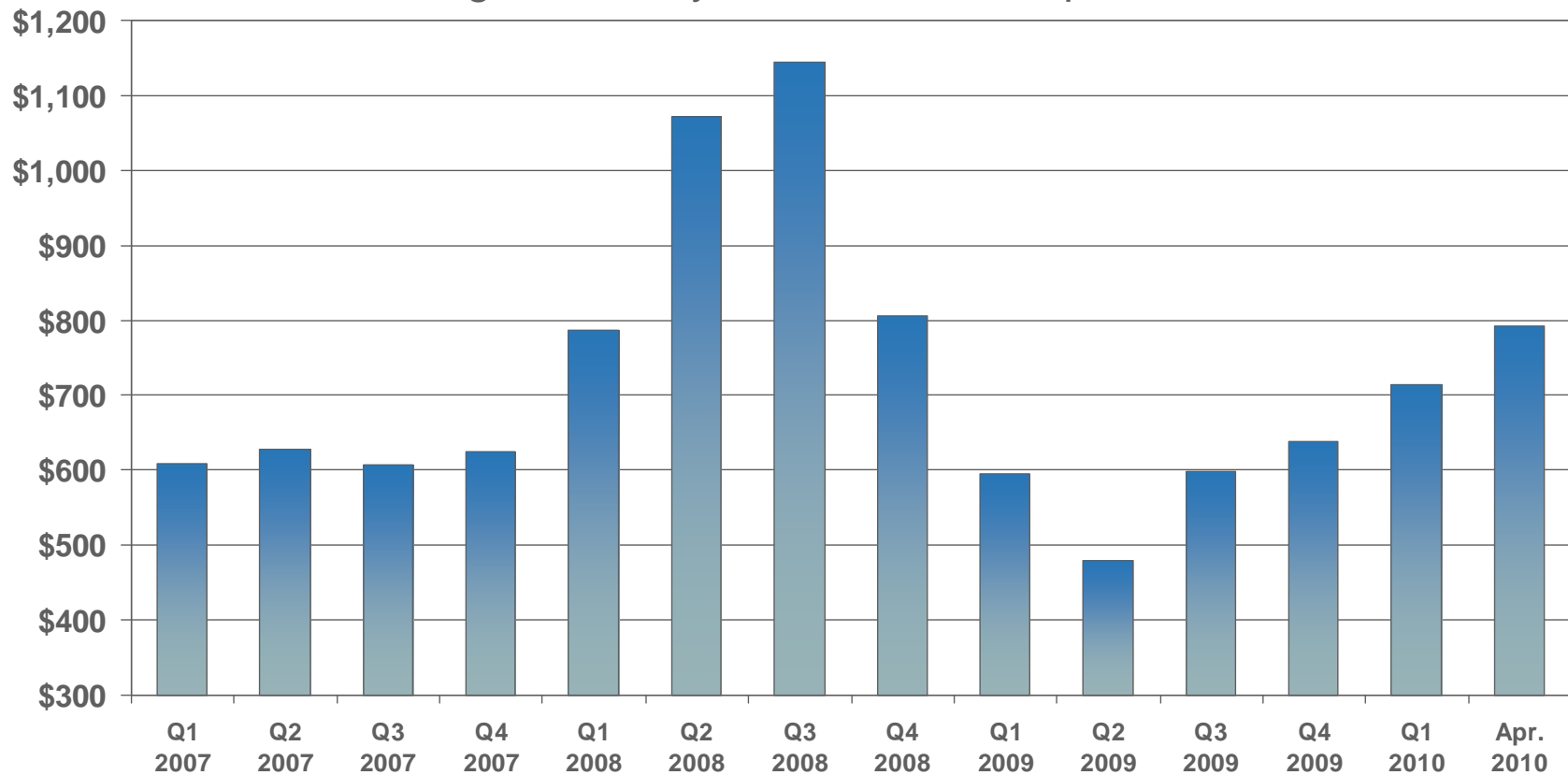
Green Products

- 💧 Four new energy efficient residential water heater product lines launched in April
- 💧 Energy efficient ECM technology in production with several new HVAC OEMs in 2010



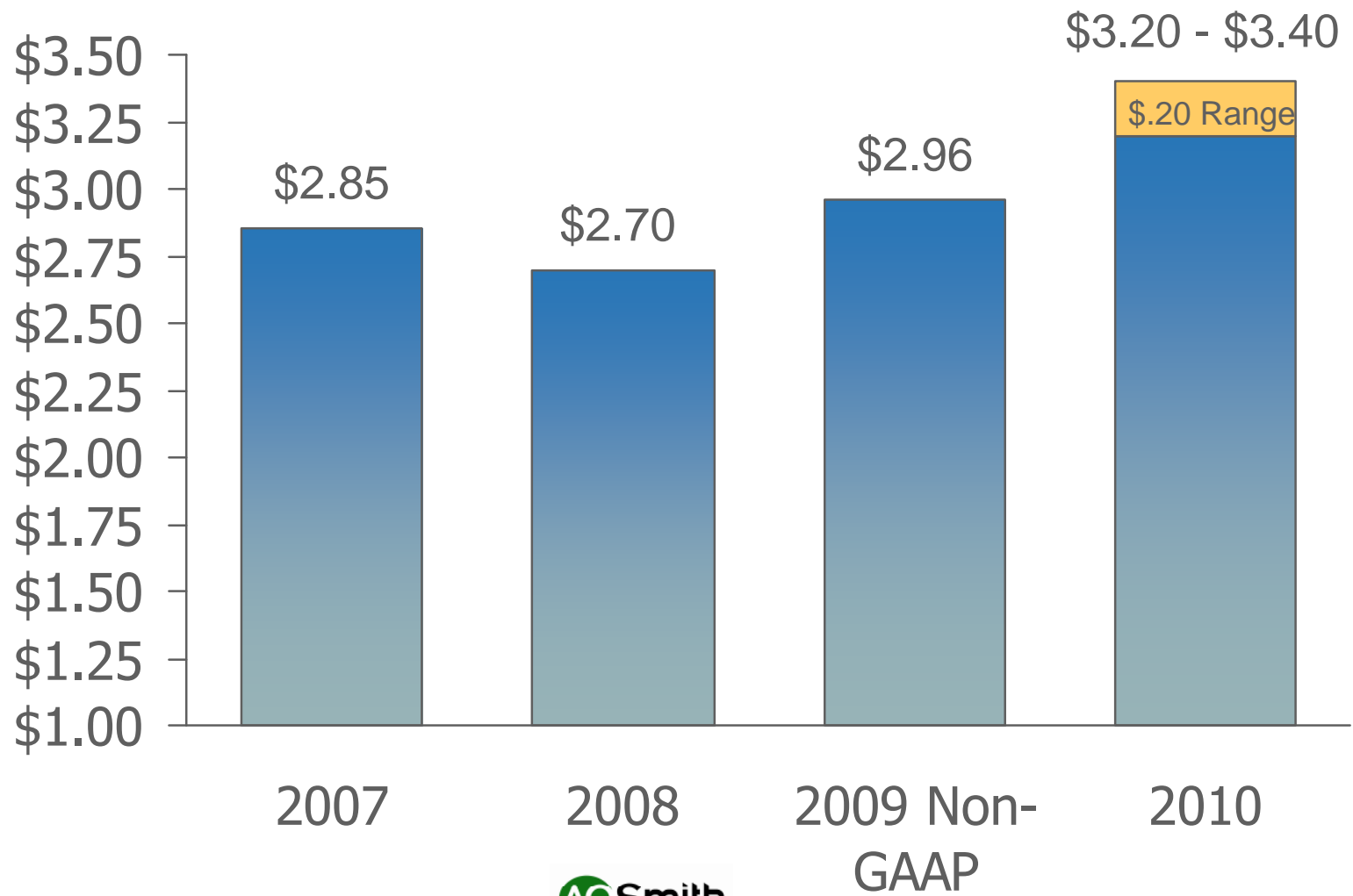
Commodity Prices Continue to Rise

Average Quarterly CRU Steel Price per Ton



- April 2010 CRU up \$200 per ton from Q1 2009
- Q2 Copper prices up \$.25 per pound from Q1

2010 EPS Forecast





Answers to your Questions