

REXNORD
Third Quarter 2010
Earnings Release

February 5, 2010



- Domestic toll-free: (888) 203-1112
- International toll-free: (719) 457-0820
- Access code: 8687341

Cautionary Statement Under the Private Securities Litigation Reform Act

This presentation and discussion may contain certain forward-looking statements that are subject to the Safe Harbor language contained in the press release we filed today as well as in our filing with the Securities and Exchange Commission.

Q3 FY '10 Performance Summary



<i>\$ in millions</i>	Q3 '10	Q3 '09	\$ change	% change
Net sales	\$ 365.7	\$ 443.1	\$ (77.4)	(17.5)%
Adj. EBITDA ⁽¹⁾	\$ 68.5	\$ 81.0	\$ (12.5)	(15.4)%
% of sales	18.7%	18.3%		+40 bps
Adj. EBITDA ex-pension ⁽²⁾	\$ 72.5	\$ 77.6	\$ (5.1)	(6.6)%
% of sales	19.8%	17.5%	6.6%	+230 bps
Free cash flow	\$ 56.2	\$ 57.0	\$ (0.8)	(1.4)%

(1) As defined in the Form 8-K filed with the Securities and Exchange Commission on February 4, 2010

(2) Excludes \$4.0 million of pension expense in Q3 '10 and \$3.4 million of pension income in Q3 '09

Operating results continue to improve despite challenging market conditions

<i>\$ in millions</i>	Q3 '10	Q3 '09	\$ change	% change
Net sales	\$ 246.4	\$ 315.6	\$ (69.2)	(21.9)%
- core				(25.8)%
- currency				3.9%
Adj. EBITDA ⁽¹⁾	\$ 51.6	\$ 61.7	\$ (10.1)	(16.4)%
% of sales	20.9%	19.6%		+130 bps
Adj. EBITDA ex-pension ⁽²⁾	\$ 54.1	\$ 62.1	\$ (8.0)	(12.9)%
% of sales	22.0%	19.7%	(11.6)%	+230 bps

(1) As defined in the Form 8-K filed with the Securities and Exchange Commission on February 4, 2010

(2) Excludes \$2.5 million of pension expense in Q3 '10 and \$0.4 million of pension expense in Q3 '09

End-markets continue to stabilize ... EBITDA margins expand sequentially and year-over-year

<i>\$ in millions</i>	Q3 '10	Q3 '09	\$ change	% change
Net sales	\$ 119.3	\$ 127.5	\$ (8.2)	(6.4)%
- core				(7.1)%
- currency				0.7%
Adj. EBITDA ⁽¹⁾ ⁽²⁾	\$ 23.2	\$ 20.6	\$ 2.6	+12.6%
% of sales	19.4%	16.2%		+320 bps

(1) As defined in the Form 8-K filed with the Securities and Exchange Commission on February 4, 2010

(2) Includes pension expense of \$0.6 million in Q3 '10 and Q3 '09

Share gains and municipal water diversity mitigating impact of commercial and residential end-market contraction ... margins expand +320 bps year-over-year

RBS Global <i>\$ in millions</i>	12/26/09	3/31/09	12/27/08
Free Cash Flow (fiscal YTD)	\$127.0	\$ 117.0	\$ 80.1
Cash	\$ 258.2	\$ 277.5	\$ 239.5
Total Debt	\$ 2,130.9	\$ 2,140.5	\$ 2,069.5
Total Net Debt	\$ 1,872.7	\$ 1,863.0	\$ 1,830.1
Net debt leverage ratio ⁽¹⁾	6.7x	5.0x	4.8x
Total Liquidity	\$ 452.5	\$ 373.7	\$ 400.8

Rexnord Holdings <i>\$ in millions</i>	9/26/09	3/31/09	9/27/08
Total Net Debt	\$ 1,956.0	\$ 2,238.2	\$ 2,286.3
Net debt leverage ratio ⁽¹⁾	7.0x	6.1x	6.0x

(1) Defined as total debt less cash divided by the last 12 months of adjusted EBITDA, pro forma for acquisitions