Babcock & Wilcox Enterprises, Inc.

Company Overview

August 2018

ENERGY | ENVIRONMENTAL

Safe Harbor Statement

B&W cautions that this presentation contains forward-looking statements, including, without limitation, statements relating to our strategic objectives; our business execution model; management's expectations regarding the industries in which we operate; our guidance and forecasts; our projected operating margin improvements, savings and restructuring costs; covenant compliance; and project execution. These forward-looking statements are based on management's current expectations and involve a number of risks and uncertainties, including, among other things, our ability to continue as a going concern; our ability to obtain and maintain sufficient financing to provide liquidity to meet our business objectives, surety bonds, letters of credit and similar financing; our ability to satisfy the liquidity and other requirements under U.S. revolving credit facility as recently amended, including our ability to successfully enter into and borrow under a new term loan and receive concessions from customers on our Renewable energy loss contracts; the highly competitive nature of our businesses; general economic and business conditions, including changes in interest rates and currency exchange rates; general developments in the industries in which we are involved; cancellations of and adjustments to backlog and the resulting impact from using backlog as an indicator of future earnings; our ability to perform contracts on time and on budget, in accordance with the schedules and terms established by the applicable contracts with customers; failure by third-party subcontractors, joint venture partners or suppliers to perform their obligations on time and as specified; our ability to realize anticipated savings and operational benefits from our restructuring plans, and other cost-savings initiatives; our ability to successfully integrate and realize the expected synergies from acquisitions; our ability to successfully address productivity and schedule issues in our Renewable segment, including the ability to complete our Renewable energy projects within the expected time frame and the estimated costs; willingness of customers to waive liquidated damages or agree to bonus opportunities; our ability to successfully partner with third parties to win and execute renewable projects; changes in our effective tax rate and tax positions; our ability to maintain operational support for our information systems against service outages and data corruption, as well as protection against cyber-based network security breaches and theft of data; our ability to protect our intellectual property and renew licenses to use intellectual property of third parties; our use of the percentage-of-completion method of accounting; the risks associated with integrating businesses we acquire; our ability to successfully manage research and development projects and costs, including our efforts to successfully develop and commercialize new technologies and products; the operating risks normally incident to our lines of business, including professional liability, product liability, warranty and other claims against us; changes in, or our failure or inability to comply with, laws and government regulations; difficulties we may encounter in obtaining regulatory or other necessary permits or approvals; changes in, and liabilities relating to, existing or future environmental regulatory matters; our limited ability to influence and direct the operations of our joint ventures; potential violations of the Foreign Corrupt Practices Act; our ability to successfully compete with current and future competitors; the loss of key personnel and the continued availability of qualified personnel; our ability to negotiate and maintain good relationships with labor unions; changes in pension and medical expenses associated with our retirement benefit programs; social, political, competitive and economic situations in foreign countries where we do business or seek new business; the possibilities of war, other armed conflicts or terrorist attacks; the willingness of customers and suppliers to continue to do business with us on reasonable terms and conditions; and our ability to successfully consummate the sale of our MEGTEC, Universal and the sale of our subsidiary that holds two operations and maintenance contracts for waste-to-energy facilities in West Palm Beach, Florida, as well as the sale of any other assets, within the expected timeframes or at all. If one or more of these risks or other risks materialize, actual results may vary materially from those expressed. For a more complete discussion of these and other risk factors, see B&W's filings with the Securities and Exchange Commission, including our most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. B&W cautions not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and undertakes no obligation to update or revise any forward-looking statement, except to the extent required by applicable law.

Non-GAAP financial information. This presentation includes Adjusted EBITDA as a non-GAAP financial measures. A reconciliation of historical Adjusted EBITDA to the most directly comparable GAAP measure is included at the end of this overview. This measure should be considered in addition to results prepared in accordance with GAAP, but is not a substitute for GAAP results.

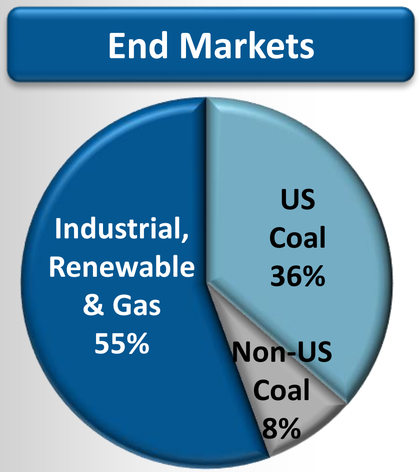
Company Profile

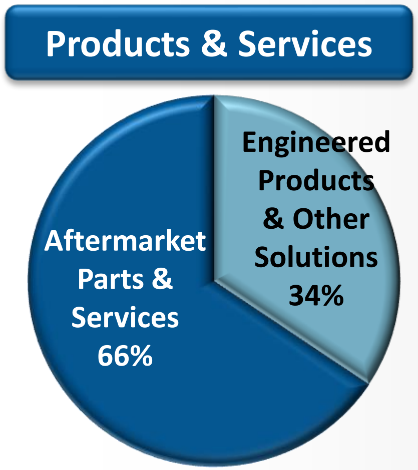
*B&W is a global leader in providing **custom technologies**, **engineered solutions**, and **aftermarket services** to a broad range of industrial and power generation markets*

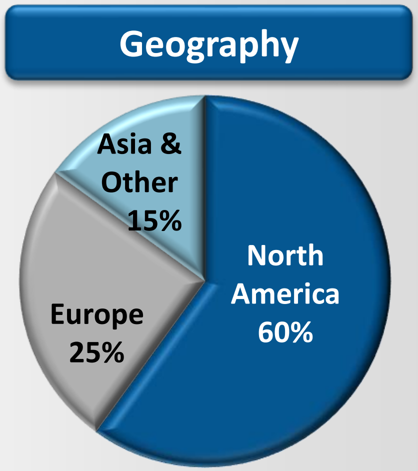
Headquarters:	Charlotte, NC
Founded:	1867
Ownership:	Public (NYSE:BW)
2017 Revenue:	$1.3B
President and CEO:	Leslie C. Kass
Locations:	25 countries

Business model delivers shareholder value by driving maximum value for customers through:

- Custom technologies
- Engineered solutions
- Aftermarket service offerings







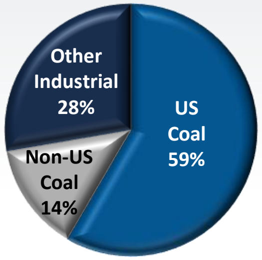
Note: All charts based on trailing twelve month revenue, excluding MEGTEC & Universal, which are in the process of being sold, unless otherwise noted; aftermarket parts & services includes retrofit.

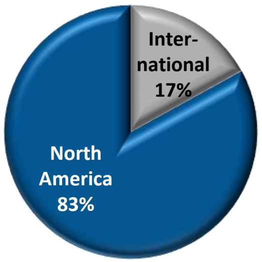
Business Segment & Strategic Overview

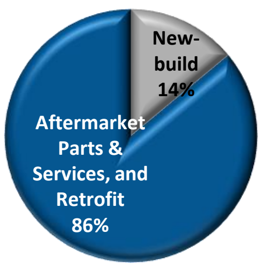
	2017 Revenue	% Revenue from Aftermarket Parts and Services*	Strategic Focus	Key End Markets	Product and Service Offering
Power	$821M	81% (includes Retrofit)	Optimize Our Legacy Business and Improve Efficiency	Utility General Industrial	Utility steam generation equipment, industrial boilers, environmental solutions, aftermarket parts and service
Renewable	$347M	36%	Pursue Profitable Core Growth in Global Markets	Waste-to-Energy Biomass	Waste-to-energy and biomass steam generating equipment, environmental solutions, aftermarket parts and service, operations & maintenance
Industrial	$182M	24%	Leverage Technology Portfolio to Drive Cross-Selling Opportunities	Power, Oil & Gas, Industrial	Wet and dry cooling systems, aftermarket solutions

* Aftermarket parts and service mix based on 2017 revenue; Industrial excludes MEGTEC & Universal, which are in the process of being sold.

Power Segment

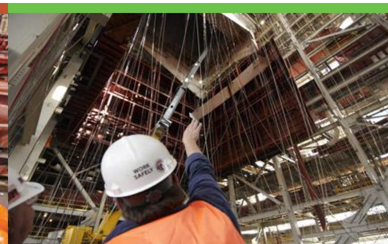






- Majority of revenue generated by aftermarket parts and services for steam generating, environmental and auxiliary equipment for power generation and other large industrial applications
- Services B&W-installed electricity generation capacity of approximately 300,000 MW in more than 90 countries
- Strong share in U.S. coal power generation aftermarket services
- Optimized cost structure with goal of sustaining segment profitability


Parts and Technical Services


Retrofit Projects


Utility Steam Generation


Environmental Solutions

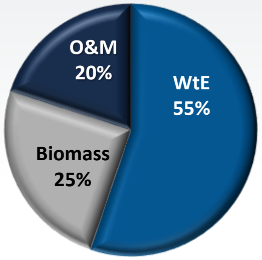

Industrial Steam

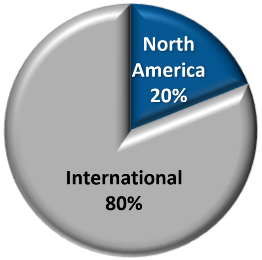
Product & Service Offerings and Key Market Drivers

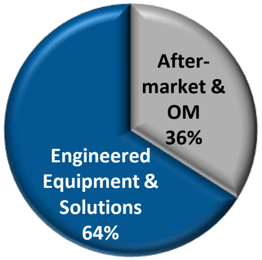
Over 80% of segment revenue tied to existing installed base

	Retrofits	Global Parts and Field Engineering Services	New Build Utility and Environmental	Industrial Steam Generation
DESCRIPTION	Existing equipment retrofit projects, services, ash handling equipment	Aftermarket parts and services for existing steam generation and environmental equipment	Utility boilers and large environmental equipment for utility and industrial customers globally	Natural-gas fired package boilers, industrial boilers and process recovery boilers End markets include pulp & paper, metals, oil and petrochemical
DRIVERS	Global demand for power generation and reliability standards	Global demand for power generation	Global demand for power generation and environmental regulations	GDP growth for heavy industrial customers globally
Customer Type	Utilities Existing Facilities	Utilities and Industrial Existing Facilities	Utilities and Industrial Existing and New Facilities	Industrial Existing and New Facilities
Award Size	<$1 million to $50 million	<$2 million	$10 million to >$100 million	~$1 million to $30 million

Renewable Segment







- Supplies steam-generating systems, environmental and auxiliary equipment and provides operations and maintenance support for waste-to-energy and biomass power generation applications
- Product offering meets renewable power standards and allows customers to provide 24/7 base load power to the grid
- Our proprietary DynaGrate® combustion technology offers a competitive advantage in the waste-to-energy market
- New execution model better aligns B&W's project scope with our core technology and strategy of being an industrial solutions provider
- Near-term focus on project execution and improvements in engineering & project management processes


Biomass

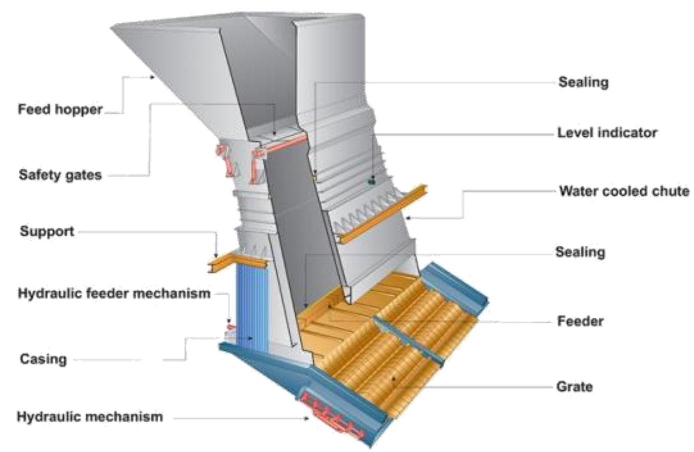

Waste-to-Energy


Environmental Solutions

Operations & Maintenance

Dynagrate® Pivoting Combustion Grate
A Market Leader with Differentiating Technology in Waste-to-Energy Solutions

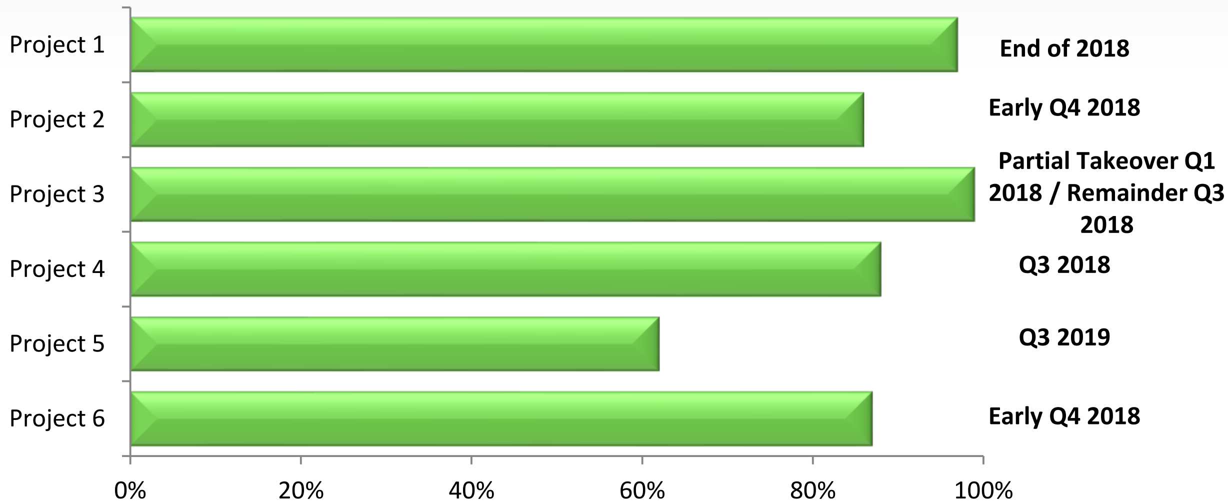
- Large installed base with diverse set of customers
- Grate design allows for high availability and long operational time, leading to reduced O&M cost
- High thermal efficiency and low emissions
- Fuel flexibility
- Factory assembled modules reduce field construction



Renewable Projects Update

Percent Complete at End of Q2 2018

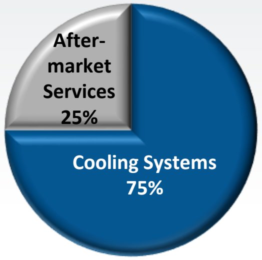
Target Turnover Date

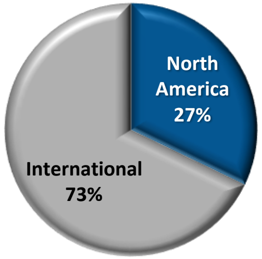


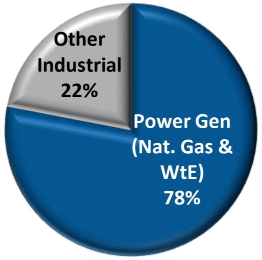
- Four projects expected to be turned over to the customers in the next three months (from early-August 2018)
- Three of four projects in the U.K. are in start-up and trial-operations phases; two in Denmark are fully operational
- Project 5 is full-staffed, construction is underway, with turnover expected in Q3 2019
- Seeking insurance recoveries relating to a variety of claims, additional relief from customers, and other claims to mitigate the impact of increased estimated costs

Percent complete as of June 30, 2018 and based on information provided in the Company's Form 10-Q for the period ended June 30, 2018.

Industrial Segment







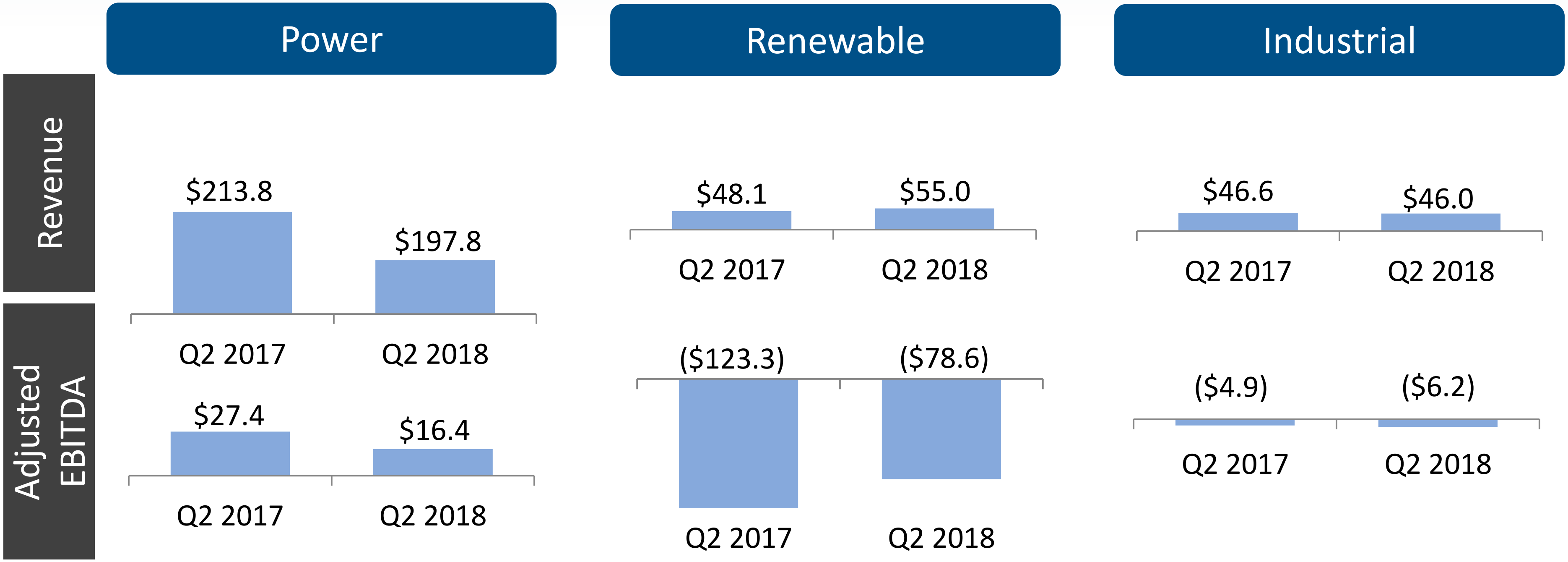
- Custom-engineered environmental and cooling equipment, and related aftermarket services
- Focused on organic growth, cross-selling opportunities, and integration in the near term
- Increasing emphasis on capturing aftermarket parts and services opportunities
- Key drivers include new-build power (coal and natural gas), oil & gas capital expenditures, industrial capital expenditures, environmental regulations, and sustainability (including water scarcity)

Wet and Dry Cooling Systems and Aftermarket Services

Financial Information

Q2 Segment Financial Results Summary

Segment Revenue and Adjusted EBITDA, $ in Millions



Revenue

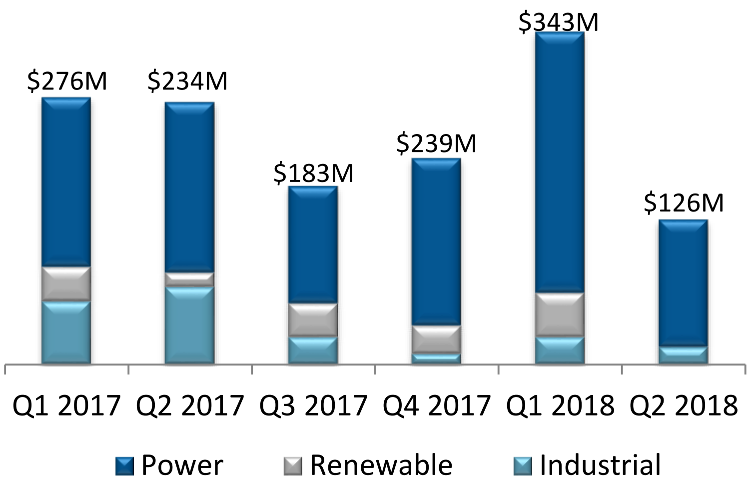
- Power: Lower activity in new-build and retrofit, as expected, partially offset by slightly higher aftermarket parts and services
- Renewable: Progress on projects in backlog
- Industrial: Lower revenue at SPIG; slightly higher new-build, offset by lower aftermarket parts and service

Adjusted EBITDA

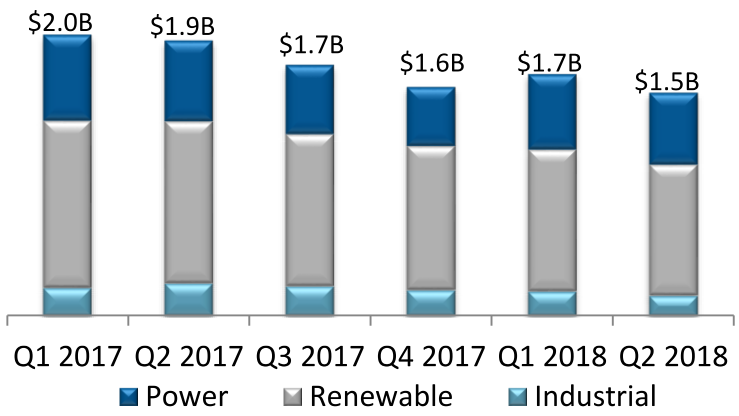
- Power: Restructuring savings and cost control partially offset impact of lower volume and higher warranty expense
- Renewable: Additional estimated costs to complete Renewable energy projects in Europe and higher support costs
- Industrial: Overall business mix; continued efforts to close out legacy contracts

Bookings & Backlog

Bookings



Backlog



- Strong Q1 2018 bookings in Power and solid aftermarket backlog support revenue base
- Base parts and services business in Power showing signs of stabilization; finding opportunities to improve market share
- Renewable backlog mainly consists of long-term operations & maintenance contracts

* Industrial segment backlog excludes MEGTEC and Universal, which are in the process of being sold. Backlog associated with Palm Beach Resource Recovery Corporate (PBRRC) included in Renewable segment backlog; announced agreement to sell PBRRC on August 9, 2018

Investment Highlights

Strong Foundation

- **Great Brand Associated with Quality, Reliable Delivery and Innovation**
- **Customer and Strategic Partner Relationships**
- **Experienced Management Team**
- **Recurring Aftermarket Services Business**

Significant Earnings Upside

- **Solid Underlying Business in Core Power and Industrial Markets**
- **Established Platform in Industrial Environmental and Cooling Systems**
- **Technology Leader in Global Power Generation**

Appendix

Skilled Management Team

President and Chief Executive Officer

Leslie Kass

Finance

Joel Mostrom
Interim Chief Financial Officer, as of June 1, 2018

Chief Implementation Officer

Robert Caruso

Power

Mark Low
Senior Vice President
Retiring in late 2018

Renewable

Jimmy Morgan
Senior Vice President

Industrial

Mark Carano
Senior Vice President
Industrial and Corporate Development

Human Resources

Sumeeta Maxwell
Senior Vice President

Legal

André Hall
Senior Vice President
& General Counsel

Operations

Jim Muckley
Senior Vice President

Pension Accounting Change

- In 2018, we adopted FASB ASU 2017-07, under which the non-service cost components of net periodic benefit cost are presented in other income rather than in cost of operations*
- This does not impact our EPS or Net Income, but will unfavorably impact segment and consolidated gross profit and operating income
- The large majority of the impact with be in the Power segment, with an immaterial impact in Industrial, and no impact in Renewable

Pension & other postretirement benefit costs (benefits), Consolidated

(in thousands)	Year ended December 31, 2015	2016	2017	Current Classification	Future Classification
Service cost	$13,701	$1,703	$804	Cost of operations	Cost of operations
Interest cost	$50,644	$41,772	$41,432	Cost of operations	Other income (expense)
Expected return on plan assets	($68,709)	($61,939)	($59,409)	Cost of operations	Other income (expense)
Amortization of prior service cost	$307	$250	($2,906)	Cost of operations	Other income (expense)
Recognized net actuarial losses and mark to market adjustments	$40,210	$24,110	($8,696)	Cost of operations or SG&A expense	Other income (expense)
Net periodic benefit cost (benefit)	**$36,153**	**$5,896**	**($28,775)**		

Power Segment

(in thousands)	Full Year 2015	Full Year 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Full Year 2017
Gross Profit, as reported	**$247,632**	**$233,550**	**$42,963**	**$49,061**	**$40,629**	**$59,346**	**$191,999**
% Gross Margin	*20.1%*	*23.8%*	*21.9%*	*23.0%*	*20.1%*	*28.4%*	*23.4%*
Pension & other post retirement benefit costs (benefits)							
Interest Cost	$50,547	$41,681	$10,456	$10,395	$10,236	$10,246	$41,333
Expected return on plan assets	($68,709)	($61,939)	($14,856)	($14,854)	($14,936)	($14,763)	($59,409)
Amortization of PSC	$307	$250	($875)	($790)	($532)	($704)	($2,901)
Gross Profit, pro forma	**$229,777**	**$213,542**	**$37,688**	**$43,812**	**$35,397**	**$54,125**	**$171,022**
% Gross Margin, pro forma	***18.6%***	***21.7%***	***19.2%***	***20.5%***	***17.5%***	***25.9%***	***20.8%***

* See Note 29 to Consolidated Financial Statements in our Form 10-K for the year ended December 31, 2017 for additional information regarding the adoption of FASB ASU 2017-07.

Reconciliation of Adjusted EBITDA

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Adjusted EBITDA [(2)]				
Power segment[(3)]	$ 16.4	$ 27.4	$ 27.6	$ 44.8
Renewable segment	(78.6)	(123.3)	(140.4)	(122.4)
Industrial segment	(6.2)	(4.9)	(13.5)	(5.4)
Corporate[(4)]	(6.2)	(9.7)	(17.8)	(19.4)
Research and development costs	(1.3)	(2.4)	(2.4)	(4.2)
Foreign exchange	(20.2)	2.3	(17.7)	2.3
Other - net	(0.1)	0.0	0.3	0.1
Total Adjusted EBITDA	(96.2)	(110.5)	(164.0)	(104.2)
Gain on sale of equity method investment (BWBC)	—	—	6.5	—
Other than temporary impairment of equity method investment in TBWES	—	(18.2)	(18.4)	(18.2)
Loss on debt extinguishment	(49.2)	—	(49.2)	—
Loss on asset disposal	(1.5)	—	(1.5)	—
MTM gain(loss) from benefit plans	0.5	—	0.5	(1.1)
Financial advisory services included in SG&A	(5.1)	—	(8.2)	—
Acquisition and integration costs included in SG&A	—	(0.5)	—	(1.4)
Goodwill impairment	(37.5)	—	(37.5)	—
Restructuring activities and spin-off transaction costs	(3.8)	(2.0)	(10.7)	(5.0)
Depreciation & amortization	(6.9)	(7.8)	(13.9)	(16.2)
Interest expense, net	(11.8)	(6.2)	(25.1)	(7.7)
Loss before income tax expense	**(211.6)**	**(145.2)**	**(321.5)**	**(153.7)**
Income tax expense (benefit)	(1.9)	3.5	5.0	0.3
Loss from continuing operations	(209.7)	(148.6)	(326.5)	(154.1)
Loss from discontinued operations, net of tax	(55.9)	(2.2)	(59.4)	(3.6)
Net loss	(265.6)	(150.9)	(385.9)	(157.7)
Net income attributable to noncontrolling interest	(0.2)	(0.1)	(0.3)	(0.4)
Net loss attributable to stockholders	**$ (265.8)**	**$ (151.0)**	**$ (386.2)**	**$ (158.0)**

(1) Figures may not be clerically accurate due to rounding.
(2) Adjusted EBITDA is not a calculation based on generally accepted accounting principles (GAAP). The amounts included in Adjusted EBITDA however, are derived from amounts included in the Consolidated Statements of Earnings. Adjusted EBITDA should not be considered an alternative to net earnings (loss), operating profit (loss) or operating cash flows. B&W has presented adjusted EBITDA as it is regularly used by many of our investors and is presented as a convenience to them. Adjusted EBITDA, as presented in this calculation however, differs from the EBITDA calculation used to compute our leverage ratio and interest coverage ratio as defined by our Amended Credit Agreement.
(3) Power adjusted EBITDA includes pension benefit, excluding MTM adjustments of $6.4 million, $5.0 million, $13.2 million and $10.0 million in the three months ended June 30, 2018, June 30, 2017 and six months ended June 30, 2018 and June 30, 2017, respectively.
(4) Allocations are not eligible for presentation as discontinued operations. Accordingly, allocations previously absorbed by the MEGTEC and Universal businesses in the Industrial segment have been included with other unallocated costs in Corporate, and total $2.9 million and $2.2 million in the three months ended June 30, 2018 and 2017, respectively, and $5.7 million and $4.4 million in the six months ended June 30, 2018 and 2017, respectively.