



Babcock & Wilcox Enterprises, Inc.

Company Overview

May 2017

TRANSFORMING OUR WORLD | 150 YEARS

Building on our heritage with a focus on the future

Safe Harbor Statement

Forward-looking statements. Babcock & Wilcox Enterprises, Inc. (“B&W”) cautions that this presentation contains forward-looking statements, including, without limitation, statements relating to our strategic objectives; management’s expectations regarding the industries in which we operate; our guidance and forecasts for 2017; our projected operating margin improvements, savings and restructuring costs; project execution; and growth through acquisitions. 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 realize anticipated savings and operational benefits from our restructuring plan; our ability to successfully integrate SPIG and Universal and realize the expected synergies from these acquisitions; our ability to realize the benefits of expected cross-selling opportunities from the SPIG and Universal acquisitions; our ability to successfully address productivity and schedule issues in our Renewable segment, including our efforts to enhance its resources and infrastructure; changes in the jurisdictional mix of our income and losses; disruptions experienced with customers and suppliers; the inability to retain key personnel; adverse changes in the industries in which we operate; delays, changes or termination of contracts in backlog; the timing and amount of repurchases of our common stock, if any; the inability to grow and diversify through acquisitions; and the success of our actions to improve the performance of our Renewable segment. 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 Operating Income and Adjusted Earnings per Share as non-GAAP financial measures. A reconciliation of historical Adjusted Operating Income and Adjusted Earnings per Share to the most directly comparable GAAP measures is included at the end of this presentation. These measures should be considered in addition to results prepared in accordance with GAAP, but are 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

Ownership: Public (NYSE:BW)

2017E Revenue: ~\$1.8B

Chairman & CEO: E. James Ferland

Employees: Approximately 5,000 employees,
in addition to 2,500 joint venture
employees worldwide

Locations: 28 countries

Founded: 1867

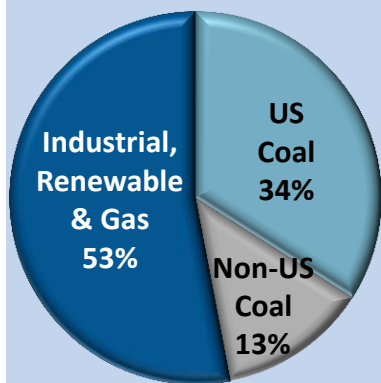
Business model delivers shareholder value by driving maximum value for customers through:

- Custom technologies
- Engineered solutions
- Aftermarket service offerings

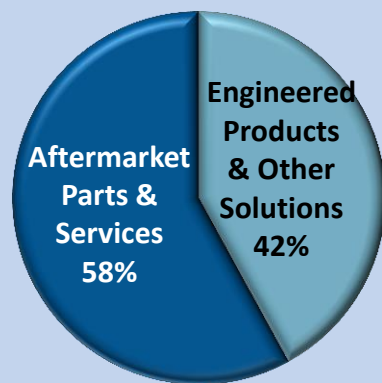


Consolidated Revenue Overview

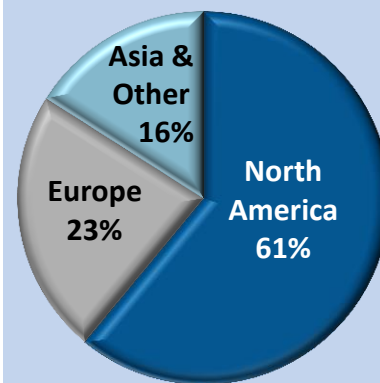
End Markets



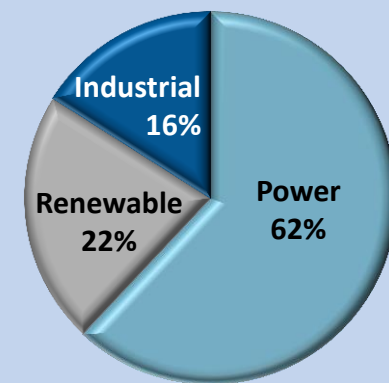
Products & Services



Geography



Segments



- Further diversification of end market exposure is key to strategy; have grown non-coal revenue to >50% of total
- Continued organic and inorganic growth potential
- Strong aftermarket services business

Note: All charts based on FY 2016 financial data unless otherwise noted

Markets We Serve



- Traditional Power Generation
- Natural Gas Power Generation
- Renewable Power Generation
- Oil and Petrochemical
- Natural Gas Midstream
- Pulp and Paper, Wood Products
- Mining and Metals
- Iron and Steel
- Food Processing and Agriculture
- Coatings and Flexible Packaging
- General Industry and Manufacturing
- Waste Management

Consistent Strategic Focus...

Power



**Optimize Our Legacy Business
and Improve Efficiency**

Renewable



**Pursue Core Growth in
Global Markets**

Industrial



**Execute a Disciplined Acquisition
Program to Drive Growth and
Diversification**

...is well-aligned with our business segments

Business Segment Overview

Estimated
2017
Revenue

% Revenue
from Coal

Custom
Technologies

Engineered
Solutions

Aftermarket
Service
Offerings

Power

- Aftermarket parts and services
- Utility steam generation
- Industrial power
- Environmental solutions

~\$1B

75 - 80%



Renewable

- Waste-to-Energy solutions
- Biomass power solutions
- Environmental solutions
- Operations and maintenance

~\$350M

<3%



Industrial

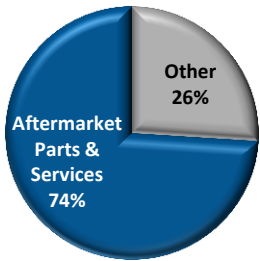
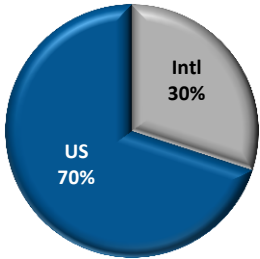
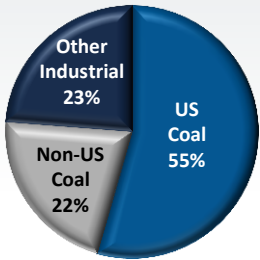
- Wet and dry cooling systems
- Air pollution control systems
- Noise abatement solutions
- Engineered equipment
- Aftermarket solutions

~\$450M

<1%



Power Segment



- Supplies and provides aftermarket services and parts for steam generating, environmental and auxiliary equipment for power generation and other industrial applications
- Services B&W-installed electricity generation capacity of approximately 300,000 MW in more than 90 countries
- More than 20% of revenues from industrial customers outside of coal power generation – pulp & paper, carbon black emissions projects, and natural gas fired package boilers
- Strong presence in U.S. coal power generation aftermarket services
- 2017 estimated revenue of ~\$1B; 2017 estimated gross margin in low 20% range



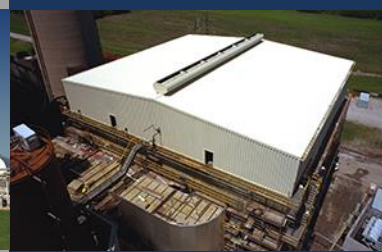
Parts and Technical Services



Service Projects



Utility Steam Generation




Environmental Solutions



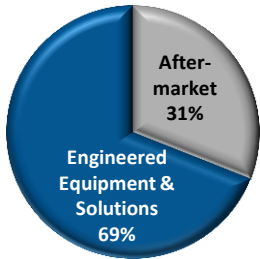
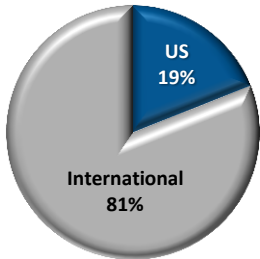
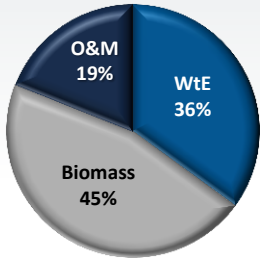
Industrial Solutions

Product & Service Offerings and Key Market Drivers

	Retrofits & Continuous Emissions Monitoring Systems 	Global Parts and Field Engineering Services 	New Build Utility and Environmental 	Industrial Steam Generation 	
DESCRIPTION	Utility retrofit, services, ash handling equipment and emissions control monitoring systems	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	DESCRIPTION
DRIVERS	Global demand for power generation and environmental regulations	Global demand for power generation	Global demand for power generation and environmental regulations	GDP growth for heavy industrial customers globally	DRIVERS
AWARD SIZES	<\$1 million to \$30 million	<\$2 million	\$10 million to >\$100 million	~\$1 million to \$30 million	AWARD SIZES
MIX	32%	29%	29%	10%	MIX

Continued high bidding activity and strong pipeline of work

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
- ▶ Our proprietary DynaGrate® combustion technology offers a competitive advantage in the waste-to-energy market
- ▶ Product offering meets renewable power standards and allows customers to provide 24/7 base load power to the grid
- ▶ 2017 estimated revenue of ~\$350M; 2017 estimated gross margin in low-double digits versus longer-term target of upper-mid teens
- ▶ 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

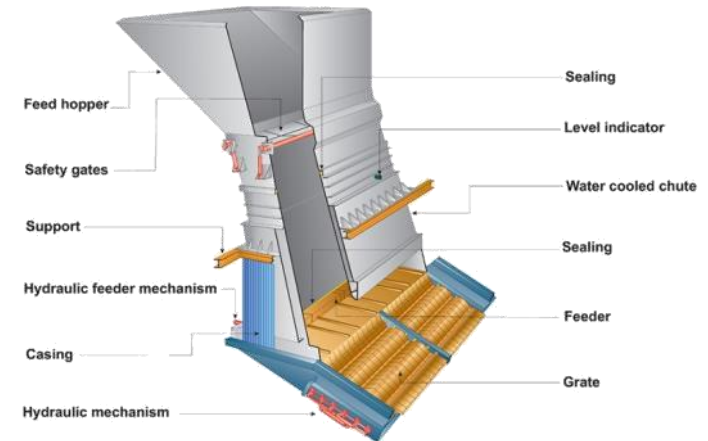
Large installed base with diverse set of customers

Grate design allows for high availability and long operational time, leading to reduced O&M cost

High thermal efficiency and low emissions

Fuel flexibility

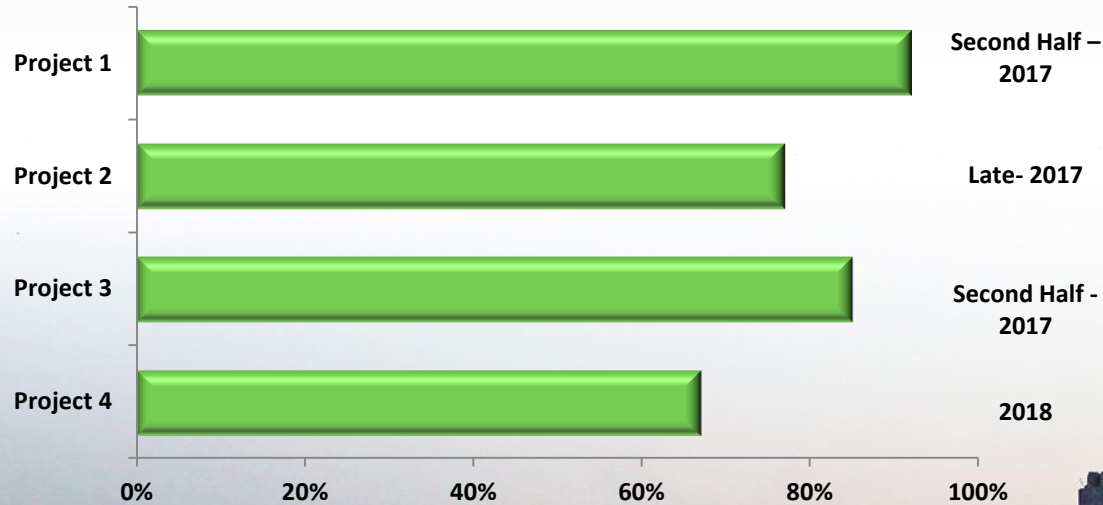
Factory assembled modules limit field construction



Renewable Projects Update

Percent Complete at End of Q1 2017

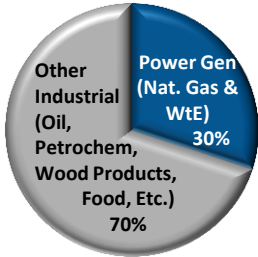
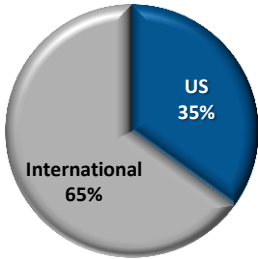
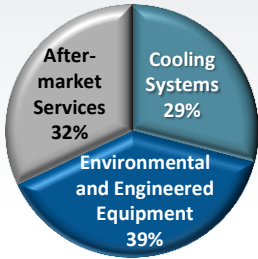
Target
Completion Date



- ▶ All projects in our Renewable portfolio advanced percent complete during first quarter 2017
- ▶ Construction on Project 1 is essentially complete
- ▶ Project 3 is in commissioning

Note: Percent complete based on information provided in the Form 10-Q for the period ending March 31, 2017; commentary based on progress at time of publication

Industrial Segment



- ▶ Custom-engineered cooling, environmental and other industrial equipment along with related aftermarket services
- ▶ Focused on organic growth, cross selling opportunities, and integration in the near term and growth via acquisitions in the longer term
- ▶ Key drivers include industrial capital expenditures, environmental regulations and sustainability (including water scarcity)
- ▶ 2017 estimated revenue of ~\$450M; 2017 estimated gross margin ~20%

	B&W MEGTEC	B&W SPIG	B&W Universal
Acquired	June 2014	July 2016	January 2017
Solutions	Environmental and industrial equipment	Dry and wet cooling equipment	Noise abatement, emissions, and filtration equipment
Key Markets	Serves a broad-range of industrial markets (3,100 customers in 60+ countries)	Process industries including natural gas power generation, oil & gas, and general industrial	Natural gas power generation, pipelines, locomotive, and general industrial



Air Pollution Control Systems



Noise Abatement



Wet Cooling Systems

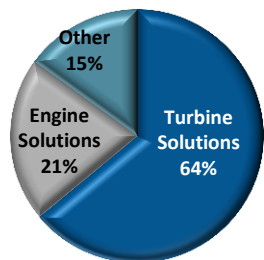
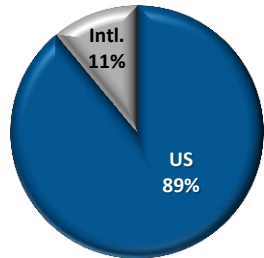
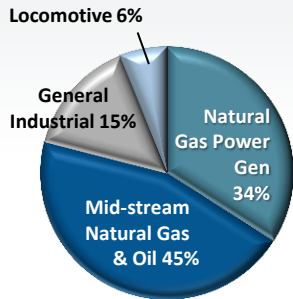


Dry Cooling Systems



Aftermarket Services

B&W Universal



- ▶ Provides custom-engineered acoustic, emission and filtration solutions to the natural gas power generation, mid-stream natural gas pipeline, locomotive and general industrial end-markets
- ▶ The addition of Universal to B&W:
 - Expands our technology base into noise abatement and new end markets
 - Provides further diversification into the natural gas power generation market
 - Provides platform in the mid-stream natural gas market
 - Generates real and identified cost synergies
- ▶ Key product offerings include gas turbine inlet and exhaust systems, custom silencers, filters and custom acoustic enclosures
- ▶ Acquisition closed in January 2017; will operate as a component of B&W's Industrial operating segment and is a bolt-on acquisition for B&W MEGTEC
- ▶ Expected to contribute over \$80 million of revenue and to be earnings accretive in 2017

Note: Charts are based on FY 2016 financial data

Financial Information

Consolidated Q1 Financial Results Summary

<i>\$ in millions, except per share amounts</i>	First Quarter 2017	First Quarter 2016
Revenues	\$ 391.1	\$ 404.1
GAAP Operating Income	\$ (8.8)	\$ 17.3
Adjusted Operating Income⁽¹⁾	\$ 3.2	\$ 22.8
GAAP Earnings per Share, Diluted	\$ (0.14)	\$ 0.20
Adjusted Earnings per Share, Diluted⁽¹⁾	\$ 0.04	\$ 0.29

Q1 '17 Revenue reflects:

- Growth in the Industrial segment driven by the addition of B&W SPIG and Universal
- Lower volume in Power segment

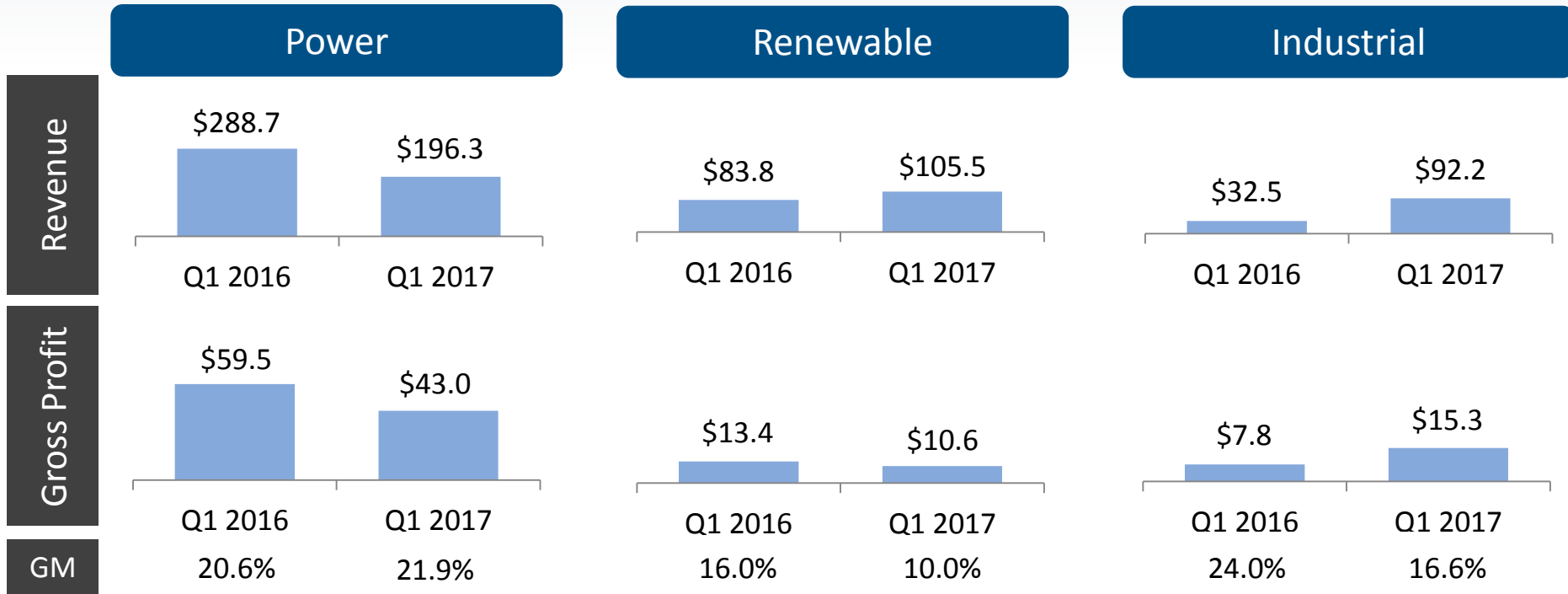
Q1 '17 Adjusted Operating Income reflects:

- Solid Power segment gross margin
- Industrial gross margin performance in-line with expectations
- Good overhead cost control throughout organization
- Project performance in Renewable segment

(1) See Appendix for reconciliation of adjusted, non-GAAP items

Q1 Segment Financial Results Summary

Segment Revenue and Gross Profit
\$ in Millions



Revenue

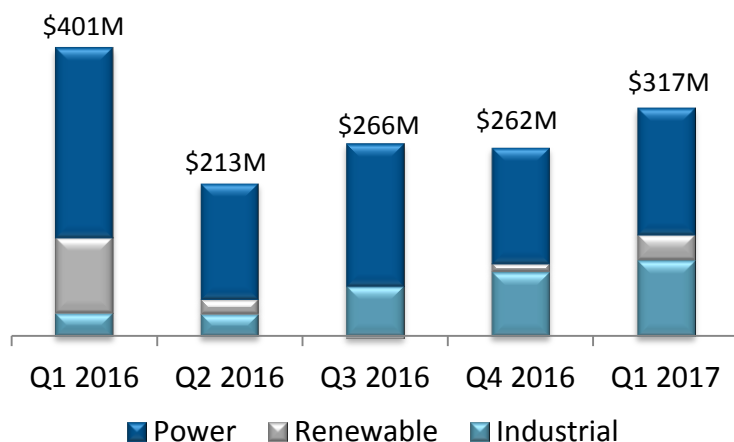
- Power: Lower activity in line with expectations and proactive restructuring plan
- Renewable: Increased activity on greater number of projects
- Industrial: Increase driven by B&W SPIG and B&W Universal acquisitions

Gross Profit Margin

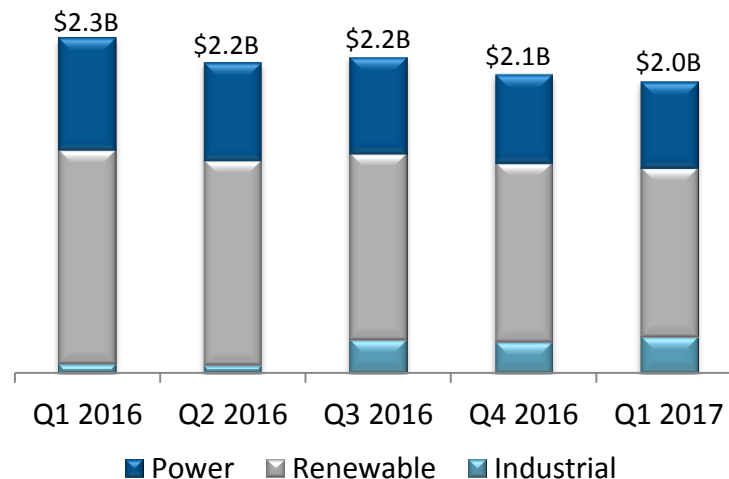
- Power: Good execution and restructuring offset lower volume
- Renewable: Performance on projects in backlog
- Industrial: Shift in revenue mix to more cooling systems; partially offset by B&W Universal

Bookings & Backlog

Bookings



Backlog



- Sequential bookings growth led by Industrial; driven by B&W SPIG in the U.S. and Universal acquisition
- Base business in Power showing signs of stabilization
- Robust bid pipeline, including large award opportunities in Power and Renewable
- Backlog modestly lower quarter-over-quarter; Industrial growing as percentage of total

FY 2017 Guidance

- Revenue is expected to be approximately \$1.8B
- Full year adjusted EPS in a range of \$0.75 to \$0.95⁽¹⁾
 - Excludes intangible amortization
 - Adjusted EPS estimate excludes any mark-to-market adjustment for pension and post-retirement benefits and restructuring charges

(1) Management has provided full year adjusted earnings per diluted share ("adjusted EPS") guidance of \$0.75 to \$0.95. It is not possible for management to identify the amount or significance of future adjustments associated with potential mark to market adjustments to our pension and other postretirement benefit plan liabilities or other non-routine costs that we adjust in our presentation of adjusted EPS guidance. These items are dependent on future events and/or market inputs that are not reasonably estimable at this time. In addition, the estimated tax rate can have additional variability from estimate due to changes in jurisdictional mix and impacts from deferred tax asset valuation allowances. Accordingly, management is unable to reconcile without unreasonable effort the Company's forecasted range of adjusted EPS for the full year included in the 2017 Outlook section of this earnings release to a comparable GAAP range. However, items excluded from our adjusted EPS guidance include the historical adjustments noted in the tables above, and our adjusted EPS guidance also excludes future estimable adjusting items, including intangible amortization of \$0.25 to \$0.26 per share, charges relating to previously announced restructuring initiatives of \$0.13 to \$0.17 per share, additional spin costs of approximately \$0.02 per share, additional acquisition and integration costs of approximately \$0.04 to \$0.05 per share, and benefits from asset sales of approximately \$0.01.

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



Three-Pronged Growth Strategy Aligned with Businesses



Established Platform in Industrial Environmental and Cooling Systems



Technology Leader in Global Power Generation

Appendix

Skilled Management Team



Chairman and
Chief Executive Officer

Jim Ferland



Finance

Jenny Apker
Senior Vice President
& Chief Financial Officer



Renewable

Jimmy Morgan
Senior Vice President



B&W MEGTEC

Ken Zak
Senior Vice President



Legal

André Hall
Senior Vice President
& General Counsel



Operations

Jim Muckley
Senior Vice President



Corporate Development

Mark Carano
Senior Vice President,
Corporate Development &
Industrial Finance



Human Resources

Ben Bash
Senior Vice President
(interim)



B&W SPIG

Francesco Racheli
Senior Vice President



Business Development

Elias Gedeon
Senior Vice President & Chief
Business Development Officer

Experienced Board of Directors



Jim Ferland
Chairman and
Chief Executive Officer



Thomas A. Christopher

Former Vice Chairman of AREVA, Mr. Christopher also served as its President and CEO from 2000 to 2009. Before that, he held a number of positions at Westinghouse, including Vice President and General Manager, Westinghouse Power Services.



Cynthia S. Dubin

Ms. Dubin served as Finance Director for JKN Oil & Gas, an LSE-listed oil and gas exploration and production company, from November 2011 through January 2016. From 2006-2011 she was co-founder and CFO of Canamens, a pan European oil and gas company. She was with Edison Mission Energy from 1993-2005, latterly as VP and CFO for EMEA.



Brian K. Ferraioli

Mr. Ferraioli served as the Executive Vice President and Chief Financial Officer for KBR, a global technology, engineering, procurement and construction company, from October 2013 through February 2017. He was formerly Executive Vice President and CFO of The Shaw Group, which was acquired by CB&I in February 2013.



Stephen G. Hanks

From November 2007 until his retirement in January 2008, Mr. Hanks served as President of the Washington Division of URS Corporation, an engineering, construction and technical services company, as well as a member of the Board of Directors. From June 2001 to November 2007, he was President and CEO of Washington Group International.



Anne R. Pramaggiore

Ms. Pramaggiore is President and CEO of ComEd, an electric utility company delivering electricity to 3.8 million customers in Chicago and Northern Illinois. Ms. Pramaggiore also serves as a board member of Chicago Federal Reserve Board, Motorola Solutions, and several civic and community organizations.



Larry L. Weyers

Prior to his retirement in March 2010, Mr. Weyers served as Chairman of Integrys Energy Group, Inc., a holding company with operations providing products and services in regulated and non-regulated energy markets. From 2010-2015, he served as VP and Lead Director of the Board of Directors of Green Bay Packers, Inc., on which he served beginning in 2003.

Reconciliation of Adjusted, Non-GAAP Results

\$ in millions, except per share amounts

Three Months Ended March 31, 2017

	GAAP	Restructuring and spin-off transaction costs	Acquisition and integration costs	Pension & OPEB MTM (gain) / loss	Non-GAAP	Intangible amortization	Non-GAAP excluding intangible amortization
Operating income (loss)	(\$8.8)	\$3.0	\$1.9	\$1.1	(\$2.8)	\$6.0	\$3.2
Other income (expense)	(2.0)	0.0	0.0	0.0	(2.0)	0.0	(2.0)
Income tax (expense) benefit	4.0	(0.8)	(0.3)	(0.3)	2.6	(1.9)	0.7
Net income (loss)	(6.8)	2.2	1.7	0.8	(2.2)	4.1	1.9
Net loss attributable to non-controlling interest	(0.2)	0.0	0.0	0.0	(0.2)	0.0	(0.2)
Net income (loss) attributable to shareholders	(\$7.0)	\$2.2	\$1.7	\$0.8	(\$2.4)	\$4.1	\$1.7
Diluted EPS - continuing operations	(\$0.14)	\$0.05	\$0.03	\$0.02	(\$0.05)	\$0.08	\$0.04
Income tax rate	36.7%				54.6%		(58.1%)

Three Months Ended March 31, 2016

	GAAP	Restructuring and spin-off transaction costs	Non-GAAP	Intangible amortization	Non-GAAP excluding intangible amortization
Operating income (loss)	\$17.3	\$4.0	\$21.3	\$1.5	\$22.8
Other income (expense)	0.0	0.0	0.0	0.0	0.0
Income tax (expense) benefit	(6.6)	(0.2)	(6.8)	(0.5)	(7.4)
Net income (loss)	10.6	3.8	14.4	1.0	15.4
Net loss attributable to non-controlling interest	(0.1)	0.0	(0.1)	0.0	(0.1)
Net income (loss) attributable to shareholders	\$10.5	\$3.8	\$14.3	\$1.0	\$15.3
Diluted EPS - continuing operations	\$0.20	\$0.07	\$0.27	\$0.02	\$0.29
Income tax rate	38.5%		32.2%		32.2%

Note: Figures may not be clerically accurate due to rounding.