



Babcock & Wilcox Enterprises, Inc.

Company Overview

November 2017

TRANSFORMING OUR WORLD | 150 YEARS

Building on our heritage with a focus on the future

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 maintain sufficient sources of liquidity to fund our operations, including sufficient bonding and surety capacity to meet customer requirements; our ability to realize anticipated savings and operational benefits from our restructuring plans, and other cost-savings initiatives; our ability to successfully capitalize on the strategic alternative evaluation of our MEGTEC and Universal business lines; our ability to successfully integrate and realize the expected synergies from acquisitions; our ability to realize the benefits of expected cross-selling opportunities from acquisitions; our ability to successfully address productivity and schedule issues in our Renewable segment, including our efforts to enhance its resources and infrastructure; timely completion of engineering work; productivity of subcontractors; our ability to successfully refine our the execution model of our Renewable segment; our ability to meet performance guarantees; our ability to successfully partner with third parties to win and execute renewable projects; changes in the jurisdictional mix of our income and losses; disruptions experienced with customers and suppliers; claims by third parties; the inability to retain key personnel; adverse changes in the industries in which we operate; and delays, changes or termination of contracts in backlog. 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 release, 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

Founded: 1867

Ownership: Public (NYSE:BW)

2017E Revenue: ~\$1.6B

Chairman & CEO: E. James Ferland

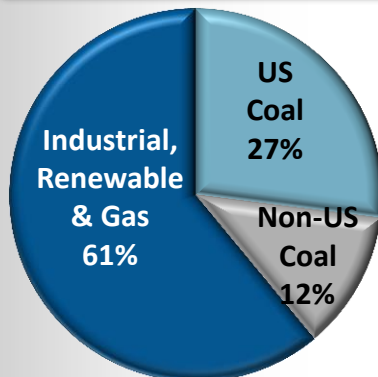
Employees (as of 9/30/2017): Approximately 4,700 employees, in addition to 2,200 joint venture employees worldwide

Locations: 28 countries

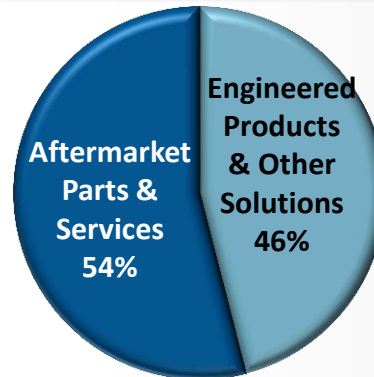
Business model delivers shareholder value by driving maximum value for customers through:

- Custom technologies
- Engineered solutions
- Aftermarket service offerings

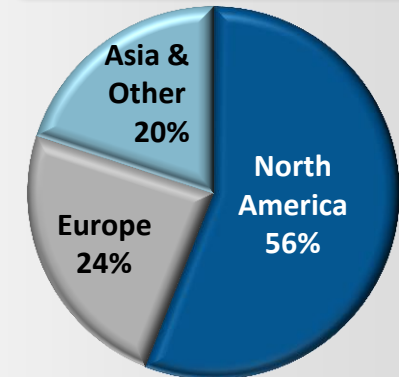
End Markets



Products & Services



Geography



Note: All charts based on trailing twelve-month revenue and segment structure as of June 30, 2017 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
- Lithium Ion Battery Production
- General Industry and Manufacturing
- Waste Management / Biomass

Strategic Focus...

Power



**Optimize Our Legacy Business
and Improve Efficiency**

Renewable



**Pursue Profitable Core Growth in
Global Markets**

Industrial



**Leverage Technology Portfolio to
Drive Cross-Selling Opportunities**

...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

~\$825M

~70%



Renewable

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

~\$350M

<3%



Industrial

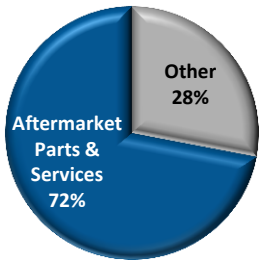
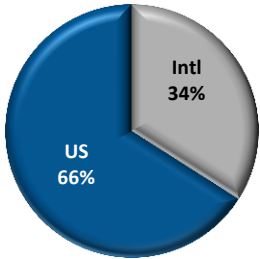
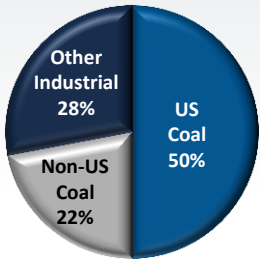
- Wet and dry cooling systems
- Environmental solutions
- Noise abatement solutions
- Aftermarket solutions

~\$400M

<1%



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 gross margins
- ▶ 2017 estimated revenue of ~\$825M; 2017 estimated gross margin in low 20% range



Parts and Technical Services



Service Projects



Utility Steam Generation



Environmental Solutions



Aftermarket Parts

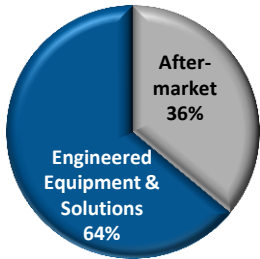
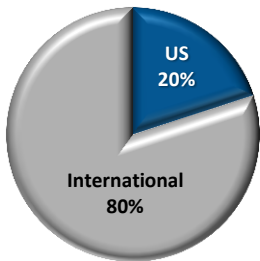
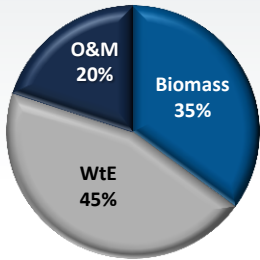
Product & Service Offerings and Key Market Drivers

Nearly three quarters 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	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 reliability standards	Global demand for power generation	Global demand for power generation and environmental regulations	GDP growth for heavy industrial customers globally	DRIVERS
Customer Type	Utilities Existing Facilities	Utilities and Industrial Existing Facilities	Utilities and Industrial Existing and New Facilities	Industrial Existing and New Facilities	Customer Type
Award Size	<\$1 million to \$30 million	<\$2 million	\$10 million to >\$100 million	~\$1 million to \$30 million	Award Size

Optimized cost structure allowing for continued solid margin performance

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
- 2017 estimated revenue of ~\$350M; positive gross margins estimated in second half 2017 and returning to high-teens longer-term



Biomass



Waste-to-Energy



Environmental Solutions



Operations & Maintenance

Dynagrate® Pivoting Combustion Grate

A Market Leader with Differentiating Technology in Waste-to-Energy Solutions

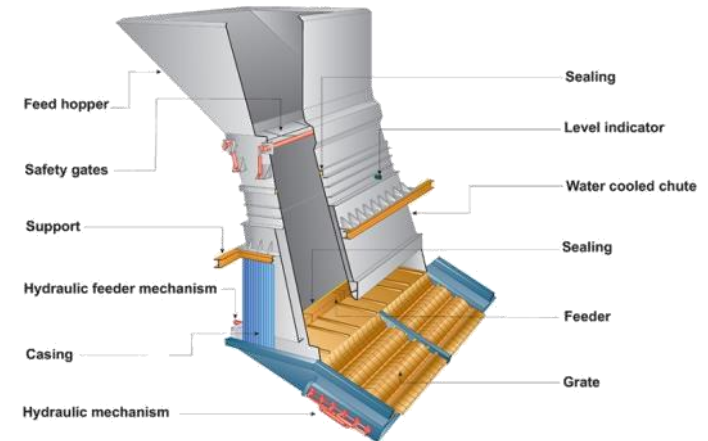
Large installed base with diverse set of customers

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

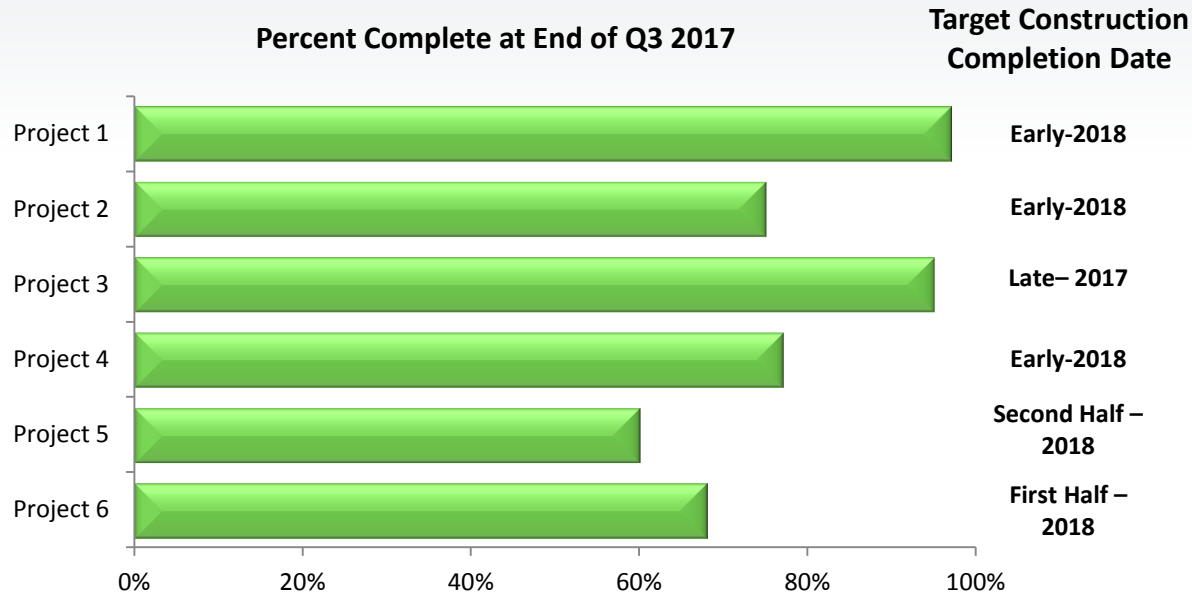
High thermal efficiency and low emissions

Fuel flexibility

Factory assembled modules reduce field construction



Renewable Projects Update



- ▶ Project 1 and Project 3 are in final testing phases
- ▶ All U.K. projects made progress toward completion in Q3 2017
- ▶ Introduced new, lower-risk execution model
- ▶ Agreements with customers for design changes to enhance plant performance partially offset profitability impact from structural steel issue in Q3 2017



Percent complete based on information provided in the Form 10-Q for the period ended September 30, 2017.

Renewable New-Build Execution Model

Illustrative Renewable New-Build Project: Breakdown of Major Work Packages

New Model focuses
primarily on Core
B&W Scope



EPC Partner executes Balance of
Plant and Civil Scope

Core B&W Scope (30%)

Boiler
Dynagrate®
Environmental Equipment
Cooling Systems
Ash Handling

Balance of Plant (40%)

Piping
Electrical
Instrumentation
Condenser
Auxiliary steel
Pumps & Valves
Insulation
Stack
Pumps
Cranes

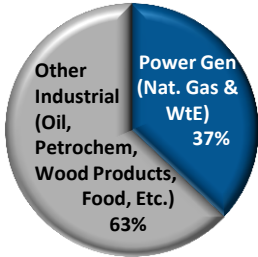
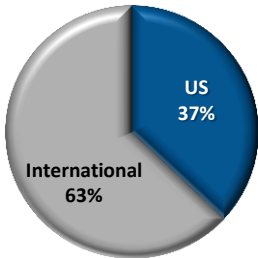
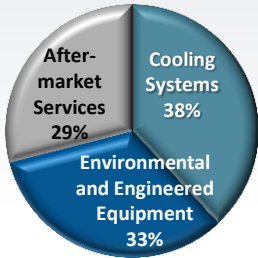
Civil Scope (30%)

Foundation
Building Steel/Cladding
Underground
Building Services
Waste Bunker

Current B&W Scope on U.K. Projects

- ▶ Focus on Core B&W Scope improves overall risk and margin profile
- ▶ Reduces revenue opportunity per project, but over time, provides opportunity to execute more projects at once
- ▶ End-market demand remains robust

Industrial Segment



- ▶ Custom-engineered environmental and cooling equipment, other engineered equipment (i.e. drying and coating), 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 industrial capital expenditures, environmental regulations, and sustainability (including water scarcity)
- ▶ 2017 estimated revenue of ~\$400M; 2017 estimated gross margin in the mid-teens



Environmental Solutions



Noise Abatement



Cooling Systems



Drying & Coating Solutions



Aftermarket Services

Industrial Segment Business Lines & Key Market Drivers

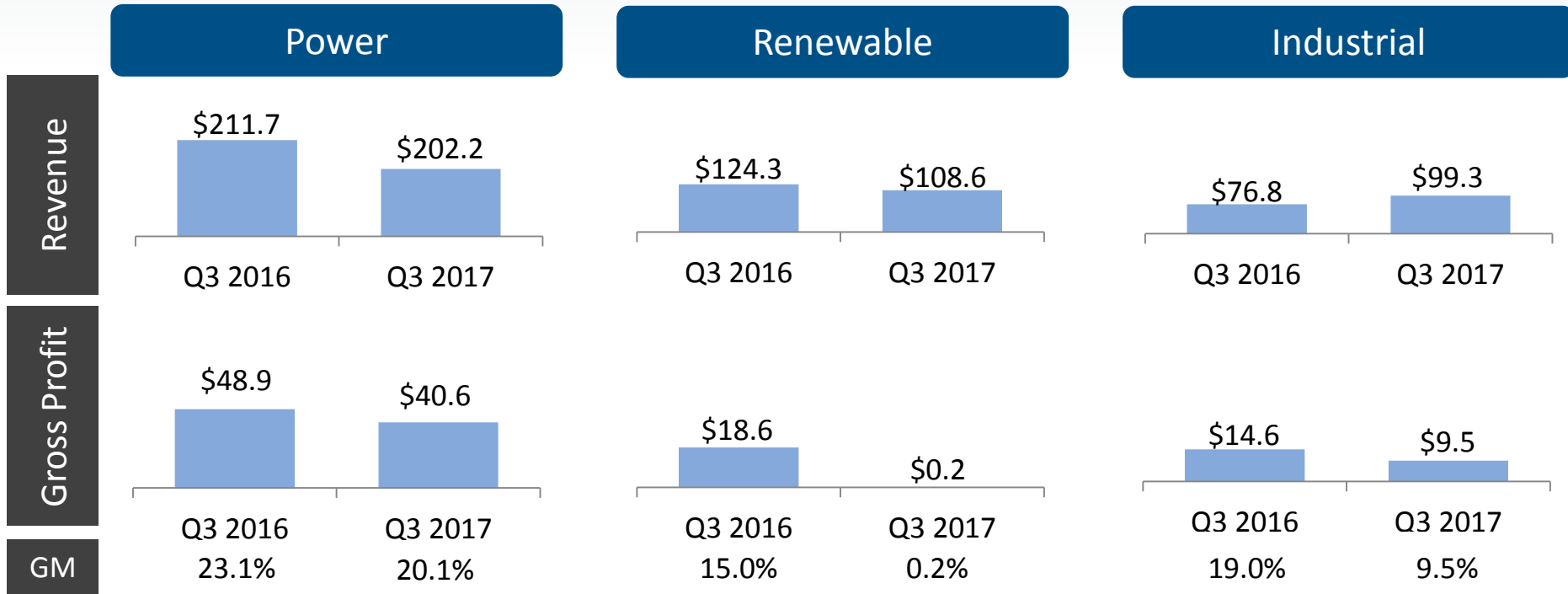
		DESCRIPTION	DRIVERS	KEY MARKETS	
MEGTEC		Designs, engineers, and manufactures environmental equipment and coating & drying equipment and solutions; aftermarket services	Industrial capacity expansion, environmental regulations	General Industrial (3,100 customers in 60+ countries), Lithium-ion battery	
SPIG		Designs and engineers dry and wet cooling systems; aftermarket solutions	New plant construction and maintenance	Power generation, Industrial, Oil & gas	
Universal		Designs, engineers, and manufactures noise abatement, emissions, and filtration	Global demand for power generation and environmental regulations	Pipelines, locomotive, power generation, general industrial	

Leveraging technology portfolio to drive cross selling opportunities to enhance growth potential

Financial Information

Q3 Segment Financial Results Summary

Segment Revenue and Gross Profit
\$ in Millions



Revenue

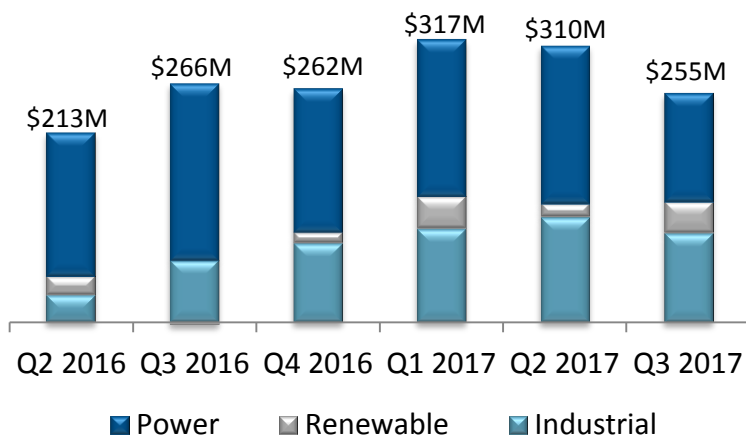
- Power: Lower activity in line with expectations
- Renewable: Lower level of activity on new-build projects
- Industrial: Increase largely driven by B&W Universal acquisition

Gross Profit Margin

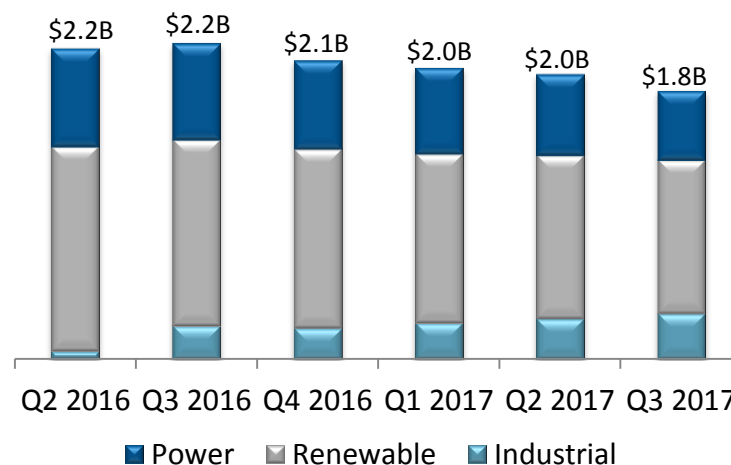
- Power: Restructuring savings and cost control partially offset impact of lower volume
- Renewable: Performance on projects in backlog; structural steel issue largely offset by contract modifications
- Industrial: Overall business mix; lower profitability on certain cooling systems projects

Bookings & Backlog

Bookings



Backlog



- ▶ Third consecutive quarter of solid Industrial bookings; strength in Q3 2017 driven by MEGTEC
- ▶ Base parts and services business in Power showing signs of stabilization; timing on international new-build bookings uncertain
- ▶ Solid pipeline of Renewable prospects; plan to return to bidding in early 2018 under new execution model

FY 2017 Guidance

- Guidance by segment:
 - **Power:** full year 2017 revenue at the low end of the previously guided range of \$825 million to \$875 million, with gross margin in the low 20% range
 - **Renewable:** full year 2017 revenue of approximately \$350 million, with positive gross margins expected in second half 2017
 - **Industrial:** full year 2017 revenue at the low end of the previously guided range of \$400 million to \$450 million, with gross margin in the mid-teens

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



Long-term Growth Strategy Aligned with Businesses



Established Platform in Industrial Environmental and Cooling Systems



Technology Leader in Global Power Generation

Appendix

Skilled Management Team



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 September 30, 2017

	GAAP	Restructuring and spin-off transaction costs	Acquisition and integration costs	Financial advisory services	Goodwill impairment	Non-GAAP	Intangible amortization	Non-GAAP excluding intangible amortization
Operating income (loss)	(\$104.7)	\$3.8	\$0.3	\$0.4	\$86.9	(\$13.4)	\$4.0	(\$9.4)
Other expense	(15.0)	—	—	—	—	(15.0)	—	(15.0)
Income tax expense (benefit)	(5.6)	0.9	0.1	0.1	1.1	(3.4)	1.3	(2.1)
Net income (loss)	(114.1)	2.9	0.2	0.2	85.8	(25.0)	2.7	(22.3)
Net loss attributable to non-controlling interest	(0.2)	—	—	—	—	(0.2)	—	(0.2)
Net income (loss) attributable to shareholders	(\$114.3)	\$2.9	\$0.2	\$0.2	\$85.8	(\$25.2)	\$2.7	(\$22.5)
Diluted EPS - continuing operations	(\$2.48)	\$0.06	\$—	\$—	\$1.86	(\$0.55)	\$0.06	(\$0.49)
Income tax rate	4.7%					12.0%		8.8%

Three Months Ended September 30, 2016

	GAAP	Restructuring costs 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)	\$11.1	\$2.4	\$0.8	\$0.6	\$15.0	\$8.8	\$23.8
Other expense	(0.5)	—	—	—	(0.5)	—	(0.5)
Income tax expense (benefit)	1.6	0.7	(0.2)	0.2	2.4	2.8	5.2
Net income (loss)	9.0	1.7	1.0	0.5	12.1	6.0	18.1
Net loss attributable to non-controlling interest	(0.1)	—	—	—	(0.1)	—	(0.1)
Net income (loss) attributable to shareholders	\$8.9	\$1.7	\$1.0	\$0.5	\$12.0	\$6.0	\$18.0
Diluted EPS - continuing operations	\$0.18	\$0.04	\$0.02	\$0.01	\$0.24	\$0.12	\$0.36
Income tax rate	15.2%				16.3%		22.3%

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

Reconciliation of Adjusted, Non-GAAP Results

\$ in millions, except per share amounts

Nine Months Ended September 30, 2017

	GAAP	Impairment of equity method investment	Restructuring and spin-off transaction costs	Acquisition and integration costs	Pension & OPEB MTM (gain) / loss	Litigation	Financial advisory services	Goodwill impairment	Non-GAAP	Intangible amortization	Non-GAAP excluding intangible amortization
Operating income (loss)	(\$258.2)	\$18.2	\$8.9	\$3.1	\$1.1	\$—	\$0.4	\$86.9	(\$139.6)	\$14.5	(\$125.2)
Other income (expense)	(21.2)	—	—	—	—	3.7	—	—	(17.5)	—	(17.5)
Income tax expense (benefit)	(7.6)	—	2.2	0.7	0.3	1.4	0.1	1.1	(1.8)	4.6	2.7
Net income (loss)	(271.8)	18.2	6.8	2.4	0.8	2.3	0.2	85.8	(155.3)	9.9	(145.4)
Net loss attributable to non-controlling interest	(0.6)	—	—	—	—	—	—	—	(0.6)	—	(0.6)
Net income (loss) attributable to shareholders	(\$272.3)	\$18.2	\$6.8	\$2.4	\$0.8	\$2.3	\$0.2	\$85.8	(\$155.9)	\$9.9	(\$146.0)
Diluted EPS - continuing operations	(\$5.69)	\$0.38	\$0.14	\$0.05	\$0.02	\$0.05	\$—	\$1.79	(\$3.25)	\$0.21	(\$3.05)
Income tax rate	2.7%								1.2%		(1.9%)

Nine Months Ended September 30, 2016

	GAAP	Restructuring costs and spin- off transaction costs	Pension & OPEB MTM (gain) / loss	Acquisition and integration costs	Non-GAAP	Intangible amortization	Non-GAAP excluding intangible amortization
Operating income (loss)	(\$44.2)	\$38.0	\$30.5	\$2.8	\$27.1	\$11.9	\$39.0
Other income (expense)	(0.4)	—	—	—	(0.4)	—	(0.4)
Income tax expense (benefit)	(0.8)	(0.7)	11.1	0.6	10.3	3.9	14.2
Net income (loss)	(43.8)	38.7	19.4	2.2	16.5	8.0	24.4
Net loss attributable to non-controlling interest	(0.3)	—	—	—	(0.3)	—	(0.3)
Net income (loss) attributable to shareholders	(\$44.1)	\$38.7	\$19.4	\$2.2	\$16.2	\$8.0	\$24.1
Diluted EPS - continuing operations	(\$0.87)	\$0.76	\$0.38	\$0.04	\$0.32	\$0.16	\$0.48
Income tax rate	1.8%				38.4%		36.8%

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