

To: All Babcock & Wilcox Employees

From: Jim Ferland, President and Chief Executive Officer

Date: 6/8/2015

Re: Key spin-off milestones reached; spin-off date announced

We have now achieved two critical milestones in our efforts to spin-off B&W's power generation business. First, the U.S. Securities and Exchange Commission (SEC) has reviewed our Form 10 and it is now expected to become effective in mid-June. Additionally, the B&W Board of Directors has approved the spin-off.

As a result, I am pleased to announce that effective at 11:59 p.m. on Tuesday, June 30, B&W's power generation business will become a separate, independent company – Babcock & Wilcox Enterprises, Inc., and will operate as Babcock & Wilcox. The government and nuclear operations business will change its name from The Babcock & Wilcox Company to BWX Technologies, Inc. (BWXT). Each company will trade on the New York Stock Exchange under the ticker symbols BW and BWXT, respectively.

#### Board Approval and New Board Members

The B&W Board, which met this morning, unanimously approved the plans that result in two separate companies, each with independent management teams, and with the strength, resources, strategic autonomy and financial flexibility to create significant long-term value for their respective shareholders. Their support and endorsement of these plans are exciting developments as we work to effect the spin-off.

In addition to approving the spin-off, the Board also determined the members of the respective Boards for the two companies post-spin. This was a key action so that the two separate companies are ready to operate seamlessly on July 1.

Serving on the "new B&W" Board of Directors with me in my new role as chairman of the board will be:

Thomas A. Christopher, former vice chairman of AREVA NP

Cynthia Dubin, finance director, JKC Oil & Gas plc

Brian K. Ferraioli, former executive vice president and chief financial officer of The Shaw Group, Inc.

Stephen G. Hanks, former president of the Washington Division of URS Corporation

Anne R. Pramaggiore, president and chief executive officer of ComEd

Larry L. Weyers, former chairman of Integrys Energy Group, Inc.

Serving on the BWXT Board of Directors will be:

John A. Fees, executive chairman of BWXT

Peyton S. (Sandy) Baker, president and chief executive officer of BWXT

Jan A. Bertsch, executive vice president and chief financial officer of Sigma-Aldrich

Robert W. Goldman, financial consultant, formerly serving as senior vice president and chief financial officer of Conoco Inc.

Robb A. LeMasters, managing director, Blue Harbour Group

Richard W. Mies, retired Admiral, U.S. Navy

Robert L. Nardelli, founder and chief executive officer, XLR-8, LLC

Dr. Charles W. Pryor, Jr., former chairman of Urenco USA, Inc.

### Next Steps

Review of the Form 10 by the SEC and approval from the B&W Board were perhaps the most significant milestones needed to effect the spin-off, but there are number of other tasks we must complete before July 1. Most noteworthy are the Investor Day meetings on June 17 in New York City, where we'll introduce the "new B&W" and BWXT to the investment community, including potential investors, the media and the analysts who will cover our respective stocks. This is our chance to highlight our recent strong performance in both the power generation business and our government and nuclear operations business, and talk about the significant momentum for future growth and success we expect from these companies following the separation.

Over the next few weeks, if you are working on tasks related to the spin, I encourage you to stay focused and keep the strong momentum going to meet all required deadlines. To everyone else working on customer business within our operations, keep working together – safely -- to perform well on our projects, help to grow our businesses and meet our customers' needs.