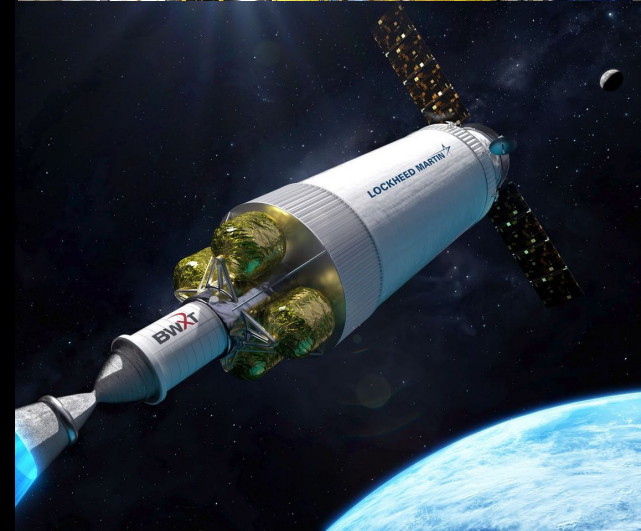


# INVESTOR BRIEFING

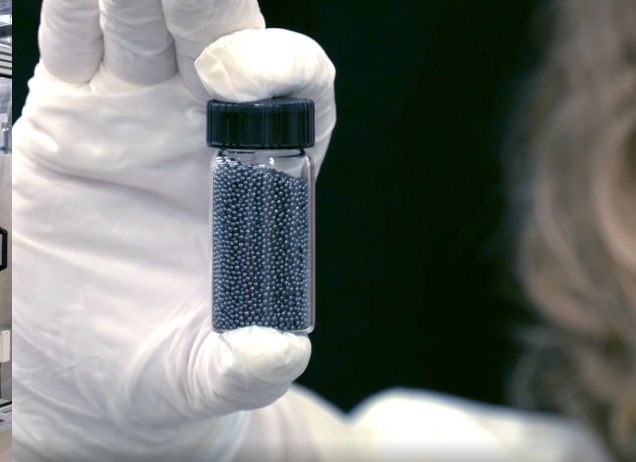
August 2024



# Forward-Looking Statements Disclaimer

BWX Technologies, Inc. (“BWXT”) cautions that statements in this presentation that are forward-looking and provide other than historical information involve risks and uncertainties that may impact actual results and any future performance suggested in the forward-looking statements. The forward-looking statements in this presentation include, but are not limited to, statements relating to our 2024 and future strategic priorities, including U.S. Navy procurement, microreactors, advanced nuclear fuels, medical radioisotope industrialization, small modular reactor components and organic growth opportunities; bookings and backlog, to the extent they may be viewed as an indicator of future revenues; the expected U.S. Navy long-term procurement schedules and forecasts; estimated pension costs; expected future capital expenditure levels; the expected Canadian nuclear power forecast for services, refurbishment timelines and opportunities; disruptions to our supply chain and/or operations; changes in government regulations; our outlook, priorities, growth opportunities in our businesses; and guidance for 2024 and beyond. These forward-looking statements are based on current management expectations and involve a number of risks and uncertainties, including, among other things, federal budget uncertainty, the risk of future budget cuts, the impact of continuing resolution mechanisms and the debt ceiling, the potential for government shutdowns and changing funding and acquisition priorities; our ability to win new project awards; the receipt and/or timing of government approvals; capital spending of power generating utilities; the timing of technology development and automation of production; the potential recurrence or subsequent waves or strains of COVID-19 or similar diseases; the actions to contain the impact of such diseases and potential employee unrest; adverse changes in the industries in which we operate; labor market challenges, including employee retention and recruitment; termination, delays and other difficulties executing on contracts in backlog; and adverse changes in the demand for or competitiveness of nuclear products and services. If one or more of these or other risks materialize, actual results may vary materially from those expressed. For a more complete discussion of these and other risks, please see BWXT’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. BWXT 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.





# BWX Technologies Employs Nuclear Technology to Solve Some of the World's Most Important Problems

## OUR MISSION

We provide **safe and effective solutions** for global security, clean energy, environmental restoration, nuclear medicine and space exploration.

We maintain a **commitment to innovation**, operational excellence, safety and the highest ESG standards.

**>\$2.6B**

Estimated  
2024 Revenue

**~\$500M**

Estimated 2024  
Adj. EBITDA<sup>(1)</sup>

**\$4.0B**

2023  
Backlog

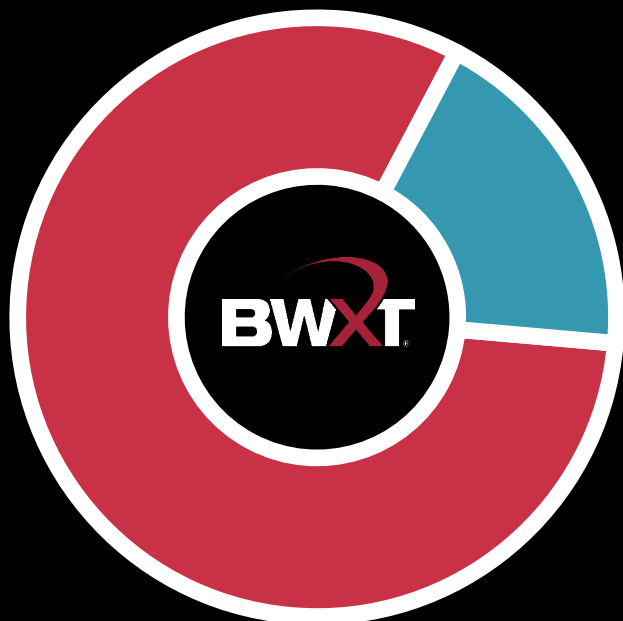
**~7,800**

Employees

(1) Non-GAAP figures exclude any mark-to-market adjustment for pension and postretirement benefits recognized and other one-time items. A reconciliation and definition of GAAP to adjusted, non-GAAP measures can be found in the Appendix section of this presentation.

# Company Overview

2023 Revenue by Operating Segment



## Government Operations (GO)

### Global Security

Manufacturing of highly engineered naval nuclear propulsion components

### Special Materials

Uranium & national security materials, including downblending, conversion and purification

### Space and Defense Microreactors

Including design, prototype and production

### Technical Services

Nuclear Environmental Management (EM) and Management & Operations (M&O) services

**~21%**

*Adjusted EBITDA Margin<sup>(1)</sup>*

**\$3.2B**

*Backlog*

**5,800+**

*Employees*

## Commercial Operations (CO)

### Clean Energy

Manufacturing and field service of highly engineered commercial nuclear components and uranium fuel

### Nuclear Medicine

Radioisotopes used in diagnostic and therapeutic radiopharmaceutical products

**~13%**

*Adjusted EBITDA Margin<sup>(1)</sup>*

**\$781M**

*Backlog*

**1,400+**

*Employees*

\* Adjusted EBITDA margin, Backlog, and Employees are as of December 31, 2023.

(1) See Appendix for reconciliation of GAAP to adjusted non-GAAP measures.

# Investment Thesis

**1**

**Scale and differentiation create the right-to-win in a highly technical market**

**2**

**Major secular themes underpinning long-term end-market demand in Government and Commercial markets**

**3**

**Strong visibility across multiple business lines...with emerging demand in key growth vectors**

**4**

**Disciplined capital allocation to fund growth and drive value creation**

**5**

**Pathway to mid-single to high-single EBITDA and double-digit Free Cash Flow growth over the medium-term**



# Unparalleled Assets and Strong Market Positioning Across the Portfolio



## **DECADES**

of nuclear operations experience

---

## **WORLD CLASS**

nuclear manufacturing facilities serving defense, clean energy and nuclear medicine markets

---

## **PEOPLE**

~95% of Government Operations workforce hold U.S. Government clearances

---

## **ONLY COMPANY**

to possess NRC Category 1 licenses

---

## **SOLE SOURCE**

position on mission-critical programs

# Unique Differentiators in Specialized Markets Create Favorable Business Characteristics



LONG-TERM VISIBILITY

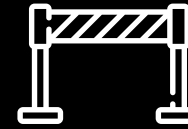
HIGHLY ENGINEERED PRODUCTS



LIMITED CYCLICAL GDP EXPOSURE



HIGH CONSEQUENCE SYSTEMS



HIGH BARRIERS TO ENTRY

LOGISTICAL COMPLEXITY



PRICING POWER



HEAVILY REGULATED



LONG-CYCLE BUSINESS



EXTREME QUALITY STANDARDS



# Secular Themes Support Growth Thesis

Nuclear is now part of the solution

## Great Power Competition



- National security takes center stage, given recent conflicts and is closely followed by energy security and independence
- Naval nuclear-powered fleet poses significant deterrence; Australia joining U.S. and U.K.
- Microreactors address strategic and tactical military needs for high-density power

## Decarbonization



- Public commitments to this global imperative with less concern about the ultimate price tag
- Power demand being driven by electrification of transportation, industrial electrification and others
- Nuclear is the only baseload green technology

## Strong Appetite for Nuclear Technologies



- Power and propulsion applications in remote domains (space, remote communities or disaster zones)
- Increased use in medical applications given sufficient investment in nuclear-enabled facilities, infrastructure and trained medical professionals

**30+**

Years of visibility into U.S. Navy shipbuilding

**~\$50B**

Annual funding to BWXT U.S Gov't related programs<sup>(1)</sup>

**\$300B**

Potential SMR market value by 2040<sup>(2)</sup>

**~2x**

GW of nuclear capacity to be added globally by 2050<sup>(3)</sup>

**\$30B+**

Size of the radiopharmaceutical industry by 2030<sup>(4)</sup>

**90+**

Radiopharmaceuticals in the pipeline<sup>(5)</sup>



# Long-Term Visibility in Naval Nuclear Propulsion... Supports Medium-Term Growth Outlook

**Solid, long-term visibility on future orders**

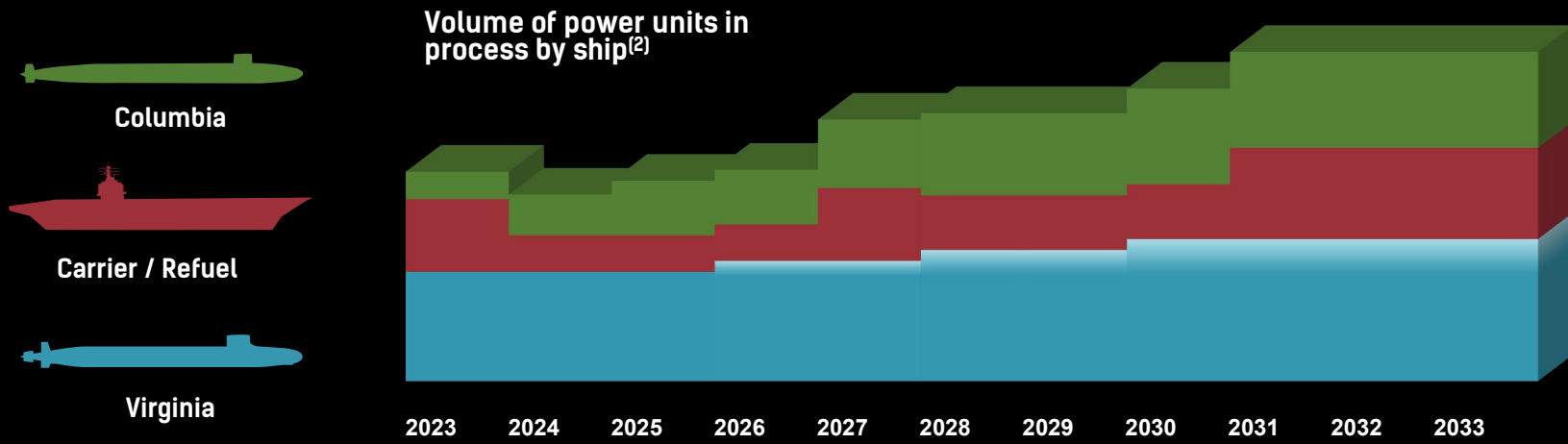
**BWXT orders ~2 years in advance of ship procurements**

**Individual years may be lumpy due to carrier activity**

**AUKUS agreement provides potential upside (Virginia-Class and SSN-AUKUS)**

U.S. Navy 30-year Shipbuilding Plan <sup>(1)</sup>																																
Government Fiscal Year <sup>(1)</sup>	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	
<b>Ford Class Aircraft Carrier (CVN)</b>																																
Alternative 1							1				1					1					1					1					1	
Alternative 2							1					1					1					1					1					1
<b>Virginia / X-Class Submarine (SSN)</b>																																
Alternative 1	2																															
Alternative 2		1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
<b>Columbia / X-Class Submarine (SSBN)</b>																																
Alternative 1																																
Alternative 2																																

(1) Source: Office of the Chief of Naval Operations report to Congress on the Annual Long-Range Plan for Construction of Naval Vessels for Fiscal Year 2025, published March 2024. Navy construction plan and order schedule may not directly align with ~2-year advance to BWXT calendar year.



**~3% - 5% Sales-equivalent CAGR**  
(incl. projected inflation, net of underruns)

**Fixed Infrastructure Sales Component**

**Variable Sales Driven by Power System Volume**

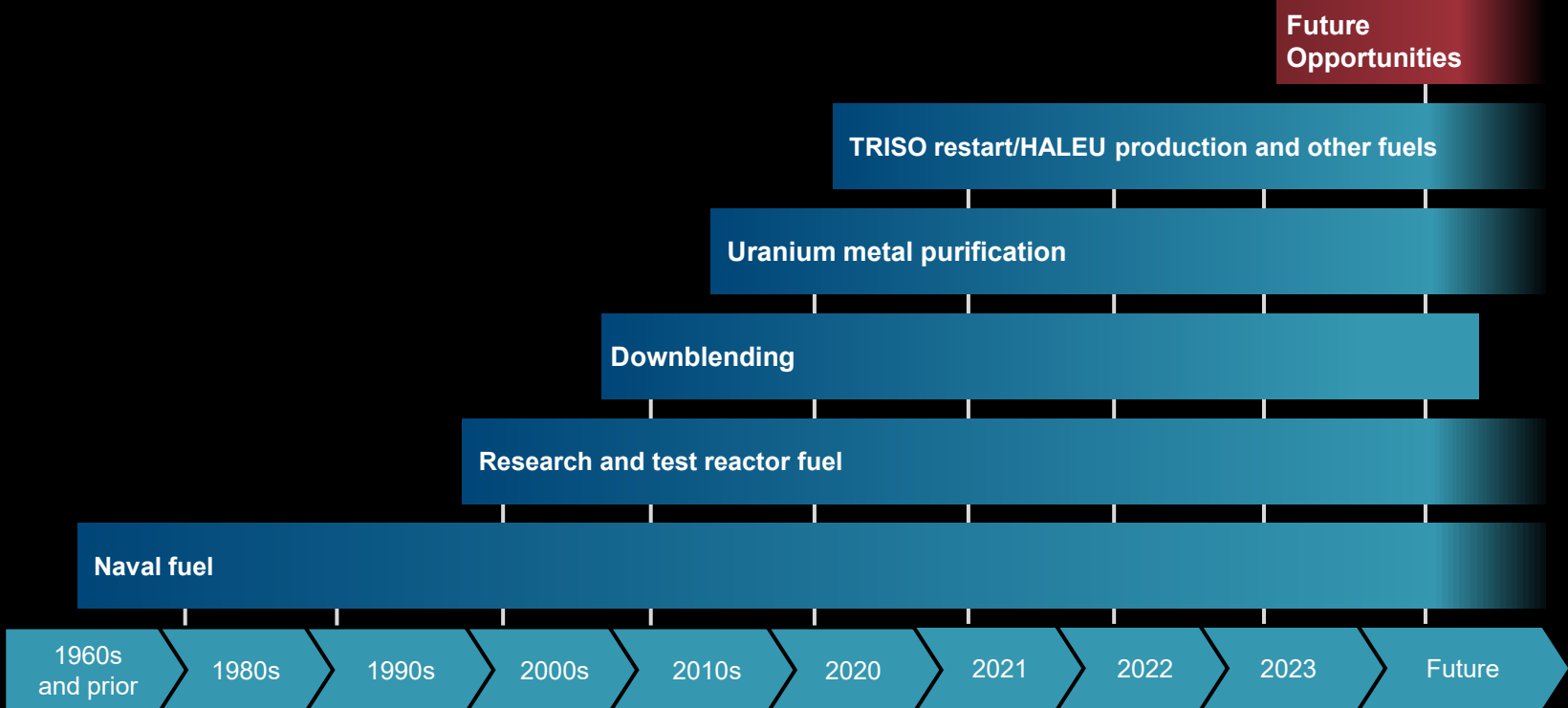
**Inflationary Pricing Escalation**

**Revenue Headwind With Cost Underruns**

(2) Illustrative view of BWXT's volume of power units in process by ship type based on the Office of the Chief of Naval Operations report to Congress on the Annual Long-Range Plan for Construction of Naval Vessels for Fiscal Year 2025, published March 2024, and BWXT estimates; assumes BWXT receives orders ~2 years in advance of ship procurements except where the Annual Long-Range Plan notes otherwise; shaded blue area represents potential additional power units that could be in process if Australia procures Virginia Class Submarines, under the AUKUS agreement; details of potential purchases under the AUKUS agreement are preliminary and therefore BWXT estimates are highly notional.

# Portfolio of Enduring Legacy Special Materials Programs and New Extensions

Building off BWXT's legacy processing and handling portfolio to drive growth in highly specialized and strategic programs



## Recent Special Materials Awards

### HALEU Feedstock

5-year, \$117M contract to provide HALEU feedstock to the DOE for advanced reactor projects

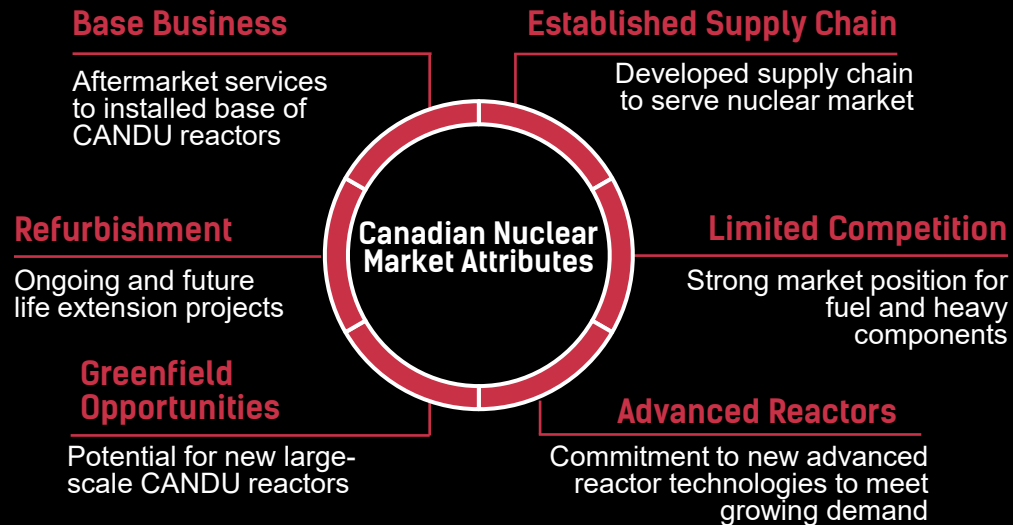


### Uranium Conversion and Purification

5-year, \$428M contract to establish a process line and conduct conversion and purification operations



# Canadian Commercial Nuclear Has Visible Growth Drivers...



## Recurring

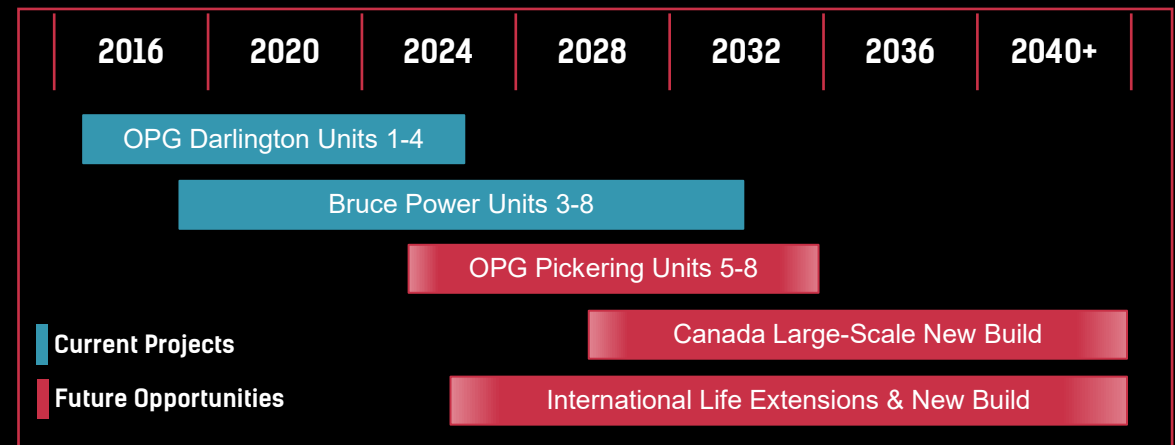
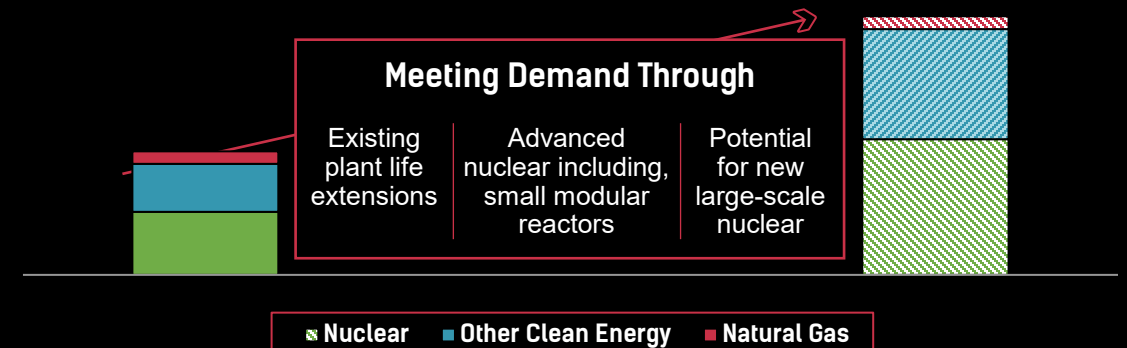
- Low-single digit CAGR
- Consistent margins
- Recurring customers
- Breadth of product and service offering

**~\$2B**  
Annual Market<sup>2</sup>

## Life Extension / New Build

- Long-term contracts
- Relative higher project-based growth
- Extends life of existing fleet 30+ years

Ontario's Projected Electricity Demand by Generation Type (Gw)<sup>(1)</sup>

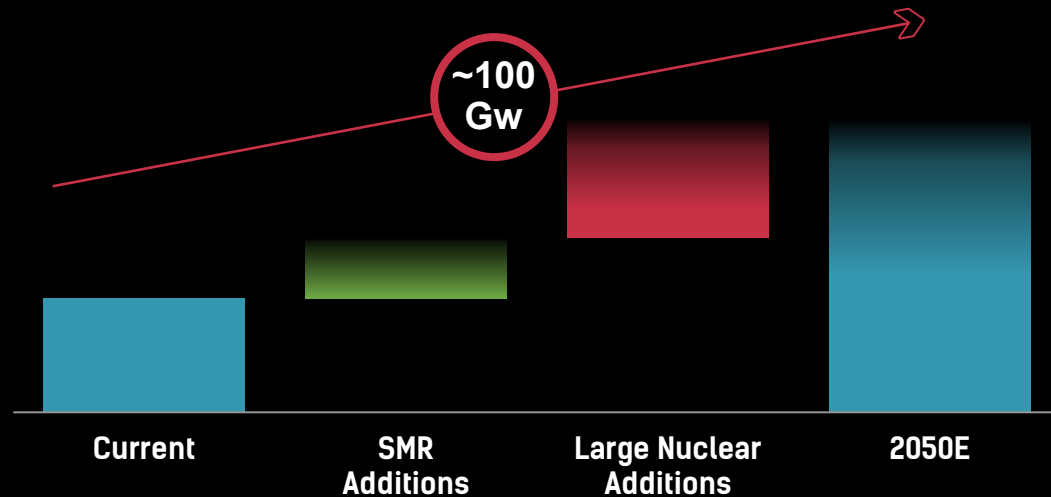


(1) Ontario Pathway to Decarbonization  
(2) BWXT estimates



# ...With Upside as the SMR Market Gains Traction

## Forecast Nuclear Generating Capacity in North America and Europe, GW(e)<sup>1</sup>



## Significant Industry Demand and Government Support for Small Modular Reactors



**OPG**

Commitment for 4 SMRs at the Darlington Site; first deployment by 2029

**SaskPower**

Evaluating potential SMR deployments

**TVA** TENNESSEE VALLEY AUTHORITY

Evaluating SMR fleet deployment



Supporting SMR development through multiple funding initiatives

**OSGE**  
ORLEN SYNTHOS GREEN ENERGY

Pursuing deployment of up to 24 SMRs in Poland



U.K. competition for SMR design

## Small Modular Reactor Unique Attributes vs. Large Nuclear and Other Clean Energy Technologies

Smaller

Cheaper

Higher Temperature

Intrinsically Safer

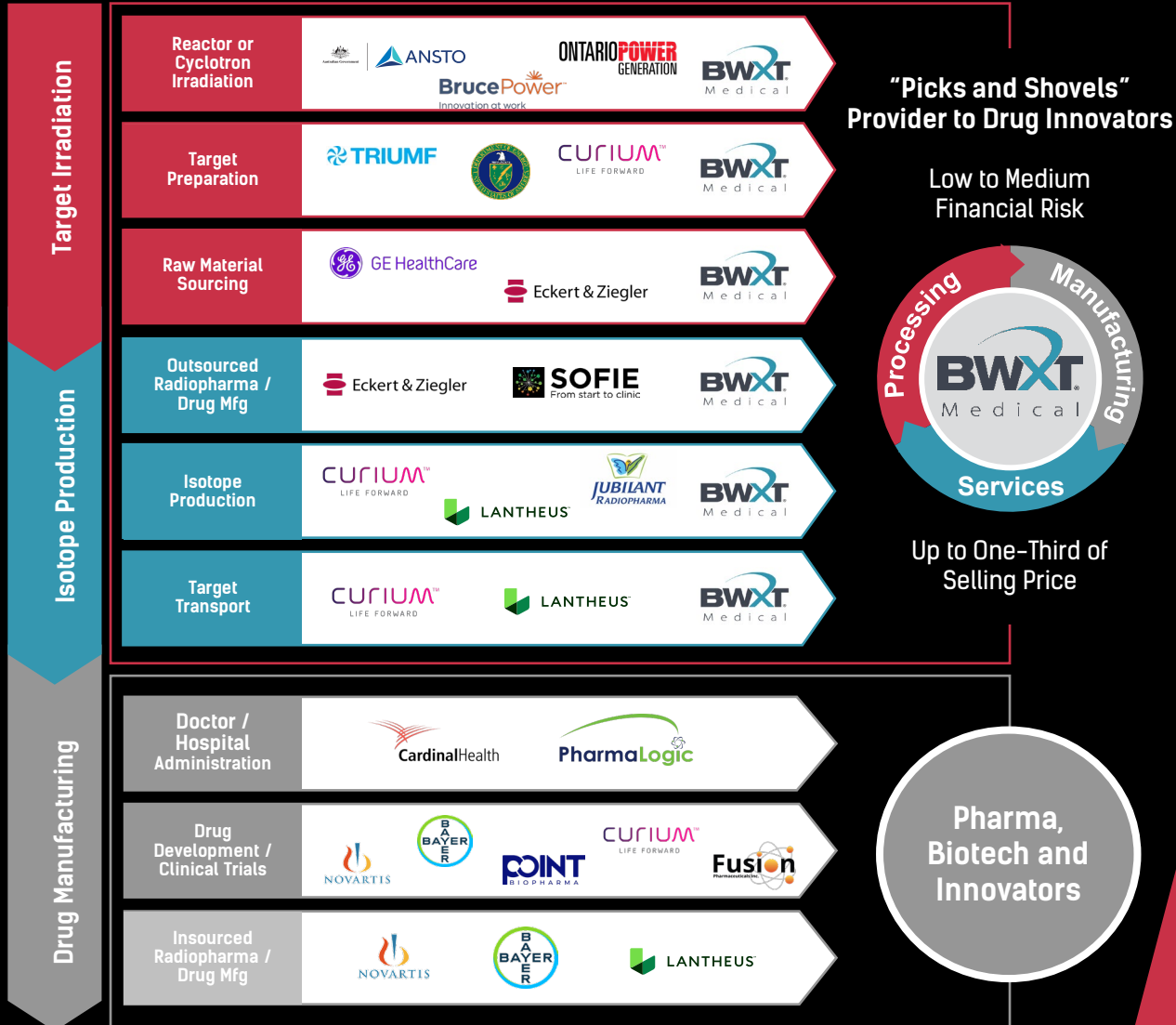
Rapid Deployment / Modular Assembly

Load Following

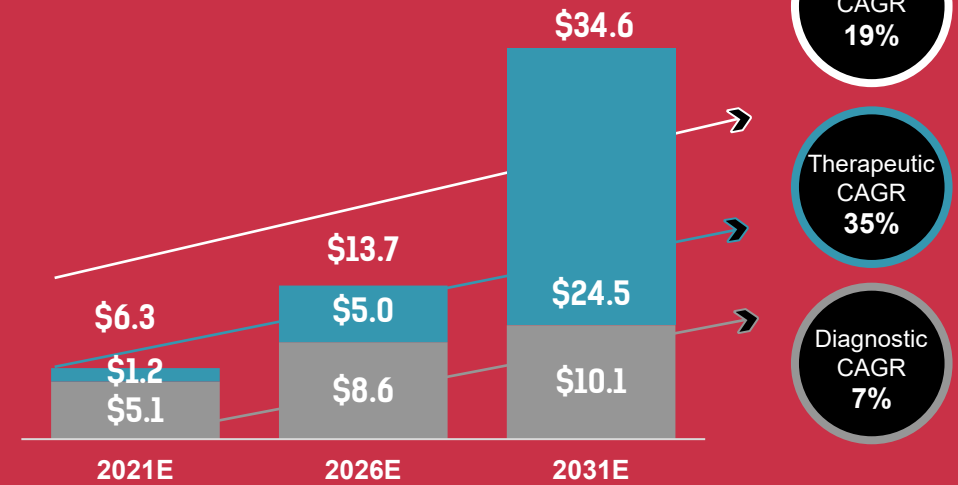
(1) International Atomic Energy Agency, BWXT Estimates

# BWXT Positioned to Serve Pharma and Innovators...

# ...In a growing nuclear medicine market, with significant investor interest



Expected Growth for Nuclear Medicine Market<sup>(1)</sup>



**>\$19B**  
Strategic M&A since 2018<sup>(2)</sup>

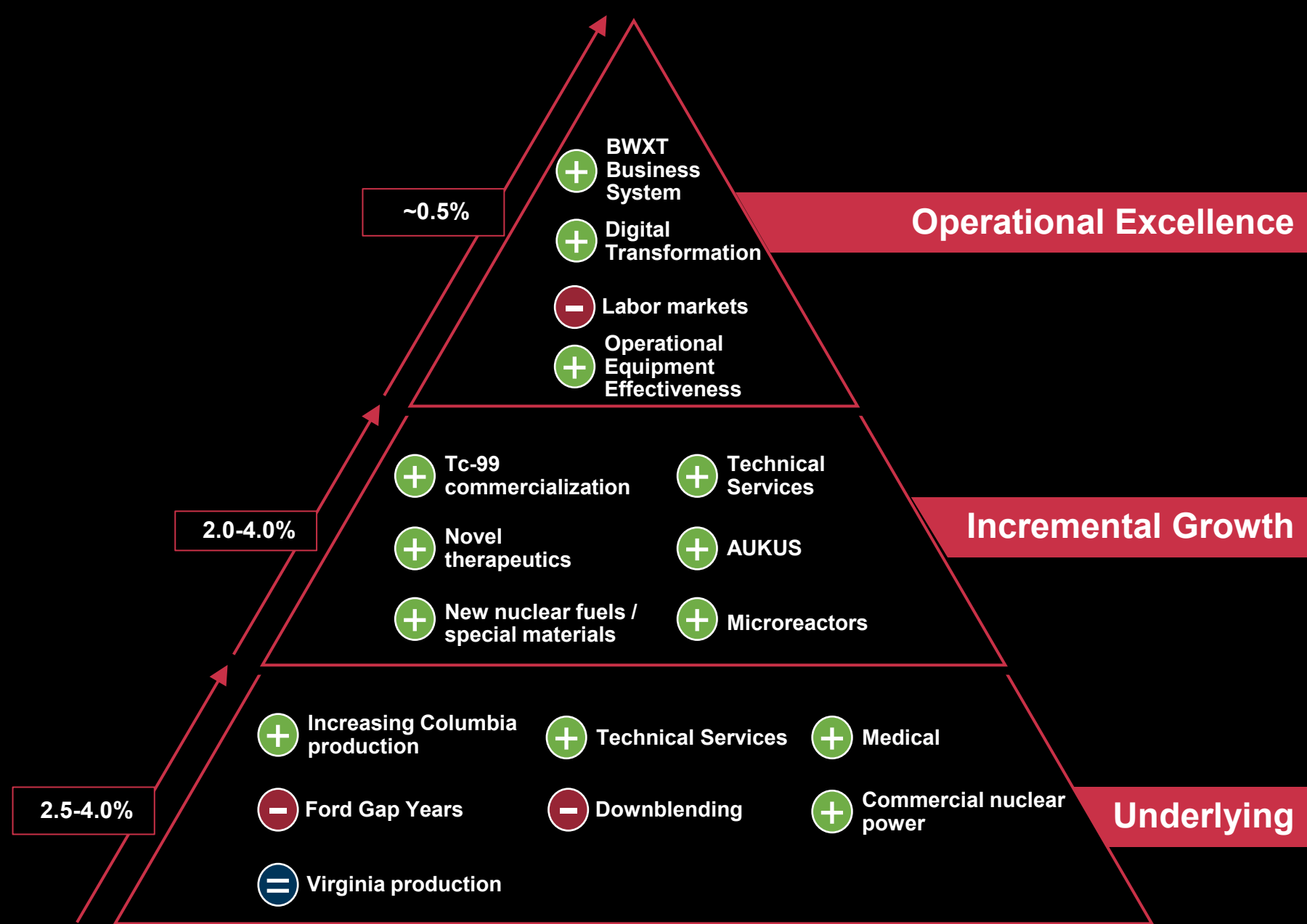
**>\$7B**  
Capital raised over last 5 years<sup>(2)</sup>

**+90**  
Radio-pharmaceuticals in the pipeline<sup>(3)</sup>

(1) ©MEDraysintell Nuclear Medicine Report & Directory Edition 2022, [www.medraysintell.com](http://www.medraysintell.com). \$Amounts are USD Billions. Ten Year CAGRs from 2021 thru 2031; (2) Various industry sources, BWXT estimates; (3) Clinicaltrials.gov, data collected January 2024

# Pathway to Mid-to-High Single Digit Adj. EBITDA<sup>(1,2)</sup> Growth Over Medium-Term

Building on a strong foundation, with innovation and expansion opportunities, complemented by operational excellence initiatives

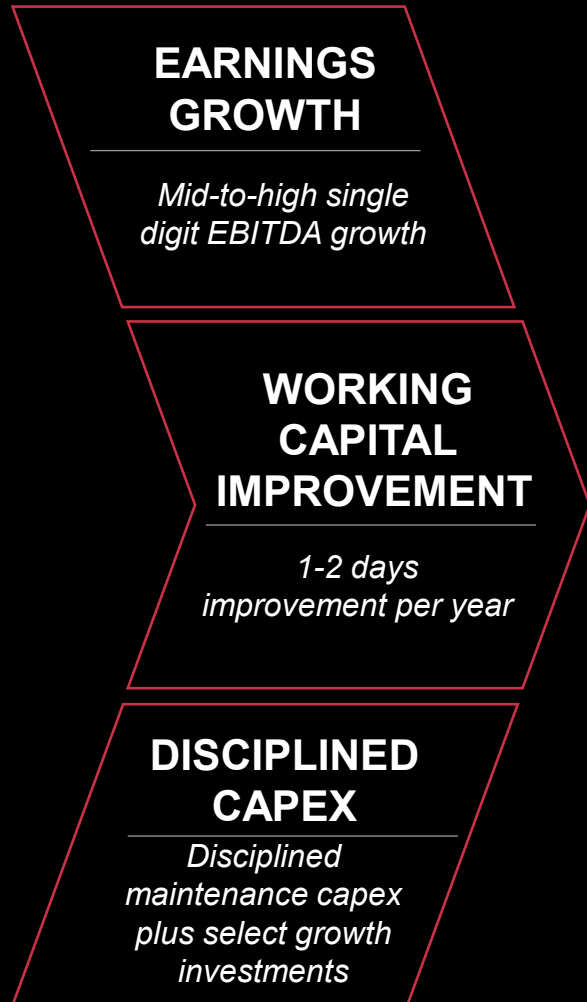


(1) Provided at 2024 Investor Day on February 28, 2024  
 (2) See Appendix for reconciliation of non-GAAP to GAAP measures

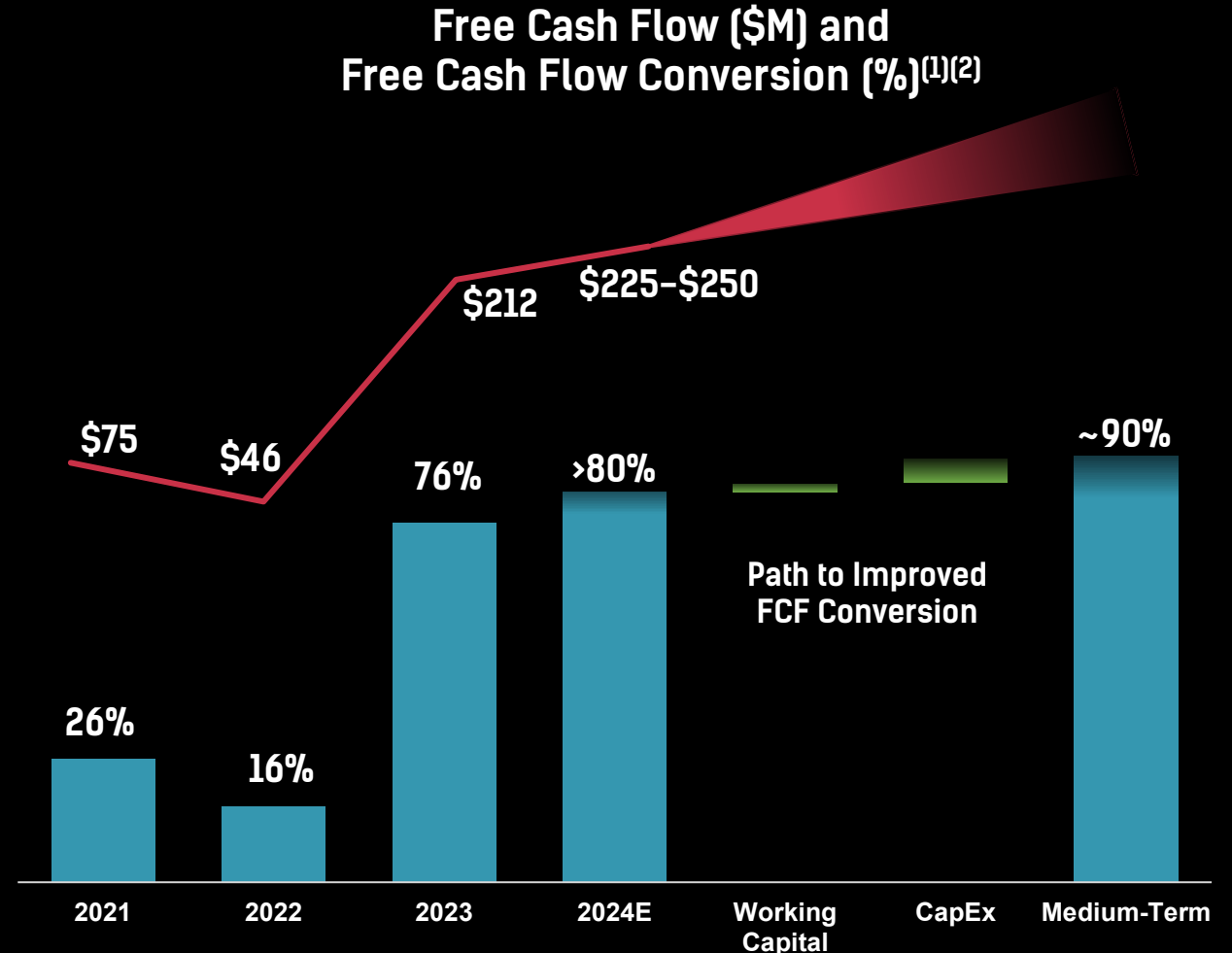


# Poised to Drive Improved Free Cash Flow Over the Medium Term

Pathway to strong Free Cash Flow growth supported by working capital and capex discipline



Improving FCF Conversion to **~90%**



(1, 2) 2024 Free Cash Flow conversion based on mid-point of 2024 guidance provided on August 5, 2024. See Appendix for reconciliation of non-GAAP to GAAP measures.

# Capital Allocation Framework

Disciplined capital allocation aimed at driving improved ROIC

## ORGANIC INVESTMENT

- Maintenance capex at ~4% of sales
- Select growth investments tied to project-specific or visible growth opportunities
- Maintain leverage between 2.0x-3.0x

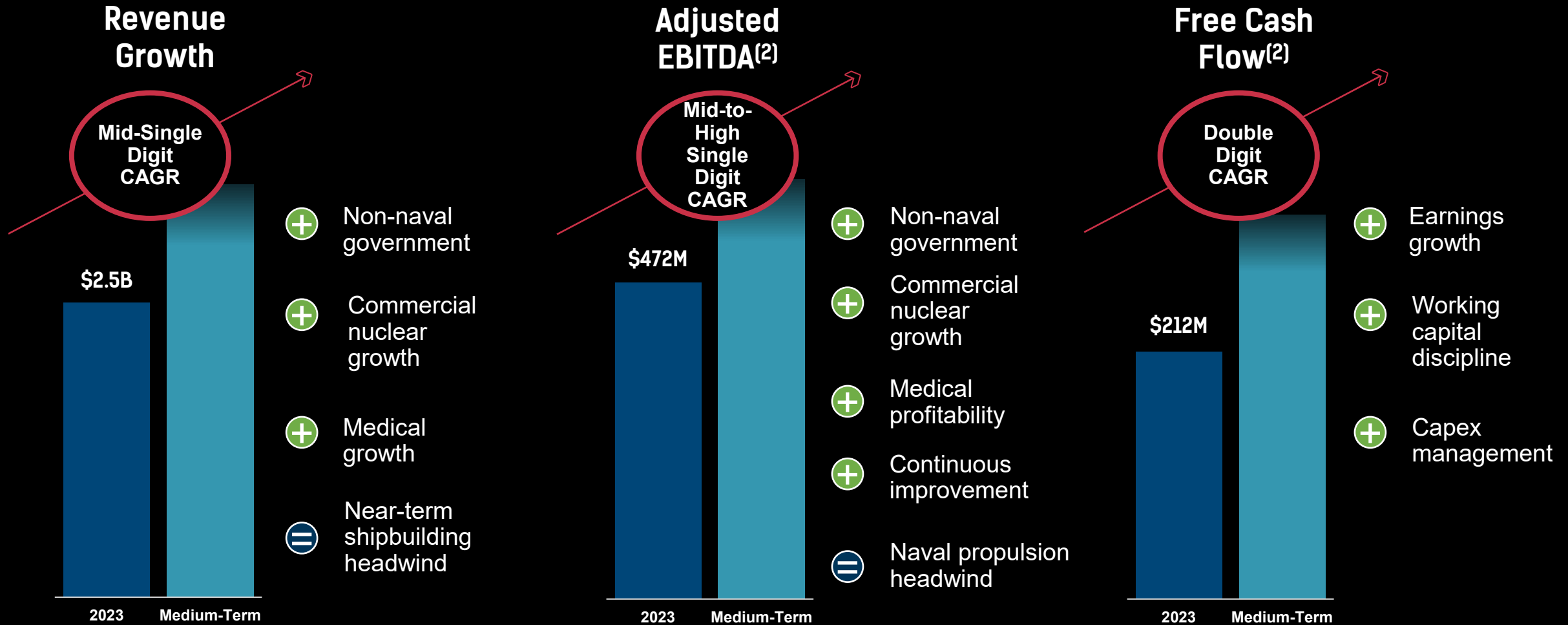
## RETURN TO SHAREHOLDERS

- Targeting >50% of FCF returned to shareholders over the medium term
- Maintain or grow dividend payout ratio
- Share repurchases to manage dilution with opportunistic increases

## STRATEGIC M&A

- Disciplined M&A
- Enhance BWXT portfolio with similar business characteristics
- Financially accretive

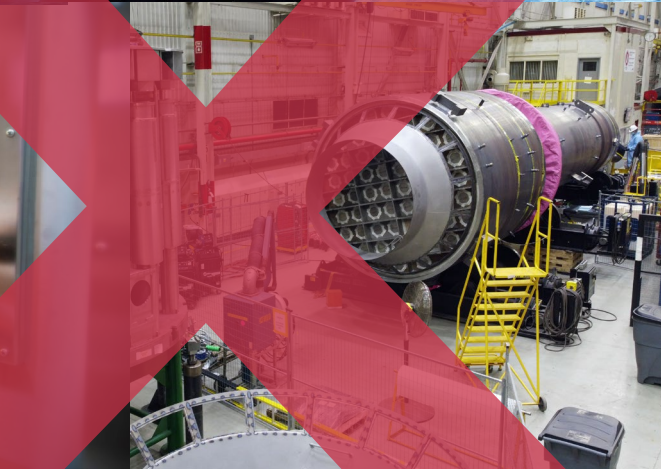
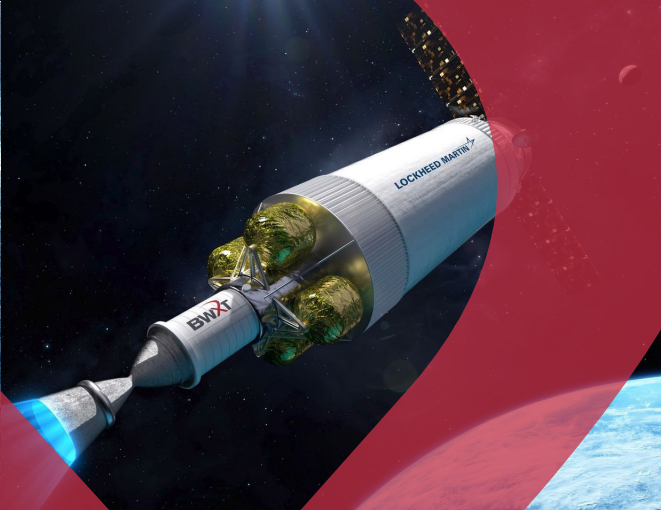
# Medium-Term Financial Targets<sup>(1)</sup>



(1) Provided at 2024 Investor Day on February 28, 2024

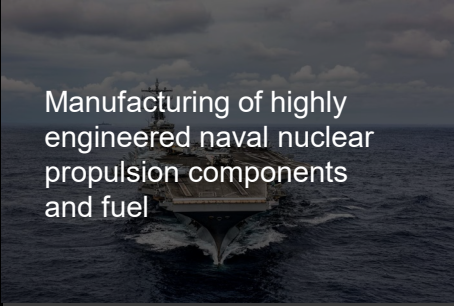

(2) See Appendix for a reconciliation of GAAP to adjusted Non-GAAP measures

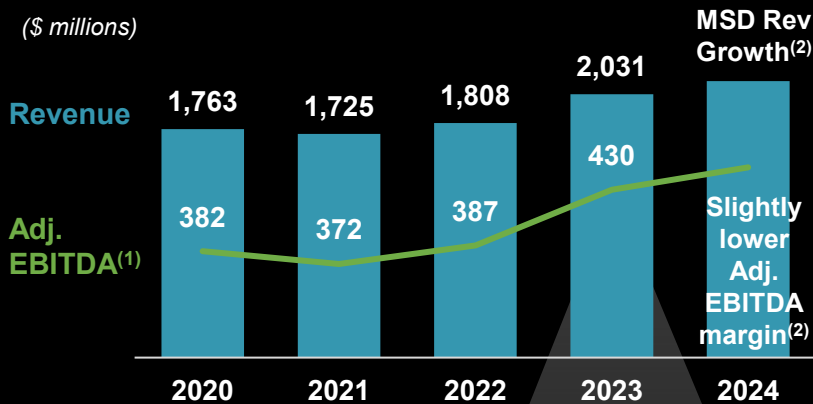




# Segment Details

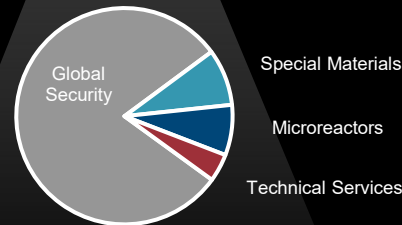
# Government Operations Overview

Global Security	Special Materials	Space and Defense Microreactors	Technical Services
 <p>Manufacturing of highly engineered naval nuclear propulsion components and fuel</p>	 <p>Uranium &amp; national security materials handling and processing, including downblending, conversion and purification</p>	 <p>Design, prototype and production for terrestrial and space microreactors; applications across Government and Commercial applications</p>	 <p>Nuclear Environmental Management (EM) and Management &amp; Operations (M&amp;O) services</p>



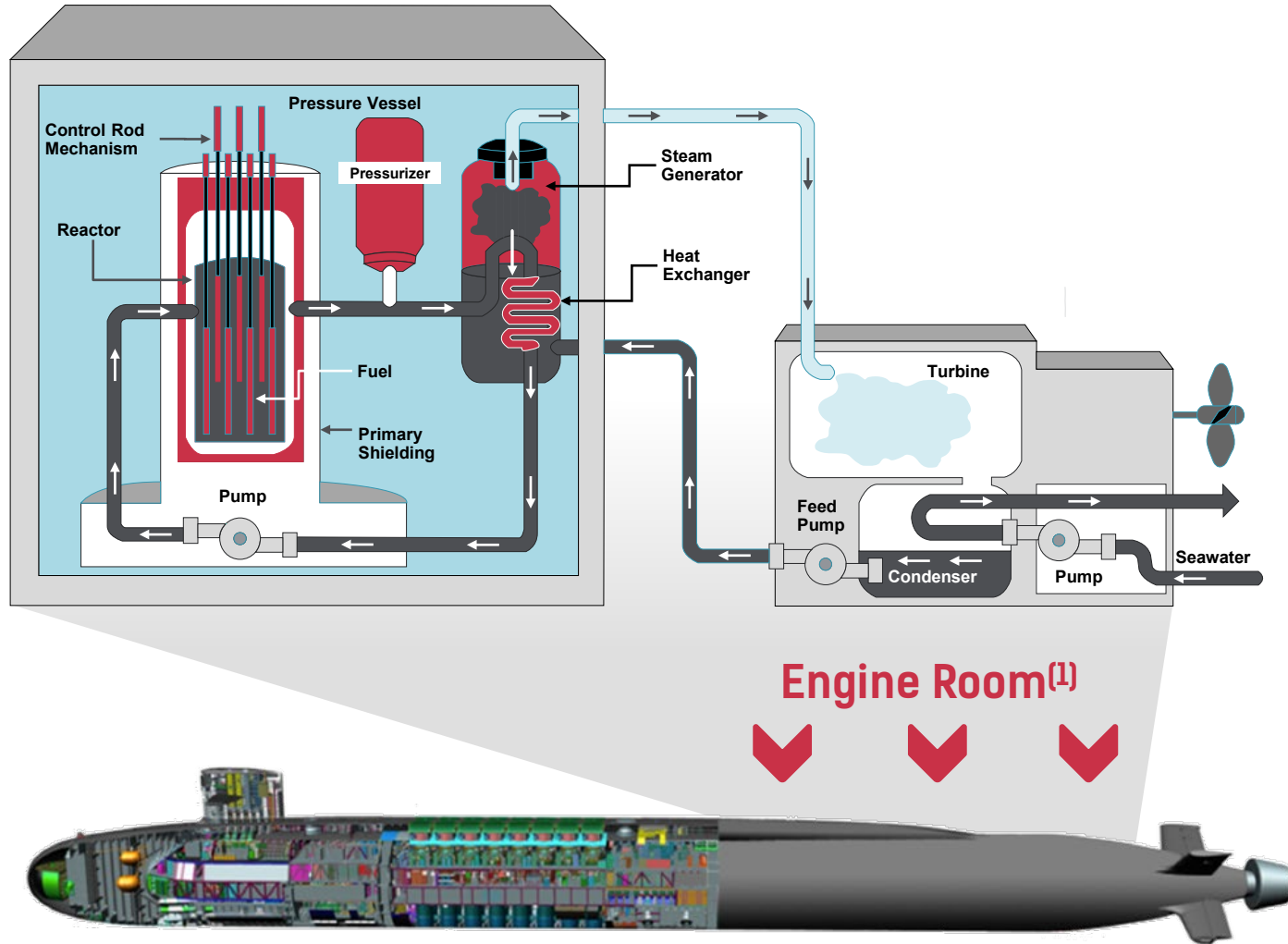
**Targeting Mid-Single Digit Adjusted EBITDA<sup>(1)</sup> Growth<sup>(3)</sup>**

- Long-term visibility in nuclear navy production
- Leveraging category 1 credentials and special materials expertise to expand portfolio
- Increasing opportunities for microreactors in Government and commercial applications
- Growing share in DOE/NNSA technical services



(1) See Appendix for reconciliation of GAAP to adjusted non-GAAP measures  
 (2) Based on 2024 guidance as of August 5, 2024  
 (3) Based on medium-term guidance provided at 2024 Investor Day on February 28, 2024

# Critical Aspects of Naval Nuclear Propulsion



(1) Engine room components in red produced by BWXT

## Competitive Advantages

- ✘ Unique NRC Category 1 licenses
- ✘ High fixed costs
- ✘ Unique, well-invested infrastructure
- ✘ Highly skilled, experienced and credentialed workforce
- ✘ Appreciation of customer's objectives



# BWXT / Naval Reactors Contracts Overview

2- or 3-year  
order pricing  
agreements

8+ year  
contract  
timeline

Fixed price  
incentive fee

~15% as-sold  
fee on cost

Margins increase  
as savings are  
realized over time

Cost underruns  
shared with customer,  
boosts margins



# Special Materials: Products and Services / Key Capabilities

## Utilizing BWXT's Core Capabilities

Radiochemical  
Expertise

Handling of High  
Consequence  
Materials

Rigorous Safety  
Standards

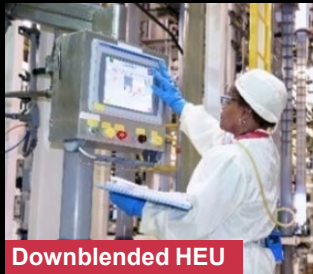
Pilot to Full Scale  
Manufacturing

Regulatory  
Compliance

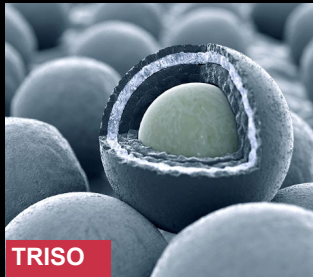
## Products & Services



Government Fuels



Downblended HEU



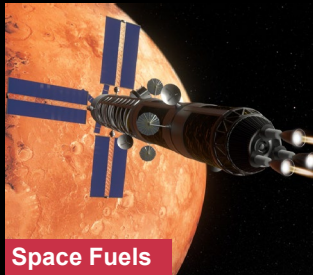
TRISO



Uranium Metal



Research & Test  
Reactor Fuels



Space Fuels

20%+

**HEU**

(Highly Enriched Uranium)

10% - 19.99%

**HALEU**

(High-Assay Low-Enriched  
Uranium)

0% - 4.99% - 9.99%

**LEU/LEU+**

(Low Enriched Uranium)

## Main Customers



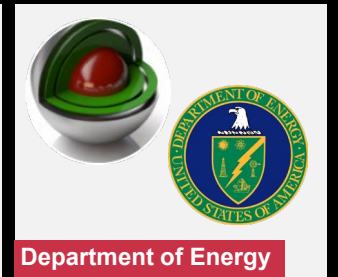
Naval Reactors



SCO



NNSA



Department of Energy



Universities and  
Research Centers



NASA & DARPA



# Microreactors are aligned to address off-grid applications

BWXT's extensive experience and comprehensive service offering create strong competitive position









Conventional	SMRs	Microreactors
On-Grid	On-Grid	Off-Grid
SIZE	SIZE	SIZE
300-1000 MW ~750K homes	20-300 MW ~250K homes	1-20 MW ~15K homes
MOBILITY	MOBILITY	MOBILITY
None	None	Mobile and/or Modular
FUEL	FUEL	FUEL
LEU	LEU / HALEU	HALEU (TRISO)

**400+**  
Naval reactor cores built in BWXT facilities

**300+**  
Employees dedicated to microreactor development

  
Established supply chain for nuclear materials

**+170k**  
Square feet of dedicated manufacturing space

	Design	Manufacturing	Fuel
<b>BWXT</b>			
Competitor 1			
Competitor 2			
Competitor 3			

# Executing on Cornerstone Advanced Nuclear Programs

Defense applications paving the way for the microreactor industry...

With emerging demand in commercial applications

## Key Domains for BWXT's Microreactors

### Terrestrial Defense

#### Project Pele

- Awarded June 2022
- \$300M over 3 years (cost reimbursable)
- Manufacture and deliver a transportable prototype microreactor and fuel to Idaho National Laboratory

### Space

#### Project DRACO

- Awarded July 2023
- \$200M over 3 years (cost reimbursable)
- Manufacture and fuel a complete thermal propulsion subsystem for integration into DARPA rocket

#### JETSON

- Awarded July 2023
- Nuclear electric power and propulsion

#### Lunar Surface Power

- Awarded June 2022

### Commercial Opportunities

#### Wyoming Energy Authority

- Assessing the potential for microreactors and supply chain development for microreactors to be used at mining sites

#### Crowley

- Potential to deploy microreactors on barges to be used as transportable backup and relief power

## Applications / Opportunities within Key Domains

- Forward military bases
- Remote locations
- Defense on-demand power applications



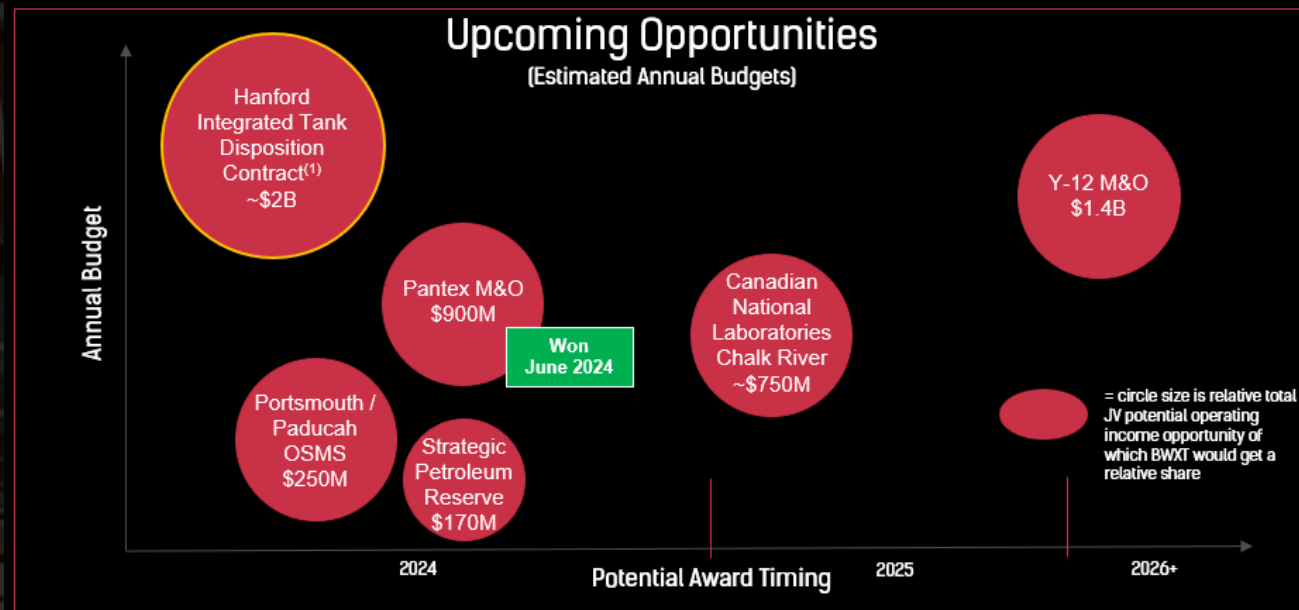
- Space transport
- Space intelligence and other defense applications



- Heat and power applications
- Mining
- Data centers
- Oil and gas



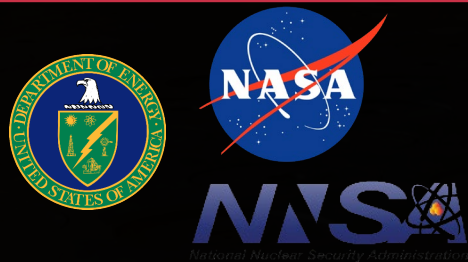
# Government Operations: Technical Services Overview



## Business Characteristics

- High ROIC
- High visibility
- Low financial risk
- Working capital investment returned over time

## Customers

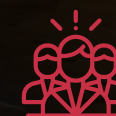


## Sites



12

## JV Workforce



~5,700

## Unconsolidated Revenue

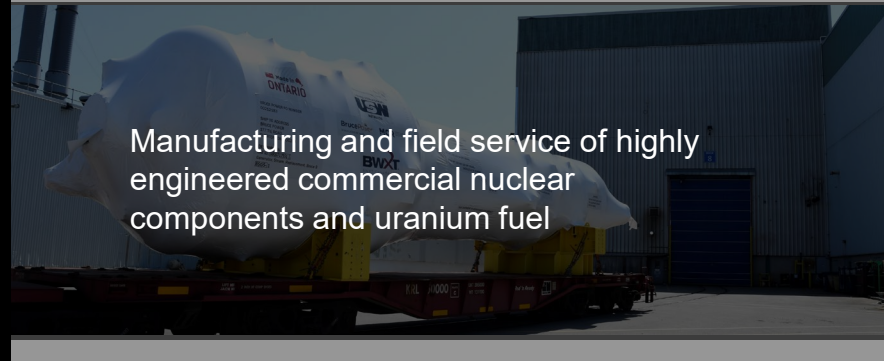


~\$1.5B

(1) Under Department of Energy review as of the date of this presentation

# Commercial Operations Overview

## Commercial Nuclear

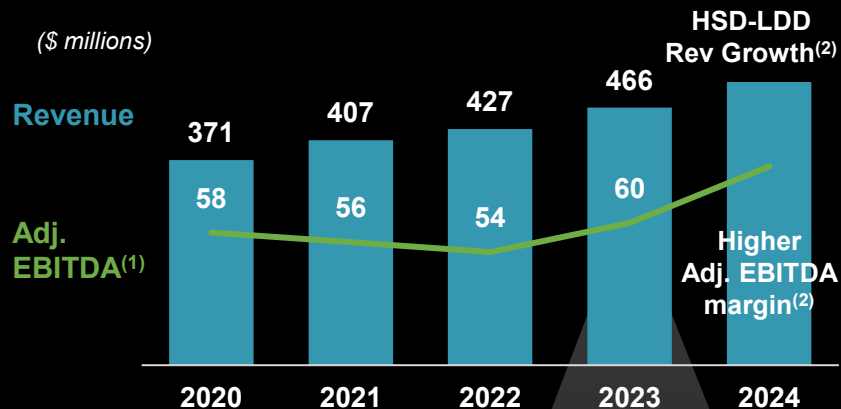


Manufacturing and field service of highly engineered commercial nuclear components and uranium fuel

## Nuclear Medicine



Radioisotopes used in diagnostic and therapeutic radiopharmaceutical products



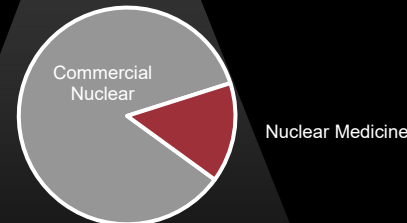
Targeting Mid-to-High Single Digit Commercial Power Adjusted EBITDA<sup>(1)</sup> Growth and Significant Improvement in Medical EBITDA Contribution<sup>(3)</sup>

### Commercial Nuclear

- Strong market position in manufacturing components for and servicing and maintaining CANDU reactors
- Stable base with visible medium-term growth drivers from CANDU life extensions and select SMR opportunities
- Long-term potential for new-build CANDU and global SMR buildout

### Nuclear Medicine

- “Picks & shovels” supplier of isotopes and services to nuclear medicine market
- Strong growth in diagnostics portfolio with longer-term opportunity in therapeutics
- Progressing commercialization of Tc-99



(1) See Appendix for reconciliation of GAAP to adjusted non-GAAP measures

(2) Based on 2024 guidance as of August 5, 2024

(3) Based on medium-term guidance provided at 2024 Investor Day on February 28, 2024



# Commercial Operations: Commercial Power Overview

## #1 Supplier & Sole Manufacturer

of large nuclear components in North America

## Strong

customer relationships

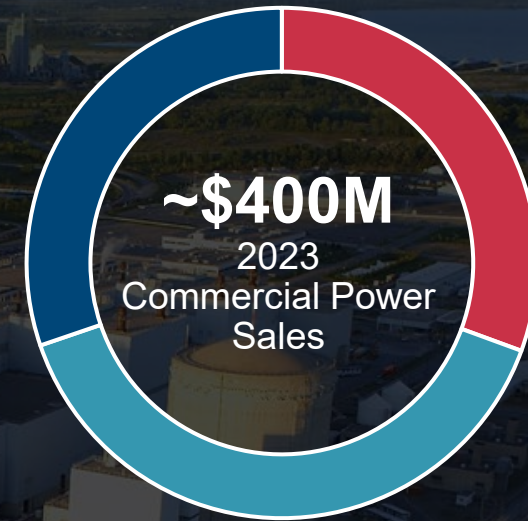
## Developer of CANDU On-Power Refueling Technology

## 1 of 2

Fuel manufacturers in the Canadian market

## Specialized

Field services capabilities



- Components
- Field services
- Fuel and fuel handling systems

## Recurring Installed Base

- CANDU fuel
- Fuel handling
- Inspection & maintenance services
- Waste containers
- Engineering services
- Field services

## Original Equipment Life Extension / New Build / SMR

- Steam generators
- Reactor pressure vessels
- Heat exchangers
- Specialty reactor components
- Waste containers
- Engineering services
- Field services



# Serving the SMR Market as a Merchant Supplier

## Manufacturing Footprint

Largest nuclear manufacturing facility in North America with the potential for capacity expansion



## Technical Expertise

Longstanding position serving commercial nuclear markets with robust engineering and design capabilities



## Technology Agnostic

Working with multiple SMR developers



**Positioned to Serve the SMR Market**

## Financial

Multi-year projects with expected margins in line with core commercial business

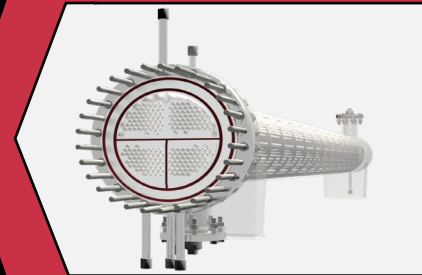


## Limited Competition

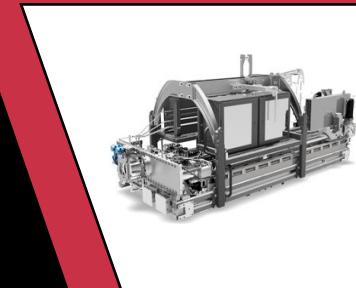
Limited competition for key components, especially in North America



**Reactor Pressure Vessels**

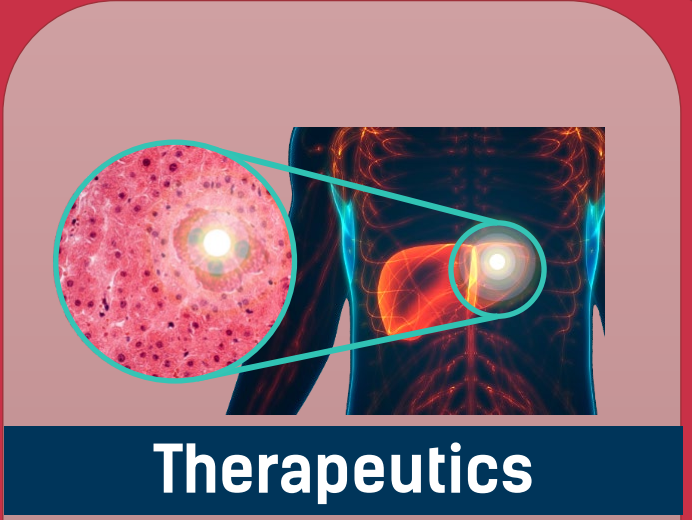
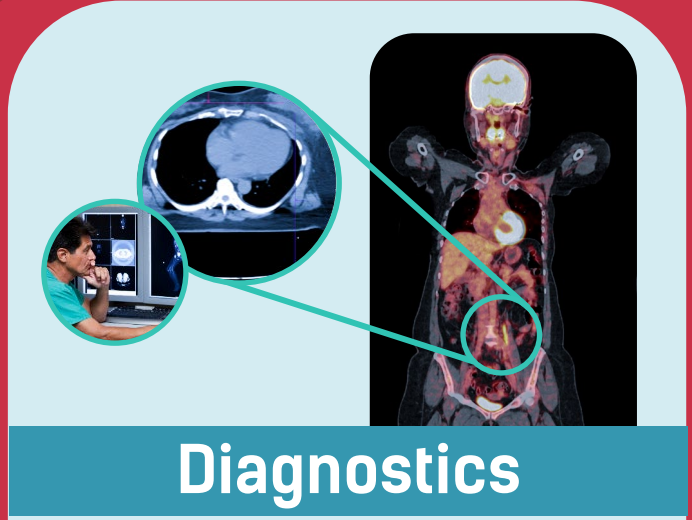
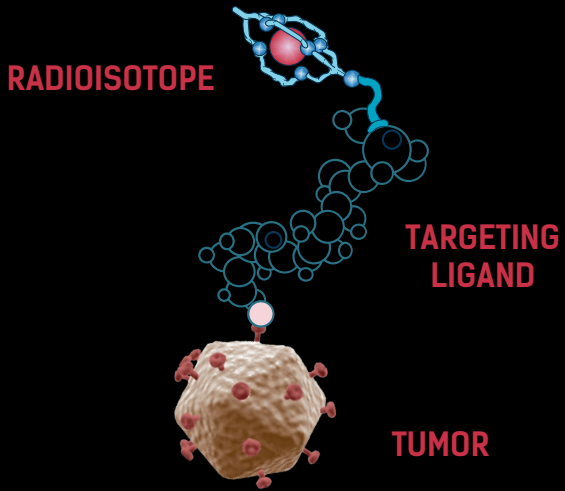


**Specialty Heat Exchangers**



**Engineered Components**

# BWXT's Nuclear Medicine Products Are Used to Diagnose, Target and Treat Diseases

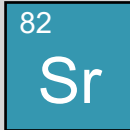
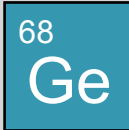
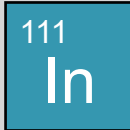

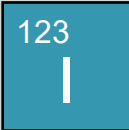
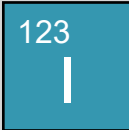

























<b>Category</b>	SPECT Imaging	PET Imaging	Therapy	Therapy					
<b>Emitting Particle</b>	Gamma Ray	Positron	Beta / Other	Alpha					
<b>BWXT's Product Types</b>	Isotope production / finished drugs		Isotope production / drug manufacturing						
<b>BWXT Current and Future Portfolio*</b>	<sup>99</sup> Tc	<sup>111</sup> In	<sup>123</sup> I	<sup>68</sup> Ge	<sup>82</sup> Sr	<sup>67</sup> Cu	<sup>177</sup> Lu	<sup>90</sup> Y	<sup>225</sup> Ac

**Diagnostics + Therapeutics = Theranostics**

\*Current portfolio includes multiple variations of certain isotopes; future portfolio could expand beyond those currently listed

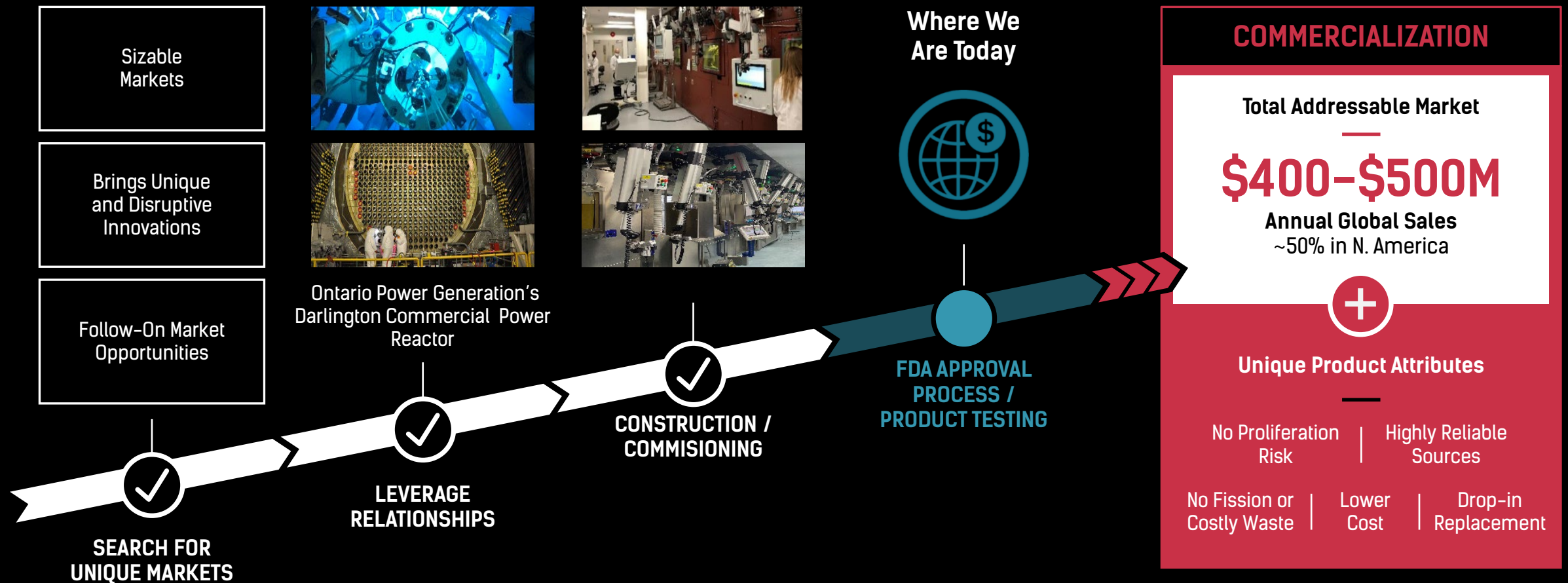
# Current BWXT Portfolio of Diagnostic Isotopes

	 <b>Strontium-82</b>	 <b>Germanium-68</b>	 <b>Indium Oxine</b>	 <b>Indium-111</b>	 <b>Iodine-123</b>	 <b>Iodine-123 MIBG</b>	
Products	cGMP PET isotope with DMF	cGMP PET isotope with DMF	In-111 Oxine Drug Product	n.c.a. SPECT isotope with DMF	n.c.a. SPECT isotope with DMF	I-123 MIBG generic drug product	
Use	Parent isotope to produce Rb-82 – a PET isotope for cardiac imaging	Parent isotope to produce Ga-68 for cancer imaging	Drug product for infection imaging	Cancer diagnosis & therapy monitoring	Cancer & neurology imaging	Drug product for cancer tumor imaging, used in pairs with therapeutics	
Customers	 	 	 	 	 		Commercial sales to start in 2024
Segment (Relative)	Size  Growth 	Size  Growth 	Size  Growth 	Size  Growth 	Size  Growth 	Size  Growth 	

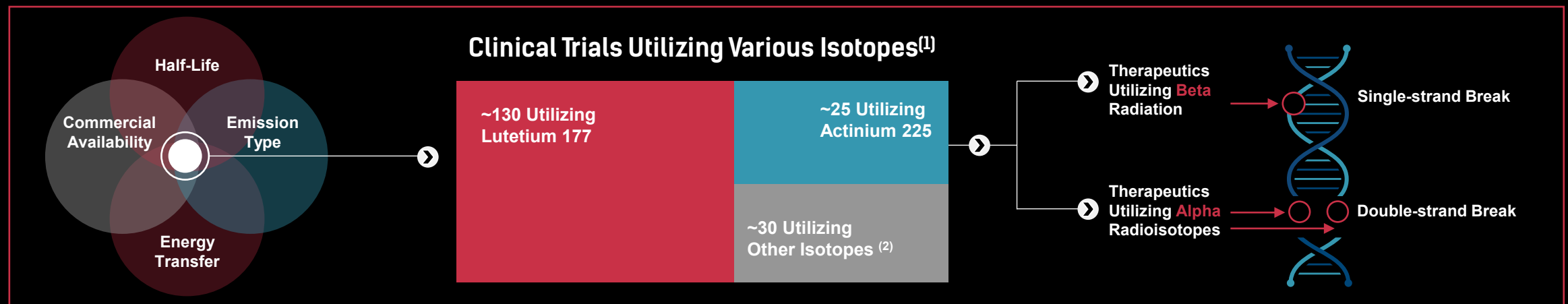
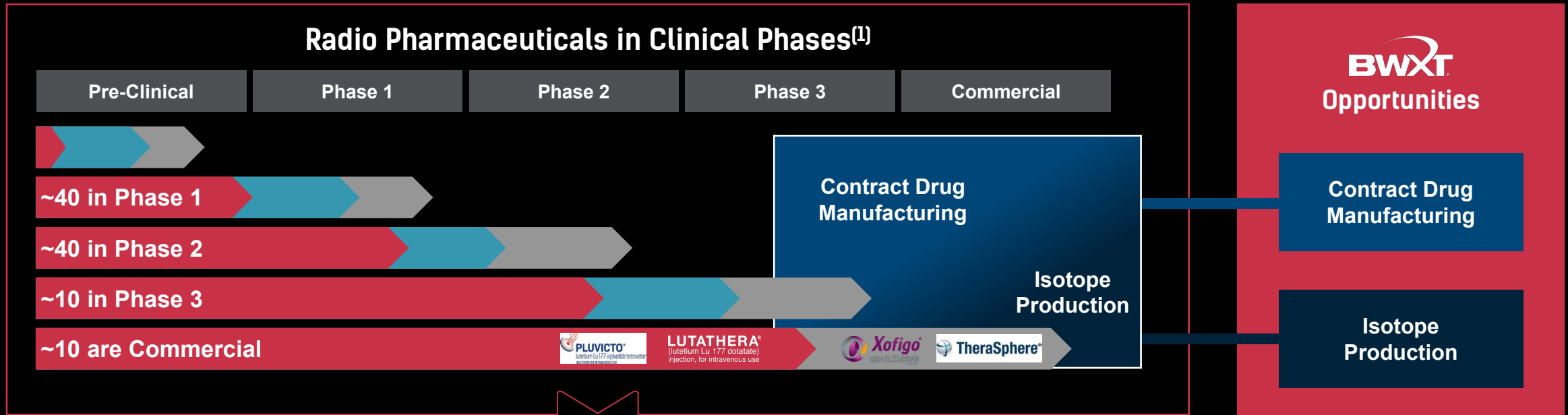
Abbreviations/Acronyms: cGMP = Current Good Manufacturing Practice, n.c.a.= non-carrier added, DMF = Drug Master File, SPECT = Single-Photon Emission Computerized Tomography  
 PET = Positron Emission Tomograph, MIBG = meta-iodobenzylguanidine

# BWXT's Tc-99m Generator Opens Large New Global Market Opportunity

Expected FDA Approval Forthcoming with Commercialization in 2024



# Therapeutics: Two Focal Areas for BWXT to Gain Share



(1) Clinicaltrials.gov; BWXT estimate as of January 2024

(2) Other Isotopes include Radium 186, Astatine 211, Thorium 227, Capp and Other



# Appendix

# 2024 Guidance<sup>(1,2)</sup>

## BWXT consolidated guidance

Revenue

**>\$2.6B**  
*Up mid-single digits*

Adj. EBITDA<sup>(1)</sup>

**~\$500M**  
*up mid-single digits  
~19% EBITDA margin*

Non-GAAP EPS<sup>(1)</sup>

**\$3.10 – \$3.20**

Free Cash Flow<sup>(1)</sup>

**\$225M–\$250M**  
*significant inflection up*

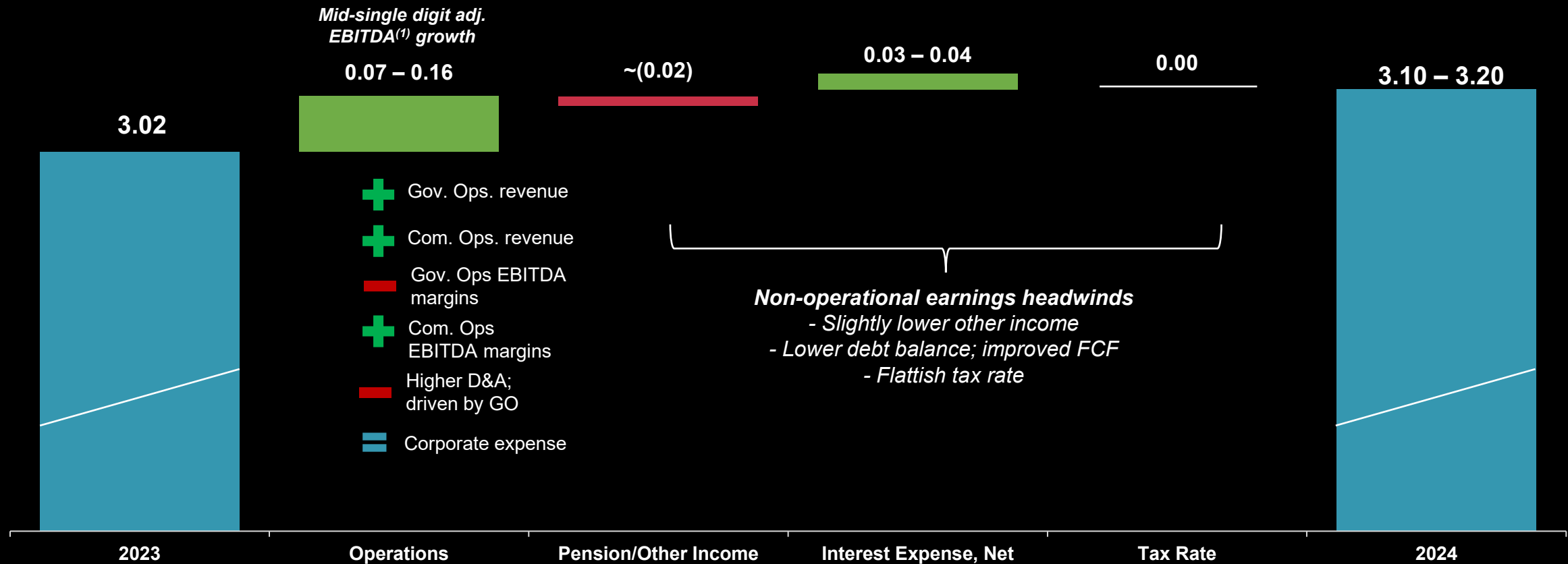
## Other information (vs. 2023)

- **Revenue**
  - Government Operations: up mid single digits
  - Commercial Operations: up high-single to low-double digits
- **Adj. EBITDA<sup>(1)</sup>**
  - Government Operations Margin: slightly lower
  - Commercial Operations Margin: higher
  - Corporate expense: flat
- **Adj. Pre-tax Income<sup>(1)</sup>**
  - Pension/Other Income: ~\$11M-\$12M
  - Interest, net: slightly lower
  - ~\$10M D&A step-up driven mostly by GO
- **Non-GAAP EPS<sup>(1)</sup>**
  - Tax rate: <23.5%
  - Share repurchase to offset dilution: ~flat
- **Free Cash Flow<sup>(1)</sup>**
  - OCF higher, following strong 2023
  - Cap-Ex: flat to slightly lower

(1) Guidance provided on August 5, 2024. Adjusted Pre-tax income and Non-GAAP EPS exclude any mark-to-market adjustment for pension and postretirement benefits recognized and other one-time items, which are not known at the time guidance is provided. A reconciliation of GAAP to adjusted, non-GAAP measures can be found in the Appendix section of this presentation.

(2) BWXT has not included a reconciliation of provided non-GAAP guidance to the comparable GAAP measures due to the difficulty of estimating any mark-to-market adjustments for pension and post-retirement benefits, which are determined at the end of the year.

# 2023 to 2024 non-GAAP<sup>(1)</sup> EPS bridge



(1) Guidance provided on August 5, 2024. Non-GAAP figures exclude any mark-to-market adjustment for pension and postretirement benefits recognized and other one-time items. A reconciliation of GAAP to adjusted, non-GAAP measures can be found in the Appendix section of this presentation.

# Non-GAAP definitions

**BWXT is providing non-GAAP information regarding certain of its historical results and guidance on future earnings to supplement the results provided in accordance with GAAP and it should not be considered superior to, or as a substitute for, the comparable GAAP measures. BWXT believes the non-GAAP measures provide meaningful insight and transparency into the Company's operational performance and provides these measures to investors to help facilitate comparisons of operating results with prior periods and to assist them in understanding BWXT's ongoing operations.**

**Non-GAAP figures exclude any mark-to-market adjustment for pension and postretirement benefits recognized and other one-time items.**

## **Other non-GAAP definitions and calculations**

***Non-GAAP Earnings Per Share (EPS)** is calculated using GAAP EPS less the non-operational tax effected per share impact of pension & OPEB mark-to-market gains or losses and other one-time items, such as restructuring, transformation, and acquisition-related costs.*

***Adjusted EBITDA** = Earnings Before Interest, Taxes, Depreciation and Amortization. Calculated using non-GAAP Net income, plus Provision for Income Taxes, less Other – net, less Interest income, plus Interest expense, plus Depreciation and amortization.*

***FCF** = Free Cash Flow. Calculated using net income to derive Net Cash Provided By (Used In) Operating Activities less Purchases of property, plant and equipment.*

***FCF Conversion** = Free Cash Flow Conversion. Free Cash Flow divided by net income*

# 2023 Non-GAAP reconciliation

For the Twelve Months Ended December 31, 2023

	GAAP	Restructuring & Transformation Costs	Acquisition Related Costs	Pension & OPEB MTM (Gain) / Loss	Non-GAAP
Operating Income	\$ 383.1	\$ 9.6	\$ 0.7	\$ -	\$ 393.3
Other Income (Expense)	(61.7)	-	-	30.8	(30.9)
Income before Provision for Income Taxes	321.4	9.6	0.7	30.8	362.4
Provision for Income Taxes	(75.1)	(1.7)	(0.2)	(7.1)	(84.1)
Net Income	246.3	7.8	0.5	23.7	278.4
Net Income Attributable to Noncontrolling Interest	(0.5)	-	-	-	(0.5)
Net Income Attributable to BWXT	\$ 245.9	\$ 7.8	\$ 0.5	\$ 23.7	\$ 277.9
Diluted Shares Outstanding	91.9				91.9
Diluted Earnings per Common Share	\$ 2.68	\$ 0.09	\$ 0.01	\$ 0.26	\$ 3.02
Effective Tax Rate	23.4%				23.2%
Government Operations Operating Income	\$ 374.7	\$ 1.1	\$ 0.3	\$ -	\$ 376.1
Commercial Operations Operating Income	\$ 37.5	\$ 4.6	\$ 0.1	\$ -	\$ 42.2
Unallocated Corporate Operating Income	\$ (29.2)	\$ 3.9	\$ 0.3	\$ -	\$ (25.0)

For the Twelve Months Ended December 31, 2023

	Operating Income (GAAP)	Non-GAAP Adjustments	Depreciation & Amortization	Adjusted EBITDA
Government Operations	\$ 374.7	\$ 1.4	\$ 53.4	\$ 429.4
Commercial Operations	\$ 37.5	\$ 4.7	\$ 17.7	\$ 60.0
Government Operations Margin	18.4%			21.1%
Commercial Operations Margin	8.0%			12.9%



# Free Cash Flow and Free Cash Flow Conversion

## Reconciliation of Consolidated Free Cash Flow and Free Cash Flow Conversion (In millions)

	Year Ended December 31,		
	2021	2022	2023
Net Cash Provided By Operating Activities	\$ 386.0	\$ 244.7	\$ 363.7
Purchases of Property, Plant and Equipment	(311.1)	(198.3)	(151.3)
Free Cash Flow	<u>\$ 75.0</u>	<u>\$ 46.4</u>	<u>\$ 212.4</u>
Non-GAAP Net Income Attributable to BWXT	\$ 289.2	\$ 287.1	\$ 277.9
Free Cash Flow Conversion	25.9%	16.2%	76.4%

# Reconciliation of Reporting Segment Adjusted EBITDA

## For the Twelve Months Ended December 31, 2023

	Operating Income (GAAP)	Non-GAAP Adjustments	Depreciation & Amortization	Adjusted EBITDA
Government Operations	\$ 374.7	\$ 1.4	\$ 53.4	\$ 429.4
Commercial Operations	\$ 37.5	\$ 4.7	\$ 17.7	\$ 60.0

## For the Twelve Months Ended December 31, 2022

	Operating Income (GAAP)	Non-GAAP Adjustments	Depreciation & Amortization	Adjusted EBITDA
Government Operations	\$ 336.5	\$ 2.1	\$ 48.0	\$ 386.5
Commercial Operations	\$ 27.4	\$ 7.7	\$ 18.8	\$ 53.9

## For the Twelve Months Ended December 31, 2021

	Operating Income (GAAP)	Non-GAAP Adjustments	Depreciation & Amortization	Adjusted EBITDA
Government Operations	\$ 329.5	\$ 0.2	\$ 42.5	\$ 372.2
Commercial Operations	\$ 35.2	\$ 0.9	\$ 19.9	\$ 56.0

## For the Twelve Months Ended December 31, 2020

	Operating Income (GAAP)	Non-GAAP Adjustments	Depreciation & Amortization	Adjusted EBITDA
Government Operations	\$ 345.3	\$ 1.0	\$ 35.4	\$ 381.6
Commercial Operations	\$ 36.9	\$ 2.3	\$ 18.4	\$ 57.6