UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022.

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________.

Commission File No. 001-34658

BWX TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**80-0558025**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
800 Main Street, 4th Floor	
Lynchburg, Virginia	**24504**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (980) 365-4300

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	BWXT	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant's common stock outstanding at November 3, 2022 was 91,222,288.

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PART I

FINANCIAL INFORMATION

Item 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	September 30, 2022	December 31, 2021
	(Unaudited) (In thousands)	
Current Assets:		
Cash and cash equivalents	$ 51,400	$ 33,891
Restricted cash and cash equivalents	2,908	2,896
Investments	3,820	3,811
Accounts receivable – trade, net	72,404	70,663
Accounts receivable – other	34,145	16,651
Retainages	76,193	51,507
Contracts in progress	545,517	546,595
Other current assets	63,317	47,718
Total Current Assets	849,704	773,732
Property, Plant and Equipment, Net	1,083,436	1,045,640
Investments	7,769	9,558
Goodwill	289,962	285,502
Deferred Income Taxes	20,458	21,394
Investments in Unconsolidated Affiliates	107,430	85,284
Intangible Assets	192,898	185,551
Other Assets	120,401	94,719
TOTAL	$ 2,672,058	$ 2,501,380

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	September 30, 2022	December 31, 2021
	(Unaudited) (In thousands, except share and per share amounts)	
Current Liabilities:		
Accounts payable	$ 146,543	$ 189,842
Accrued employee benefits	75,114	71,835
Accrued liabilities – other	80,749	80,998
Advance billings on contracts	98,545	111,619
Accrued warranty expense	5,846	5,321
Total Current Liabilities	406,797	459,615
Long-Term Debt	1,340,722	1,189,304
Accumulated Postretirement Benefit Obligation	21,553	24,333
Environmental Liabilities	94,414	92,642
Pension Liability	48,018	59,388
Other Liabilities	47,618	38,863
Commitments and Contingencies (Note 5)		
Stockholders' Equity:		
Common stock, par value $0.01 per share, authorized 325,000,000 shares; issued 127,638,048 and 127,311,985 shares at September 30, 2022 and December 31, 2021, respectively	1,276	1,273
Preferred stock, par value $0.01 per share, authorized 75,000,000 shares; No shares issued	—	—
Capital in excess of par value	186,790	174,288
Retained earnings	1,910,197	1,775,751
Treasury stock at cost, 36,420,960 and 35,915,747 shares at September 30, 2022 and December 31, 2021, respectively	(1,353,269)	(1,326,280)
Accumulated other comprehensive income (loss)	(32,280)	12,143
Stockholders' Equity – BWX Technologies, Inc.	712,714	637,175
Noncontrolling interest	222	60
Total Stockholders' Equity	712,936	637,235
TOTAL	$ 2,672,058	$ 2,501,380

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(Unaudited) (In thousands, except share and per share amounts)			
Revenues	$ 523,711	$ 498,727	$ 1,608,657	$ 1,532,099
Costs and Expenses:				
Cost of operations	399,281	361,530	1,217,108	1,130,153
Research and development costs	1,426	2,870	6,990	9,491
Losses (gains) on asset disposals and impairments, net	(251)	(981)	(222)	(1,018)
Selling, general and administrative expenses	58,160	58,458	172,974	176,037
Total Costs and Expenses	458,616	421,877	1,396,850	1,314,663
Equity in Income of Investees	14,783	10,618	34,881	26,197
Operating Income	79,878	87,468	246,688	243,633
Other Income (Expense):				
Interest income	273	160	463	369
Interest expense	(9,625)	(11,483)	(24,983)	(28,725)
Other – net	11,496	1,624	35,401	33,316
Total Other Income (Expense)	2,144	(9,699)	10,881	4,960
Income before Provision for Income Taxes	82,022	77,769	257,569	248,593
Provision for Income Taxes	20,185	17,611	61,977	59,211
Net Income	$ 61,837	$ 60,158	$ 195,592	$ 189,382
Net Income Attributable to Noncontrolling Interest	(234)	(244)	(366)	(372)
Net Income Attributable to BWX Technologies, Inc.	$ 61,603	$ 59,914	$ 195,226	$ 189,010
Earnings per Common Share:				
Basic:				
Net Income Attributable to BWX Technologies, Inc.	$ 0.67	$ 0.64	$ 2.13	$ 1.99
Diluted:				
Net Income Attributable to BWX Technologies, Inc.	$ 0.67	$ 0.63	$ 2.13	$ 1.99
Shares used in the computation of earnings per share (Note 9):				
Basic	91,407,599	94,277,253	91,455,350	94,978,638
Diluted	91,655,536	94,483,975	91,665,383	95,190,676

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(Unaudited) (In thousands)			
Net Income	$ 61,837	$ 60,158	$ 195,592	$ 189,382
Other Comprehensive Income (Loss):				
Currency translation adjustments	(36,906)	(10,605)	(46,822)	4,616
Derivative financial instruments:				
Unrealized gains (losses) arising during the period, net of tax (provision) benefit of $(177), $43, $(7) and $167, respectively	515	(119)	19	(491)
Reclassification adjustment for losses included in net income, net of tax benefit of $(74), $(61), $(178) and $(60), respectively	220	181	520	178
Amortization of benefit plan costs, net of tax benefit of $(163), $(153), $(488) and $(468), respectively	650	561	1,952	1,721
Unrealized (losses) gains on investments arising during the period, net of tax benefit of $5, $0, $24 and $60, respectively	(20)	—	(92)	89
Other Comprehensive Income (Loss)	(35,541)	(9,982)	(44,423)	6,113
Total Comprehensive Income	26,296	50,176	151,169	195,495
Comprehensive Income Attributable to Noncontrolling Interest	(234)	(244)	(366)	(372)
Comprehensive Income Attributable to BWX Technologies, Inc.	$ 26,062	$ 49,932	$ 150,803	$ 195,123

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock								
	Shares	Par Value	Capital In Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity
	(In thousands, except share and per share amounts)								
Balance December 31, 2021	127,311,985	$ 1,273	$ 174,288	$ 1,775,751	$ 12,143	$ (1,326,280)	$ 637,175	$ 60	$ 637,235
Net income	—	—	—	59,010	—	—	59,010	64	59,074
Dividends declared ($0.22 per share)	—	—	—	(20,279)	—	—	(20,279)	—	(20,279)
Currency translation adjustments	—	—	—	—	5,365	—	5,365	—	5,365
Derivative financial instruments	—	—	—	—	44	—	44	—	44
Defined benefit obligations	—	—	—	—	651	—	651	—	651
Available-for-sale investments	—	—	—	—	(24)	—	(24)	—	(24)
Exercises of stock options	—	—	—	—	—	—	—	—	—
Shares placed in treasury	—	—	—	—	—	(26,011)	(26,011)	—	(26,011)
Stock-based compensation charges	279,242	3	3,955	—	—	—	3,958	—	3,958
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(59)	(59)
Balance March 31, 2022 (unaudited)	127,591,227	$ 1,276	$ 178,243	$ 1,814,482	$ 18,179	$ (1,352,291)	$ 659,889	$ 65	$ 659,954
Net income	—	—	—	74,613	—	—	74,613	68	74,681
Dividends declared ($0.22 per share)	—	—	—	(20,273)	—	—	(20,273)	—	(20,273)
Currency translation adjustments	—	—	—	—	(15,281)	—	(15,281)	—	(15,281)
Derivative financial instruments	—	—	—	—	(240)	—	(240)	—	(240)
Defined benefit obligations	—	—	—	—	651	—	651	—	651
Available-for-sale investments	—	—	—	—	(48)	—	(48)	—	(48)
Exercises of stock options	—	—	—	—	—	—	—	—	—
Shares placed in treasury	—	—	—	—	—	(33)	(33)	—	(33)
Stock-based compensation charges	13,643	—	5,008	—	—	—	5,008	—	5,008
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(69)	(69)
Balance June 30, 2022 (unaudited)	127,604,870	$ 1,276	$ 183,251	$ 1,868,822	$ 3,261	$ (1,352,324)	$ 704,286	$ 64	$ 704,350
Net income	—	—	—	61,603	—	—	61,603	234	61,837
Dividends declared ($0.22 per share)	—	—	—	(20,228)	—	—	(20,228)	—	(20,228)
Currency translation adjustments	—	—	—	—	(36,906)	—	(36,906)	—	(36,906)
Derivative financial instruments	—	—	—	—	735	—	735	—	735
Defined benefit obligations	—	—	—	—	650	—	650	—	650
Available-for-sale investments	—	—	—	—	(20)	—	(20)	—	(20)
Exercises of stock options	19,345	—	458	—	—	—	458	—	458
Shares placed in treasury	—	—	—	—	—	(945)	(945)	—	(945)
Stock-based compensation charges	13,833	—	3,081	—	—	—	3,081	—	3,081
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(76)	(76)
Balance September 30, 2022 (unaudited)	127,638,048	$ 1,276	$ 186,790	$ 1,910,197	$ (32,280)	$ (1,353,269)	$ 712,714	$ 222	$ 712,936

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock								
	Shares	Par Value	Capital In Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity
	(In thousands, except share and per share amounts)								
Balance December 31, 2020	127,009,536	$ 1,270	$ 153,800	$ 1,549,950	$ 8,198	$ (1,095,452)	$ 617,766	$ 2	$ 617,768
Net income	—	—	—	69,749	—	—	69,749	66	69,815
Dividends declared ($0.21 per share)	—	—	—	(20,173)	—	—	(20,173)	—	(20,173)
Currency translation adjustments	—	—	—	—	8,001	—	8,001	—	8,001
Derivative financial instruments	—	—	—	—	(578)	—	(578)	—	(578)
Defined benefit obligations	—	—	—	—	580	—	580	—	580
Available-for-sale investments	—	—	—	—	89	—	89	—	89
Exercises of stock options	61,260	—	1,517	—	—	—	1,517	—	1,517
Shares placed in treasury	—	—	—	—	—	(24,694)	(24,694)	—	(24,694)
Stock-based compensation charges	191,350	3	3,978	—	—	—	3,981	—	3,981
Distributions to noncontrolling interests	—	—	—	—	—	—	—	—	—
Balance March 31, 2021 (unaudited)	127,262,146	$ 1,273	$ 159,295	$ 1,599,526	$ 16,290	$ (1,120,146)	$ 656,238	$ 68	$ 656,306
Net income	—	—	—	59,347	—	—	59,347	62	59,409
Dividends declared ($0.21 per share)	—	—	—	(20,164)	—	—	(20,164)	—	(20,164)
Currency translation adjustments	—	—	—	—	7,220	—	7,220	—	7,220
Derivative financial instruments	—	—	—	—	203	—	203	—	203
Defined benefit obligations	—	—	—	—	580	—	580	—	580
Available-for-sale investments	—	—	—	—	—	—	—	—	—
Exercises of stock options	13,936	—	339	—	—	—	339	—	339
Shares placed in treasury	—	—	—	—	—	(58)	(58)	—	(58)
Stock-based compensation charges	11,597	—	5,292	—	—	—	5,292	—	5,292
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(40)	(40)
Balance June 30, 2021 (unaudited)	127,287,679	$ 1,273	$ 164,926	$ 1,638,709	$ 24,293	$ (1,120,204)	$ 708,997	$ 90	$ 709,087
Net income	—	—	—	59,914	—	—	59,914	244	60,158
Dividends declared ($0.21 per share)	—	—	—	(20,145)	—	—	(20,145)	—	(20,145)
Currency translation adjustments	—	—	—	—	(10,605)	—	(10,605)	—	(10,605)
Derivative financial instruments	—	—	—	—	62	—	62	—	62
Defined benefit obligations	—	—	—	—	561	—	561	—	561
Available-for-sale investments	—	—	—	—	—	—	—	—	—
Exercises of stock options	—	—	—	—	—	—	—	—	—
Shares placed in treasury	—	—	—	—	—	(166,057)	(166,057)	—	(166,057)
Stock-based compensation charges	16,313	—	5,588	—	—	—	5,588	—	5,588
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(75)	(75)
Balance September 30, 2021 (unaudited)	127,303,992	$ 1,273	$ 170,514	$ 1,678,478	$ 14,311	$ (1,286,261)	$ 578,315	$ 259	$ 578,574

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
	(Unaudited) (In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 195,592	$ 189,382
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	54,808	50,476
Income of investees, net of dividends	(10,733)	(12,375)
Recognition of losses for pension and postretirement plans	2,441	2,189
Stock-based compensation expense	12,047	14,861
Premium for early redemption of senior notes	—	10,752
Recognition of debt issuance costs from former debt instruments	—	4,212
Other, net	1,966	1,039
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable	10,518	99,604
Accounts payable	(17,996)	(20,787)
Retainages	(24,684)	(14,780)
Contracts in progress and advance billings on contracts	(42,824)	(71,020)
Income taxes	(4,019)	15,723
Accrued and other current liabilities	(8,487)	1,922
Pension liabilities, accrued postretirement benefit obligations and employee benefits	(34,994)	(53,430)
Other, net	3,400	7,810
NET CASH PROVIDED BY OPERATING ACTIVITIES	137,035	225,578
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(134,591)	(236,656)
Acquisition of business, net of cash acquired	(47,328)	—
Purchases of securities	(2,700)	(3,560)
Sales and maturities of securities	2,667	3,417
Investments, net of return of capital, in equity method investees	(11,450)	—
Other, net	324	2,718
NET CASH USED IN INVESTING ACTIVITIES	(193,078)	(234,081)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	373,700	1,215,800
Repayments of long-term debt	(223,700)	(825,800)
Premium for early redemption of senior notes	—	(10,752)
Payment of debt issuance costs	—	(4,838)
Repayment of bank overdraft	—	(88,694)
Repurchases of common stock	(20,000)	(185,778)
Dividends paid to common shareholders	(60,894)	(60,277)
Exercises of stock options	57	2,011
Cash paid for shares withheld to satisfy employee taxes	(6,588)	(5,031)
Settlements of forward contracts, net	13,917	(1,167)
Other	(204)	(115)
NET CASH PROVIDED BY FINANCING ACTIVITIES	76,288	35,359
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	(3,093)	155
TOTAL INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	17,152	27,011
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	39,775	48,298
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 56,927	$ 75,309
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 26,809	$ 32,209
Income taxes (net of refunds)	$ 67,555	$ 43,236
SCHEDULE OF NON-CASH INVESTING ACTIVITY:		
Accrued capital expenditures included in accounts payable	$ 7,427	$ 25,106

See accompanying notes to condensed consolidated financial statements.

BWX TECHNOLOGIES, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2022
(UNAUDITED)

NOTE 1 – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

We have presented the condensed consolidated financial statements of BWX Technologies, Inc. ("BWXT" or the "Company") in U.S. dollars in accordance with the interim reporting requirements of Form 10-Q, Rule 10-01 of Regulation S-X and accounting principles generally accepted in the United States ("GAAP"). Certain financial information and disclosures normally included in our financial statements prepared annually in accordance with GAAP have been condensed or omitted. Readers of these financial statements should, therefore, refer to the consolidated financial statements and notes in our annual report on Form 10-K for the year ended December 31, 2021 (our "2021 10-K"). We have included all adjustments, in the opinion of management, consisting only of normal recurring adjustments, necessary for a fair presentation.

We use the equity method to account for investments in entities that we do not control, but over which we have the ability to exercise significant influence. We generally refer to these entities as "joint ventures." We have eliminated all intercompany transactions and accounts. We have reclassified certain amounts previously reported in our condensed consolidated statements of cash flows to conform to the presentation for the nine months ended September 30, 2022. We classify assets and liabilities related to long-term contracts as current using the duration of the related contract or program as our operating cycle, which is generally longer than one year. We present the notes to our condensed consolidated financial statements on the basis of continuing operations, unless otherwise stated.

Unless the context otherwise indicates, "we," "us" and "our" mean BWXT and its consolidated subsidiaries.

Reportable Segments

We operate in two reportable segments: Government Operations and Commercial Operations. Our reportable segments reflect changes we made during the first quarter of 2022 to better align our businesses by their government and commercial nature, which reflects the manner in which our operating segment information is reported for purposes of assessing operating performance and allocating resources. Prior to 2022, we reported three segments: Nuclear Operations Group, Nuclear Power Group and Nuclear Services Group.

Our Government Operations segment consists of our legacy Nuclear Operations Group and Nuclear Services Group segments with certain research and development activities in the areas of advanced reactors and advanced manufacturing. Our Commercial Operations segment consists of our legacy Nuclear Power Group segment with certain research and development and commercialization activities in the areas of medical and industrial radioisotopes. Both segments now include research and development and certain commercialization activities associated with new technologies previously reported outside of our reportable segments. The change in our reportable segments had no impact on our previously reported consolidated results of operations, financial condition or cash flows. We have applied the change in reportable segments to previously reported historical financial information and related disclosures included in this quarterly report on Form 10-Q. Our reportable segments are further described as follows:

- Our Government Operations segment manufactures naval nuclear reactors, including the related nuclear fuel, for the U.S. Naval Nuclear Propulsion Program for use in submarines and aircraft carriers. Through this segment, we also fabricate fuel-bearing precision components that range in weight from a few grams to hundreds of tons, manufacture electro-mechanical equipment, perform design, manufacturing, inspection, assembly and testing activities and downblend Cold War-era government stockpiles of high-enriched uranium. In addition, we supply proprietary and sole-source valves, manifolds and fittings to global naval and ship customers. In-house capabilities also include wet chemistry uranium processing, advanced heat treatment to optimize component material properties and a controlled, clean-room environment with the capacity to assemble railcar-size components. This segment also provides various other services, primarily through joint ventures, to the U.S. Government including nuclear materials management and operation, environmental management and administrative and operating services for various U.S. Government-owned facilities. These services are provided to the U.S. Department of Energy ("DOE"), including the National Nuclear Security Administration, the Office of Nuclear Energy, the Office of Science and the Office of Environmental Management, and NASA. In addition, this segment also develops technology for a variety of applications, including advanced nuclear power sources, and offers complete advanced nuclear fuel and reactor design and engineering, licensing and manufacturing services for new advanced nuclear reactors.

- Our Commercial Operations segment fabricates commercial nuclear steam generators, nuclear fuel, fuel handling systems, pressure vessels, reactor components, heat exchangers, tooling delivery systems and other auxiliary equipment, including containers for the storage of spent nuclear fuel and other high-level waste and supplies nuclear-grade materials and precisely machined components for nuclear utility customers. We have supplied the nuclear industry with more than 1,300 large, heavy components worldwide, and we are the only commercial heavy nuclear component manufacturer in North America. This segment also provides specialized engineering services that include structural component design, 3-D thermal-hydraulic engineering analysis, weld and robotic process development, electrical and controls engineering and metallurgy and materials engineering. In addition, this segment offers in-plant inspection, maintenance and modification services for nuclear steam generators, heat exchangers, reactors, fuel handling systems and balance of plant equipment, as well as specialized non-destructive examination and tooling/repair solutions. This segment is also a global manufacturer and supplier of critical medical radioisotopes and radiopharmaceuticals for research, diagnostic and therapeutic uses.

See Note 8 and Note 3 for financial information about our segments. Operating results for the three and nine months ended September 30, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022. For further information, refer to the consolidated financial statements and notes included in our 2021 10-K.

Recently Adopted Accounting Standards

There were no accounting standards adopted during the nine months ended September 30, 2022.

Contracts and Revenue Recognition

We generally recognize contract revenues and related costs over time for individual performance obligations based on a cost-to-cost method in accordance with FASB Topic *Revenue from Contracts with Customers*. We recognize estimated contract revenue and resulting income based on the measurement of the extent of progress toward completion as a percentage of the total project. Certain costs may be excluded from the cost-to-cost method of measuring progress, such as significant costs for uninstalled materials, if such costs do not depict our performance in transferring control of goods or services to the customer. We review contract price and cost estimates periodically as the work progresses and reflect adjustments proportionate to the percentage-of-completion in income in the period when those estimates are revised. Certain of our contracts recognize revenue at a point in time, and revenue on these contracts is recognized when control transfers to the customer. The majority of our revenue that is recognized at a point in time is related to parts and certain medical radioisotopes and radiopharmaceuticals in our Commercial Operations segment. For all contracts, if a current estimate of total contract cost indicates a loss on a contract, the projected loss is recognized in full when determined.

Provision for Income Taxes

We are subject to federal income tax in the U.S., Canada and the United Kingdom as well as income tax within multiple U.S. state jurisdictions. We provide for income taxes based on the enacted tax laws and rates in the jurisdictions in which we conduct our operations. These jurisdictions may have regimes of taxation that vary with respect to nominal rates and with respect to the basis on which these rates are applied. This variation, along with the changes in our mix of income within these jurisdictions, can contribute to shifts in our effective tax rate from period to period.

Our effective tax rate for the three months ended September 30, 2022 was 24.6% as compared to 22.6% for the three months ended September 30, 2021. Our effective tax rate for the nine months ended September 30, 2022 was 24.1% as compared to 23.8% for the nine months ended September 30, 2021. The effective tax rates for the three and nine months ended September 30, 2022 and 2021 were higher than the U.S. corporate income tax rate of 21% primarily due to state income taxes within the U.S. and the unfavorable rate differential associated with our Canadian earnings.

Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

At September 30, 2022, we had restricted cash and cash equivalents totaling $5.5 million, $2.6 million of which was held for future decommissioning of facilities (which is included in Other Assets on our condensed consolidated balance sheets) and $2.9 million of which was held to meet reinsurance reserve requirements of our captive insurer.

The following table provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents on our condensed consolidated balance sheets to the totals presented on our condensed consolidated statement of cash flows:

	September 30, 2022	December 31, 2021
	(In thousands)	
Cash and cash equivalents	$ 51,400	$ 33,891
Restricted cash and cash equivalents	2,908	2,896
Restricted cash and cash equivalents included in Other Assets	2,619	2,988
Total cash and cash equivalents and restricted cash and cash equivalents as presented on our condensed consolidated statement of cash flows	$ 56,927	$ 39,775

Inventories

At September 30, 2022 and December 31, 2021, Other current assets included inventories totaling $31.8 million and $16.3 million, respectively, consisting entirely of raw materials and supplies.

Property, Plant and Equipment, Net

Property, plant and equipment, net is stated at cost and is set forth below:

	September 30, 2022	December 31, 2021
	(In thousands)	
Land	$ 9,839	$ 9,538
Buildings	347,438	321,872
Machinery and equipment	1,007,852	957,423
Property under construction	484,023	487,856
	1,849,152	1,776,689
Less: Accumulated depreciation	765,716	731,049
Property, Plant and Equipment, Net	$ 1,083,436	$ 1,045,640

Accumulated Other Comprehensive Income (Loss)

The components of Accumulated other comprehensive income (loss) included in Stockholders' Equity are as follows:

	September 30, 2022	December 31, 2021
	(In thousands)	
Currency translation adjustments	$ (16,195)	$ 30,627
Net unrealized loss on derivative financial instruments	(155)	(694)
Unrecognized prior service cost on benefit obligations	(16,070)	(18,022)
Net unrealized gain on available-for-sale investments	140	232
Accumulated other comprehensive income (loss)	$ (32,280)	$ 12,143

The amounts reclassified out of Accumulated other comprehensive income (loss) by component and the affected condensed consolidated statements of income line items are as follows:

Accumulated Other Comprehensive Income (Loss) Component Recognized	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	Line Item Presented
	(In thousands)				
Realized gain (loss) on derivative financial instruments	$ (152)	$ 194	$ (86)	$ 326	Revenues
	(142)	(436)	(612)	(564)	Cost of operations
	(294)	(242)	(698)	(238)	Total before tax
	74	61	178	60	Provision for Income Taxes
	$ (220)	$ (181)	$ (520)	$ (178)	Net Income
Amortization of prior service cost on benefit obligations	$ (813)	$ (714)	$ (2,440)	$ (2,189)	Other – net
	163	153	488	468	Provision for Income Taxes
	$ (650)	$ (561)	$ (1,952)	$ (1,721)	Net Income
Total reclassification for the period	$ (870)	$ (742)	$ (2,472)	$ (1,899)	

Derivative Financial Instruments

Our operations give rise to exposure to market risks from changes in foreign currency exchange ("FX") rates. We use derivative financial instruments, primarily FX forward contracts, to reduce the impact of changes in FX rates on our operating results. We use these instruments to hedge our exposure associated with revenues or costs on our long-term contracts and other transactions that are denominated in currencies other than our operating entities' functional currencies. We do not hold or issue derivative financial instruments for trading or other speculative purposes.

We enter into derivative financial instruments primarily as hedges of certain firm purchase and sale commitments and loans between domestic and foreign subsidiaries denominated in foreign currencies. We record these contracts at fair value on our condensed consolidated balance sheets. Based on the hedge designation at the inception of the contract, the related gains and losses on these contracts are deferred in stockholders' equity as a component of Accumulated other comprehensive income (loss) until the hedged item is recognized in earnings. The gain or loss on a derivative instrument not designated as a hedging instrument is immediately recognized in earnings. Gains and losses on derivative financial instruments that require immediate recognition are included as a component of Other – net on our condensed consolidated statements of income.

We have designated the majority of our FX forward contracts that qualify for hedge accounting as cash flow hedges. The hedged risk is the risk of changes in functional-currency-equivalent cash flows attributable to changes in FX spot rates of forecasted transactions primarily related to long-term contracts. We exclude from our assessment of effectiveness the portion of the fair value of the FX forward contracts attributable to the difference between FX spot rates and FX forward rates. At September 30, 2022, we had deferred approximately $0.2 million of net losses on these derivative financial instruments. Assuming market conditions continue, we expect to recognize the majority of this amount in the next 12 months. For the three months ended September 30, 2022 and 2021, we recognized (gains) of $(36.6) million and $(7.8) million, respectively, and for the nine months ended September 30, 2022 and 2021, we recognized (gains) losses of $(36.2) million and $0.9 million, respectively, in Other – net on our condensed consolidated statements of income associated with FX forward contracts not designated as hedging instruments.

At September 30, 2022, our derivative financial instruments consisted of FX forward contracts with a total notional value of $442.4 million with maturities extending to December 2024. These instruments consist primarily of FX forward contracts to purchase or sell Canadian dollars and Euros. We are exposed to credit-related losses in the event of non-performance by counterparties to derivative financial instruments. We attempt to mitigate this risk by using major financial institutions with high credit ratings. Our counterparties to derivative financial instruments have the benefit of the same collateral arrangements and covenants as described under our credit facility.

NOTE 2 – ACQUISITIONS

Dynamic Controls Limited and Citadel Capital Corporation

On April 11, 2022, our subsidiary BWXT Government Group, Inc. acquired all of the outstanding stock of U.K.-based Dynamic Controls Limited ("Dynamic") and U.S.-based Citadel Capital Corporation, along with its wholly-owned subsidiary, Cunico Corporation ("Cunico"), for approximately $49.9 million. Our preliminary purchase price allocation resulted in the recognition of $28.5 million of Intangible Assets, $8.4 million of inventory and $16.6 million of Goodwill, which includes an adjustment to our initial purchase price allocation of $(1.1) million to intangible assets with an offsetting increase to goodwill. In addition, we recognized right-of-use assets and lease liabilities of $7.2 million. The assets acquired and liabilities assumed have been recorded at preliminary estimates of fair value as determined by management, based on information currently available and on current assumptions of future operations, and are subject to change upon completion of acquisition accounting. Dynamic and Cunico are suppliers of highly-engineered, proprietary valves, manifolds and fittings for global naval nuclear and diesel-electric submarines, surface warfare ships and commercial shipping vessels. These companies are reported as part of our Government Operations segment.

The intangible assets included above consist of the following (dollar amounts in thousands):

	Amount	Amortization Period
Customer relationships	$ 17,700	21 years
Backlog	$ 6,600	5 years
Unpatented technology	$ 4,200	8 years

NOTE 3 – REVENUE RECOGNITION

As described in Note 1, our operations are assessed based on two reportable segments. In connection with our segment reporting change, we have revised historical amounts to conform to current segment presentation.

Disaggregated Revenues

Revenues by geographic area and customer type were as follows:

	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
United States:						
Government	$ 402,300	$ —	$ 402,300	$ 388,931	$ —	$ 388,931
Non-Government	16,753	7,700	24,453	26,313	11,493	37,806
	$ 419,053	$ 7,700	$ 426,753	$ 415,244	$ 11,493	$ 426,737
Canada:						
Non-Government	$ 658	$ 90,143	$ 90,801	$ 887	$ 69,285	$ 70,172
Other:						
Government	$ 346	$ —	$ 346	$ —	$ —	$ —
Non-Government	2,464	3,951	6,415	1,008	2,604	3,612
	$ 2,810	$ 3,951	$ 6,761	$ 1,008	$ 2,604	$ 3,612
Segment Revenues	$ 422,521	$ 101,794	524,315	$ 417,139	$ 83,382	500,521
Eliminations			(604)			(1,794)
Revenues			$ 523,711			$ 498,727

	Nine Months Ended September 30, 2022			Nine Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
United States:						
Government	$ 1,219,340	$ —	$ 1,219,340	$ 1,171,584	$ —	$ 1,171,584
Non-Government	62,547	23,770	86,317	67,242	33,253	100,495
	$ 1,281,887	$ 23,770	$ 1,305,657	$ 1,238,826	$ 33,253	$ 1,272,079
Canada:						
Non-Government	$ 2,477	$ 283,298	$ 285,775	$ 2,541	$ 245,216	$ 247,757
Other:						
Government	$ 1,071	$ —	$ 1,071	$ —	$ —	$ —
Non-Government	5,400	13,198	18,598	4,544	14,153	18,697
	$ 6,471	$ 13,198	$ 19,669	$ 4,544	$ 14,153	$ 18,697
Segment Revenues	$ 1,290,835	$ 320,266	1,611,101	$ 1,245,911	$ 292,622	1,538,533
Eliminations			(2,444)			(6,434)
Revenues			$ 1,608,657			$ 1,532,099

Revenues by timing of transfer of goods or services were as follows:

	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
Over time	$ 422,459	$ 87,159	$ 509,618	$ 417,139	$ 68,983	$ 486,122
Point-in-time	62	14,635	14,697	—	14,399	14,399
Segment Revenues	$ 422,521	$ 101,794	524,315	$ 417,139	$ 83,382	500,521
Eliminations			(604)			(1,794)
Revenues			$ 523,711			$ 498,727

	Nine Months Ended September 30, 2022			Nine Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
Over time	$ 1,290,745	$ 277,654	$ 1,568,399	$ 1,245,797	$ 254,727	$ 1,500,524
Point-in-time	90	42,612	42,702	114	37,895	38,009
Segment Revenues	$ 1,290,835	$ 320,266	1,611,101	$ 1,245,911	$ 292,622	1,538,533
Eliminations			(2,444)			(6,434)
Revenues			$ 1,608,657			$ 1,532,099

Revenues by contract type were as follows:

	Three Months Ended September 30, 2022			Three Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
Fixed-Price Incentive Fee	$ 308,827	$ 2,531	$ 311,358	$ 306,037	$ 3,452	$ 309,489
Firm-Fixed-Price	47,359	69,170	116,529	62,739	69,993	132,732
Cost-Plus Fee	65,679	—	65,679	46,738	—	46,738
Time-and-Materials	656	30,093	30,749	1,625	9,937	11,562
Segment Revenues	$ 422,521	$ 101,794	524,315	$ 417,139	$ 83,382	500,521
Eliminations			(604)			(1,794)
Revenues			$ 523,711			$ 498,727

	Nine Months Ended September 30, 2022			Nine Months Ended September 30, 2021		
	Government Operations	Commercial Operations	Total	Government Operations	Commercial Operations	Total
	(In thousands)					
Fixed-Price Incentive Fee	$ 935,200	$ 7,047	$ 942,247	$ 927,206	$ 7,672	$ 934,878
Firm-Fixed-Price	191,597	222,503	414,100	189,462	213,326	402,788
Cost-Plus Fee	161,167	—	161,167	123,575	—	123,575
Time-and-Materials	2,871	90,716	93,587	5,668	71,624	77,292
Segment Revenues	$ 1,290,835	$ 320,266	1,611,101	$ 1,245,911	$ 292,622	1,538,533
Eliminations			(2,444)			(6,434)
Revenues			$ 1,608,657			$ 1,532,099

Performance Obligations

As we progress on our contracts and the underlying performance obligations for which we recognize revenue over time, we refine our estimates of variable consideration and total estimated costs at completion, which impact the overall profitability on our contracts and performance obligations. Changes in these estimates result in the recognition of cumulative catch-up adjustments that impact our revenues and/or costs of contracts. During the three and nine months ended September 30, 2022, we recognized net changes in estimates related to contracts that recognize revenue over time that resulted in increases in revenues of $4.2 million and $1.1 million, respectively. During the nine months ended September 30, 2022, we recognized an increase in cost of operations of $2.2 million. Included in these amounts are contract adjustments for cost overruns related to the manufacture of non-nuclear components being produced within our Government Operations segment. We recognized a decrease in operating income of $11.3 million for the nine months ended September 30, 2022, related to this matter. These contract adjustments resulted in decreases in earnings per share of $0.09 for the nine months ended September 30, 2022. We are exploring opportunities for recovery of cost overruns related to this project. During the three and nine months ended September 30, 2021, we recognized net favorable changes in estimates related to contracts that recognize revenue over time that resulted in increases in revenues of $18.1 million and $27.8 million, respectively.

Contract Assets and Liabilities

We include revenues and related costs incurred, plus accumulated contract costs that exceed amounts invoiced to customers under the terms of the contracts, in Contracts in progress. We include in Advance billings on contracts billings that exceed accumulated contract costs and revenues recognized over time. Amounts that are withheld on our fixed-price incentive fee contracts are classified within Retainages. Certain of these amounts require conditions other than the passage of time to be achieved, with the remaining amounts only requiring the passage of time. Most long-term contracts contain provisions for progress payments. Our unbilled receivables do not contain an allowance for credit losses as we expect to invoice customers and collect all amounts for unbilled receivables. Changes in Contracts in progress and Advance billings on contracts are primarily driven by differences in the timing of revenue recognition and billings to our customers. Our fixed-price incentive fee contracts for our Government Operations segment include provisions that result in an increase in retainages on contracts during the first and third quarters of the year, with larger payments received during the second and fourth quarters. Retainages also vary as a result of timing differences between incurring costs and achieving milestones that allow us to recover these amounts.

	September 30, 2022	December 31, 2021
	(In thousands)	
Included in Contracts in progress:		
Unbilled receivables	$ 523,924	$ 528,644
Retainages	$ 76,193	$ 51,507
Included in Other Assets:		
Retainages	$ 1,261	$ 1,271
Advance billings on contracts	$ 98,545	$ 111,619

During the three months ended September 30, 2022 and 2021, we recognized $11.2 million and $14.0 million, respectively, of revenues that were in Advance billings on contracts at the beginning of each year. During the nine months ended September 30, 2022 and 2021, we recognized $88.5 million and $67.1 million, respectively, of revenues that were in Advance billings on contracts at the beginning of each year.

Remaining Performance Obligations

Remaining performance obligations represent the dollar amount of revenue we expect to recognize in the future from performance obligations on contracts previously awarded and in progress. At September 30, 2022, our remaining performance obligations were $4,318.9 million. We expect to recognize approximately 46% of the revenue associated with our remaining performance obligations by the end of 2023, with the remainder to be recognized thereafter.

NOTE 4 – PENSION PLANS AND POSTRETIREMENT BENEFITS

We record the service cost component of net periodic benefit cost within Operating income on our condensed consolidated statements of income. For the three months ended September 30, 2022 and 2021, these amounts were $3.1 million and $3.0 million, respectively. For the nine months ended September 30, 2022 and 2021, these amounts were $9.3 million and $9.3 million, respectively. All other components of net periodic benefit cost are included in Other – net within the condensed consolidated statements of income. For the three months ended September 30, 2022 and 2021, these amounts were $(12.6) million and $(13.0) million, respectively. For the nine months ended September 30, 2022 and 2021, these amounts were $(37.8) million and $(40.0) million, respectively. Components of net periodic benefit cost included in net income were as follows:

	Pension Benefits				Other Benefits			
	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
	(In thousands)							
Service cost	$ 2,945	$ 2,824	$ 8,850	$ 8,753	$ 163	$ 180	$ 494	$ 566
Interest cost	7,825	6,846	23,504	20,381	345	330	1,039	898
Expected return on plan assets	(20,863)	(20,477)	(62,619)	(61,339)	(738)	(437)	(2,213)	(2,168)
Amortization of prior service cost (credit)	807	758	2,421	2,322	7	(44)	20	(133)
Net periodic benefit income	$ (9,286)	$ (10,049)	$ (27,844)	$ (29,883)	$ (223)	$ 29	$ (660)	$ (837)

NOTE 5 – COMMITMENTS AND CONTINGENCIES

There were no material contingencies during the period covered by this Form 10-Q.

NOTE 6 – FAIR VALUE MEASUREMENTS

Investments

The following is a summary of our investments measured at fair value at September 30, 2022:

	Total	Level 1	Level 2	Level 3	Unclassified
	(In thousands)				
Equity securities					
Mutual funds	$ 5,968	$ —	$ 5,968	$ —	$ —
Available-for-sale securities					
U.S. Government and agency securities	3,272	3,272	—	—	—
Corporate bonds	2,304	1,756	548	—	—
Asset-backed securities and collateralized mortgage obligations	45	—	45	—	—
Total	$ 11,589	$ 5,028	$ 6,561	$ —	$ —

The following is a summary of our investments measured at fair value at December 31, 2021:

	Total	Level 1	Level 2	Level 3	Unclassified
	(In thousands)				
Equity securities					
Mutual funds	$ 7,650	$ —	$ 7,650	$ —	$ —
Available-for-sale securities					
U.S. Government and agency securities	2,738	2,738	—	—	—
Corporate bonds	2,926	1,852	1,074	—	—
Asset-backed securities and collateralized mortgage obligations	55	—	55	—	—
Total	$ 13,369	$ 4,590	$ 8,779	$ —	$ —

We estimate the fair value of investments based on quoted market prices. For investments for which there are no quoted market prices, we derive fair values from available yield curves for investments of similar quality and terms.

Derivatives

Level 2 derivative assets and liabilities currently consist of FX forward contracts. Where applicable, the value of these derivative assets and liabilities is computed by discounting the projected future cash flow amounts to present value using market-based observable inputs, including FX forward and spot rates, interest rates and counterparty performance risk adjustments. At September 30, 2022 and December 31, 2021, we had FX forward contracts outstanding to purchase or sell foreign currencies, primarily Canadian dollars and Euros, with a total fair value of $18.3 million and $(3.2) million, respectively. Derivative assets and liabilities are included in Accounts receivable – other and Accounts payable, respectively, on our condensed consolidated balance sheets.

Other Financial Instruments

We used the following methods and assumptions in estimating our fair value disclosures for our other financial instruments, as follows:

Cash and cash equivalents and restricted cash and cash equivalents. The carrying amounts that we have reported in the accompanying condensed consolidated balance sheets for Cash and cash equivalents and Restricted cash and cash equivalents approximate their fair values due to their highly liquid nature.

Long-term and short-term debt. We base the fair values of debt instruments, including our 4.125% senior notes due 2028 (the "Senior Notes due 2028") and our 4.125% senior notes due 2029 (the "Senior Notes due 2029"), on quoted market prices. Where quoted prices are not available, we base the fair values on the present value of future cash flows discounted at estimated borrowing rates for similar debt instruments or on estimated prices based on current yields for debt issues of similar quality and terms. At September 30, 2022 and December 31, 2021, the fair value of the Senior Notes due 2028 was $351.0 million and $406.3 million, respectively, and the fair value of the Senior Notes due 2029 was $347.7 million and $406.5 million, respectively. The fair value of our remaining debt instruments approximated their carrying values at September 30, 2022 and December 31, 2021.

NOTE 7 – STOCK-BASED COMPENSATION

Stock-based compensation recognized for all of our plans for the three months ended September 30, 2022 and 2021 totaled $3.2 million and $5.5 million, respectively, with associated tax benefit totaling $0.5 million and $1.0 million, respectively. Stock-based compensation recognized for all of our plans for the nine months ended September 30, 2022 and 2021 totaled $12.4 million and $14.7 million, respectively, with associated tax benefit totaling $2.1 million and $2.5 million, respectively.

NOTE 8 – SEGMENT REPORTING

As described in Note 1, our operations are assessed based on two reportable segments. In connection with our segment reporting change, we have revised historical amounts to conform to current segment presentation. An analysis of our operations by reportable segment is as follows:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
	(In thousands)			
REVENUES:				
Government Operations	$ 422,521	$ 417,139	$ 1,290,835	$ 1,245,911
Commercial Operations	101,794	83,382	320,266	292,622
Eliminations [1]	(604)	(1,794)	(2,444)	(6,434)
	$ 523,711	$ 498,727	$ 1,608,657	$ 1,532,099

(1) Segment revenues are net of the following intersegment transfers:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Government Operations Transfers	$ (604)	$ (1,672)	$ (2,378)	$ (5,788)
Commercial Operations Transfers	—	(122)	(66)	(646)
	$ (604)	$ (1,794)	$ (2,444)	$ (6,434)
OPERATING INCOME:				
Government Operations	$ 77,735	$ 87,542	$ 233,749	$ 238,658
Commercial Operations	6,847	4,925	23,673	16,859
	$ 84,582	$ 92,467	$ 257,422	$ 255,517
Unallocated Corporate [2]	(4,704)	(4,999)	(10,734)	(11,884)
Total Operating Income	$ 79,878	$ 87,468	$ 246,688	$ 243,633
Other Income (Expense)	2,144	(9,699)	10,881	4,960
Income before Provision for Income Taxes	$ 82,022	$ 77,769	$ 257,569	$ 248,593

(2) Unallocated corporate includes general corporate overhead not allocated to segments.

	September 30, 2022	December 31, 2021
	(In thousands)	
SEGMENT ASSETS:		
Government Operations	$ 1,526,835	$ 1,430,863
Commercial Operations	998,155	976,382
Total Segment Assets	$ 2,524,990	$ 2,407,245
Corporate Assets	147,068	94,135
Total Assets	$ 2,672,058	$ 2,501,380

NOTE 9 – EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(In thousands, except share and per share amounts)			
Basic:				
Net Income Attributable to BWX Technologies, Inc.	$ 61,603	$ 59,914	$ 195,226	$ 189,010
Weighted-average common shares	91,407,599	94,277,253	91,455,350	94,978,638
Basic earnings per common share	$ 0.67	$ 0.64	$ 2.13	$ 1.99
Diluted:				
Net Income Attributable to BWX Technologies, Inc.	$ 61,603	$ 59,914	$ 195,226	$ 189,010
Weighted-average common shares (basic)	91,407,599	94,277,253	91,455,350	94,978,638
Effect of dilutive securities:				
Stock options, restricted stock units and performance shares (1)	247,937	206,722	210,033	212,038
Adjusted weighted-average common shares	91,655,536	94,483,975	91,665,383	95,190,676
Diluted earnings per common share	$ 0.67	$ 0.63	$ 2.13	$ 1.99

(1) At September 30, 2022 and 2021, we excluded 31,507 and 0 shares, respectively, from our diluted share calculation as their effect would have been antidilutive.

NOTE 10 – SUBSEQUENT EVENT

On October 12, 2022, we entered into an Amended and Restated Credit Agreement (the "New Credit Facility") with Wells Fargo Bank, National Association, as administrative agent, and the other lenders party thereto, which amended and restated our then existing secured credit facility (the "Former Credit Facility"). The New Credit Facility includes a $750 million senior secured revolving credit facility (the "New Revolving Credit Facility") and a $250 million senior secured term A loan (the "New Term Loan"). The New Revolving Credit Facility and the New Term Loan are scheduled to mature on October 12, 2027. All proceeds from the New Term Loan were used to repay outstanding indebtedness under the Former Credit Facility.

As of October 12, 2022, outstanding borrowings under the New Credit Facility totaled $570.0 million, comprising $250.0 million under the New Term Loan and $320.0 million under the New Revolving Credit Facility, and letters of credit issued under the New Revolving Credit Facility totaled $37.1 million. As a result, as of October 12, 2022, the Company had $392.9 million available under the New Revolving Credit Facility for borrowings and to meet letter of credit requirements.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with the unaudited condensed consolidated financial statements and the notes thereto included in Item 1 in Part I of this quarterly report on Form 10-Q ("Report"), as well as the audited consolidated financial statements and the related notes and Item 7 of our annual report on Form 10-K for the year ended December 31, 2021 (our "2021 10-K").

In this Report, unless the context otherwise indicates, "we," "us" and "our" mean BWX Technologies, Inc. ("BWXT" or the "Company") and its consolidated subsidiaries.

Cautionary Statement Concerning Forward-Looking Statements

From time to time, our management or persons acting on our behalf make forward-looking statements to inform existing and potential security holders about our Company. Forward-looking statements include those statements that express a belief, expectation or intention, as well as those that are not statements of historical fact, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Statements and assumptions regarding expectations and projections of specific projects, our future backlog, revenues, income and capital spending, strategic investments, acquisitions or divestitures, return of capital activities, margin improvement initiatives or impacts of the novel strain of coronavirus ("COVID-19") pandemic are examples of forward-looking statements. Forward-looking statements are generally accompanied by words such as "estimate," "project," "predict," "believe," "expect," "anticipate," "plan," "seek," "goal," "could," "intend," "may," "should" or other words that convey the uncertainty of future events or outcomes. In addition, sometimes we will specifically describe a statement as being a forward-looking statement and refer to this cautionary statement.

We have based our forward-looking statements on information currently available to us and our current expectations, estimates and projections about our Company, industries and business environment. We caution that these statements are not guarantees of future performance and you should not rely unduly on them as they involve risks, uncertainties and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. For example, the extent to which the COVID-19 pandemic will continue to impact our business will depend on future developments that are highly uncertain and cannot be predicted, including the potential recurrence of COVID-19, subsequent waves or strains or the emergence of similar diseases, the actions to contain the impact of such diseases and potential responses to such actions by our suppliers, contractors and employees. While our management considers these statements and assumptions to be reasonable, they are inherently subject to numerous factors, including potentially the risk factors described in Item 1A of our 2021 10-K, most of which are difficult to predict and many of which are beyond our control. Accordingly, our actual results may differ materially from the future performance that we have expressed or forecast in our forward-looking statements.

We have discussed many of these factors in more detail elsewhere in this Report, including under the heading "COVID-19 Assessment" of this Item 2 and Item 1A of our 2021 10-K. These factors are not necessarily all the factors that could affect us. Unpredictable or unanticipated factors we have not discussed in this Report or in our 2021 10-K could also have material adverse effects on actual results of matters that are the subject of our forward-looking statements. We do not intend to update or review any forward-looking statement or our description of important factors, whether as a result of new information, future events or otherwise, except as required by applicable laws.

General

We operate in two reportable segments: Government Operations and Commercial Operations. Our reportable segments reflect changes we made during the first quarter of 2022 to better align our businesses by their government and commercial nature, which reflects the manner in which our operating segment information is reported for purposes of assessing operating performance and allocating resources. Prior to 2022, we reported three segments: Nuclear Operations Group, Nuclear Power Group and Nuclear Services Group.

Our Government Operations segment consists of our legacy Nuclear Operations Group and Nuclear Services Group segments with certain research and development activities in the areas of advanced reactors and advanced manufacturing. Our Commercial Operations segment consists of our legacy Nuclear Power Group segment with certain research and development and commercialization activities in the areas of medical and industrial radioisotopes. Both segments now include research and development and certain commercialization activities associated with new technologies previously reported outside of our reportable segments. The change in our reportable segments had no impact on our previously reported consolidated results of operations, financial condition or cash flows. We have applied the change in reportable segments to previously reported historical financial information and related disclosures included in this Report.

In general, we operate in capital-intensive industries and rely on large contracts for a substantial amount of our revenues. We are currently exploring growth strategies across our segments to expand and complement our existing businesses. We would expect to fund these opportunities with cash generated from operations or by raising additional capital through debt, equity or some combination thereof.

Government Operations

The revenues of our Government Operations segment are largely a function of defense spending by the U.S. Government. Through this segment, we engineer, design and manufacture precision naval nuclear components, reactors and nuclear fuel for the U.S. Department of Energy ("DOE")/National Nuclear Safety Administration's Naval Nuclear Propulsion Program. In addition, we perform fabrication activities for missile launch tubes for U.S. Navy submarines and supply proprietary and sole-source valves, manifolds and fittings to global naval and ship customers. As a supplier of major nuclear components for certain U.S. Government programs, this segment is a significant participant in the defense industry.

This segment also provides various services to the U.S. Government by managing and operating high-consequence operations at U.S. nuclear weapons sites, national laboratories and manufacturing complexes. The revenues and equity in income of investees under these types of contracts are largely a function of spending of the U.S. Government and the performance scores we and our consortium partners earn in managing and operating these sites. With our specialized capabilities of full life-cycle management of special materials, facilities and technologies, we believe this segment is well-positioned to continue participating in the ongoing cleanup, operation and management of critical government-owned nuclear sites, laboratories and manufacturing complexes maintained by the DOE, NASA and other federal agencies.

Additionally, this segment also develops technology for a variety of applications, including advanced nuclear power sources, and offers complete advanced nuclear fuel and reactor design and engineering, licensing and manufacturing services for new advanced nuclear reactors.

Commercial Operations

Through this segment, we design and manufacture commercial nuclear steam generators, heat exchangers, pressure vessels, reactor components, as well as other auxiliary equipment, including containers for the storage of spent nuclear fuel and other high-level nuclear waste. This segment is a leading supplier of nuclear fuel, fuel handling systems, tooling delivery systems, nuclear-grade materials and precisely machined components, and related services for CANDU nuclear power plants. This segment also provides a variety of engineering and in-plant services and is a significant supplier to nuclear power utilities undergoing major refurbishment and plant life extension projects. Additionally, this segment is a global manufacturer and supplier of critical medical radioisotopes and radiopharmaceuticals.

Our Commercial Operations segment's overall activity primarily depends on the demand and competitiveness of nuclear energy and the demand for radioisotopes and radiopharmaceuticals for research, diagnostic and therapeutic uses. A significant portion of our Commercial Operations segment's operations depends on the timing of maintenance outages, the cyclical nature of capital expenditures and major refurbishment and life extension projects, as well as the demand for nuclear fuel and fuel handling equipment primarily in the Canadian market, which could cause variability in our financial results.

Acquisition of Dynamic Controls Limited and Citadel Capital Corporation

On April 11, 2022, our subsidiary BWXT Government Group, Inc. acquired all of the outstanding stock of U.K.-based Dynamic Controls Limited ("Dynamic") and U.S.-based Citadel Capital Corporation, along with its wholly-owned subsidiary, Cunico Corporation ("Cunico"). Dynamic and Cunico are suppliers of highly-engineered, proprietary valves, manifolds and fittings for global naval nuclear and diesel-electric submarines, surface warfare ships and commercial shipping vessels. These companies are reported as part of our Government Operations segment.

For additional information on the acquisition of Dynamic and Cunico, see Note 2 to our condensed consolidated financial statements included in this Report.

Critical Accounting Estimates

For a summary of the critical accounting policies and estimates that we use in the preparation of our unaudited condensed consolidated financial statements, see Item 7 of our 2021 10-K. There have been no material changes to our critical accounting policies and estimates during the nine months ended September 30, 2022.

Accounting for Contracts

On certain of our performance obligations, we recognize revenue over time. In accordance with FASB Topic *Revenue from Contracts with Customers*, we are required to estimate the total amount of costs on these performance obligations. As of September 30, 2022, we have provided for the estimated costs to complete all of our ongoing contracts. However, it is possible that current estimates could change due to unforeseen events, which could result in adjustments to overall contract revenues and costs. A principal risk on fixed-price contracts is that revenue from the customer is insufficient to cover increases in our costs. It is possible that current estimates could materially change for various reasons, including, but not limited to, fluctuations in the cost of labor, forecasted labor productivity or steel and other raw material prices. In some instances, we guarantee completion dates related to our projects or provide performance guarantees. Increases in costs on our fixed-price contracts could have a material adverse impact on our consolidated results of operations, financial condition and cash flows. Alternatively, reductions in overall contract costs at completion could materially improve our consolidated results of operations, financial condition and cash flows.

During the three and nine months ended September 30, 2022, we recognized net changes in estimates related to contracts that recognize revenue over time, which increased (decreased) operating income by approximately $4.2 million and $(1.1) million, respectively. Included in these amounts are contract adjustments for cost overruns related to the manufacture of non-nuclear components being produced within our Government Operations segment. We have recognized a decrease in operating income of $11.3 million for the nine months ended September 30, 2022 related to this matter. These contract adjustments resulted in a decrease in earnings per share of $0.09 for the nine months ended September 30, 2022. We are exploring opportunities for recovery of cost overruns related to this project. During the three and nine months ended September 30, 2021, we recognized net changes in estimates related to contracts that recognize revenue over time, which increased operating income by approximately $18.1 million and $27.8 million, respectively.

COVID-19 Assessment

General

We continue to monitor the COVID-19 pandemic and its impacts and potential impacts on our business. We continue to operate our facilities and have taken numerous precautions to mitigate exposure and protect the health and well-being of our workforce, including arranging for the vaccination of our workforce, where possible. To date, we have experienced localized operational challenges as a result of employee illness, quarantines and social distancing protocols, but the severity of these impacts has subsided significantly. Because developments related to the spread of COVID-19 and its impacts continue to change, it is difficult to predict any future impact at this time. Additionally, COVID-19 may also adversely impact our supply chain and other manufacturers, which could delay our receipt of essential goods and services. Any number of these potential risks could have a material adverse effect on our financial condition, results of operations and cash flows.

Government Assistance

On March 27, 2020, the U.S. Government enacted the Coronavirus Aid, Relief and Economic Security Act, which, among other things, provides employers an option to defer payroll tax payments for a limited period. As of September 30, 2022, we have deferred $10.7 million of payroll taxes which are due by January 2023. Additionally, on April 11, 2020, the Canadian Government enacted the Canada Emergency Wage Subsidy ("CEWS") under the COVID-19 Economic Response Plan to prevent large layoffs and help employers offset a portion of their employee salaries and wages for a limited period. During the nine months ended September 30, 2022, we recognized subsidies under the CEWS as an offset to operating expenses of $0.6 million, compared to $0.7 million and $4.9 million during the three and nine months ended September 30, 2021, respectively. The timeframe for submitting new claims under the CEWS ended in May 2022, and we do not expect to qualify for further assistance under this program.

Results of Operations – Three and Nine Months Ended September 30, 2022 vs. Three and Nine Months Ended September 30, 2021

Selected financial highlights are presented in the table below:

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	$ Change	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	$ Change
	(In thousands)					
REVENUES:						
Government Operations	$ 422,521	$ 417,139	$ 5,382	$ 1,290,835	$ 1,245,911	$ 44,924
Commercial Operations	101,794	83,382	18,412	320,266	292,622	27,644
Eliminations	(604)	(1,794)	1,190	(2,444)	(6,434)	3,990
	$ 523,711	$ 498,727	$ 24,984	$ 1,608,657	$ 1,532,099	$ 76,558
OPERATING INCOME:						
Government Operations	$ 77,735	$ 87,542	$ (9,807)	$ 233,749	$ 238,658	$ (4,909)
Commercial Operations	6,847	4,925	1,922	23,673	16,859	6,814
	$ 84,582	$ 92,467	$ (7,885)	$ 257,422	$ 255,517	$ 1,905
Unallocated Corporate	(4,704)	(4,999)	295	(10,734)	(11,884)	1,150
Total Operating Income	$ 79,878	$ 87,468	$ (7,590)	$ 246,688	$ 243,633	$ 3,055

Consolidated Results of Operations

Three months ended September 30, 2022 vs. 2021

Consolidated revenues increased 5.0%, or $25.0 million, to $523.7 million in the three months ended September 30, 2022 compared to $498.7 million for the corresponding period of 2021, due to increases in our Government Operations and Commercial Operations segments of $5.4 million and $18.4 million, respectively.

Consolidated operating income decreased $7.6 million to $79.9 million in the three months ended September 30, 2022 compared to $87.5 million for the corresponding period of 2021. Operating income in our Government Operations segment decreased $9.8 million, which was partially offset by an increase in operating income in our Commercial Operations segment of $1.9 million and lower Unallocated Corporate expenses of $0.3 million when compared to the corresponding period of the prior year.

Nine months ended September 30, 2022 vs. 2021

Consolidated revenues increased 5.0%, or $76.6 million, to $1,608.7 million in the nine months ended September 30, 2022 compared to $1,532.1 million for the corresponding period of 2021, due to increases in our Government Operations and Commercial Operations segments of $44.9 million and $27.6 million, respectively.

Consolidated operating income increased $3.1 million to $246.7 million in the nine months ended September 30, 2022 compared to $243.6 million for the corresponding period of 2021. Operating income in our Commercial Operations segment increased by $6.8 million in addition to lower Unallocated Corporate expenses of $1.2 million when compared to the corresponding period of the prior year. These increases were partially offset by a decrease in operating income in our Government Operations segment of $4.9 million.

Government Operations

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	$ Change	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	$ Change
	(In thousands)					
Revenues	$ 422,521	$ 417,139	$ 5,382	$ 1,290,835	$ 1,245,911	$ 44,924
Operating Income	$ 77,735	$ 87,542	$ (9,807)	$ 233,749	$ 238,658	$ (4,909)
% of Revenues	18.4%	21.0%		18.1%	19.2%	

Three months ended September 30, 2022 vs. 2021

Revenues increased $5.4 million, or 1.3%, to $422.5 million in the three months ended September 30, 2022 compared to $417.1 million for the corresponding period of 2021. The increase was primarily related to additional volume in the manufacture of nuclear components for U.S. Government programs, which was partially offset by the timing of the procurement of certain long-lead materials when compared to the corresponding period of the prior year.

Operating income decreased $9.8 million to $77.7 million in the three months ended September 30, 2022 compared to $87.5 million for the corresponding period of 2021. The decrease was primarily related to lower levels of favorable contract adjustments of $14.1 million when compared to the corresponding period of the prior year. These decreases were partially offset by the operating income impact of the changes in revenues noted above in addition to an increase in operating income of $4.3 million associated with our joint venture activities, which include the Savannah River Site Integrated Mission Completion Contract that was awarded in 2021.

Nine months ended September 30, 2022 vs. 2021

Revenues increased 3.6%, or $44.9 million, to $1,290.8 million in the nine months ended September 30, 2022 compared to $1,245.9 million for the corresponding period of 2021. The increase was primarily related to additional volume in the manufacture of nuclear components for U.S. Government programs and the timing of the procurement of certain long-lead materials totaling $46.3 million when compared to the corresponding period of the prior year. We also experienced an increase in revenues of $9.1 million related to continued growth in design and engineering work executed by our advanced technologies business, particularly in the defense and space markets. These increases were offset by a reduction in volume related to missile tubes totaling $24.5 million.

Operating income decreased $4.9 million to $233.7 million in the nine months ended September 30, 2022 compared to $238.7 million for the corresponding period of 2021. The decrease was primarily related to lower levels of favorable contract adjustments of $34.1 million, inclusive of an $11.3 million adjustment related to the manufacture of non-nuclear components, which was recorded in the second quarter of 2022. These decreases were partially offset by the operating income impact of the changes in revenues noted above in addition to an increase in operating income of $9.3 million associated with our joint venture activities, which include the Savannah River Site Integrated Mission Completion Contract that was awarded in 2021.

Commercial Operations

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	$ Change	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	$ Change
	(In thousands)					
Revenues	$ 101,794	$ 83,382	$ 18,412	$ 320,266	$ 292,622	$ 27,644
Operating Income	$ 6,847	$ 4,925	$ 1,922	$ 23,673	$ 16,859	$ 6,814
% of Revenues	6.7%	5.9%		7.4%	5.8%	

Three months ended September 30, 2022 vs. 2021

Revenues increased 22.1%, or $18.4 million, to $101.8 million in the three months ended September 30, 2022 compared to $83.4 million for the corresponding period of 2021. The increase was primarily related to higher levels of in-plant inspection, maintenance and modification services totaling $19.0 million as well as higher levels of revenue in our nuclear fuel handling business. These increases were partially offset by decreased revenues in our fuel fabrication business of $3.6 million when compared to the corresponding period of the prior year.

Operating income increased $1.9 million to $6.8 million in the three months ended September 30, 2022 compared to $4.9 million for the corresponding period of 2021, due to the operating income impact of the changes in revenues noted above as well as a favorable shift in our project and product line mix when compared to the corresponding period of the prior year. These operating income improvements were partially offset by a $2.0 million gain resulting from the settlement of contingent consideration associated with a prior acquisition, which was recorded in the prior year.

Nine months ended September 30, 2022 vs. 2021

Revenues increased 9.4%, or $27.6 million, to $320.3 million in the nine months ended September 30, 2022 compared to $292.6 million for the corresponding period of 2021. The increase was primarily related to higher levels of in-plant inspection, maintenance and modification services totaling $24.5 million as well as higher levels of revenue in our nuclear fuel handling and medical radioisotopes businesses. These increases were partially offset by decreased revenues in our fuel fabrication and parts manufacturing businesses when compared to the corresponding period of the prior year.

Operating income increased $6.8 million to $23.7 million in the nine months ended September 30, 2022 compared to $16.9 million for the corresponding period of 2021, due to the operating income impact of the changes in revenues noted above as well as a favorable shift in our project and product line mix when compared to the corresponding period of the prior year. In addition, we experienced higher levels of favorable contract adjustments when compared to the corresponding period of the prior year. These increases were partially offset by a $4.3 million decrease in wage subsidies we received under the CEWS to offset the effects of COVID-19 on our Canadian operations when compared to the corresponding period of the prior year, restructuring related costs of $1.8 million in addition to a $2.0 million gain resulting from the settlement of contingent consideration associated with a prior acquisition, which was recorded in the prior year.

Unallocated Corporate

Unallocated corporate expenses in the three months ended September 30, 2022 were relatively unchanged when compared to the corresponding period of 2021.

Unallocated corporate expenses decreased $1.2 million in the nine months ended September 30, 2022 compared to the corresponding period of 2021, primarily due to a decrease in healthcare costs, which were partially offset by an increase in legal and consulting costs associated with due diligence activities.

Provision for Income Taxes

	Three Months Ended September 30,			**Nine Months Ended September 30,**		
	2022	**2021**	**$ Change**	**2022**	**2021**	**$ Change**
			(In thousands)			
Income before Provision for Income Taxes	$ 82,022	$ 77,769	$ 4,253	$ 257,569	$ 248,593	$ 8,976
Provision for Income Taxes	$ 20,185	$ 17,611	$ 2,574	$ 61,977	$ 59,211	$ 2,766
Effective Tax Rate	24.6%	22.6%		24.1%	23.8%	

We primarily operate in the U.S., Canada, and the U.K. and recognize our U.S. income tax provision based on the U.S. federal statutory rate of 21%, our Canadian tax provision based on the Canadian local statutory rate of approximately 25%, and our U.K. tax provision based on the U.K. local statutory rate of 19%.

Our effective tax rate for the three months ended September 30, 2022 was 24.6% as compared to 22.6% for the three months ended September 30, 2021. The effective tax rate for the three months ending September 30, 2022 was higher than the effective tax rate for the three months ending September 30, 2021 primarily due to a decrease in eligible research and development expenses. Our effective tax rate for the nine months ended September 30, 2022 was 24.1% as compared to 23.8% for the nine months ended September 30, 2021. The effective tax rates for the three and nine months ended September 30, 2022 and 2021 were higher than the U.S. corporate income tax rate of 21% primarily due to state income taxes within the U.S. and the unfavorable rate differential associated with our Canadian earnings.

Backlog

Backlog represents the dollar amount of revenue we expect to recognize in the future from contracts awarded and in progress. Not all of our expected revenue from a contract award is recorded in backlog for a variety of reasons, including that some projects are awarded and completed within the same reporting period.

Our backlog is equal to our remaining performance obligations under contracts that meet the criteria in FASB Topic *Revenue from Contracts with Customers*, as discussed in Note 3 to our condensed consolidated financial statements included in this Report. It is possible that our methodology for determining backlog may not be comparable to methods used by other companies.

We are subject to the budgetary and appropriations cycle of the U.S. Government as it relates to our Government Operations segment. Backlog may not be indicative of future operating results, and projects in our backlog may be cancelled, modified or otherwise altered by customers.

	September 30, 2022	December 31, 2021
	(In approximate millions)	
Government Operations	$ 3,686	$ 4,532
Commercial Operations	633	644
Total Backlog	$ 4,319	$ 5,176

We do not include the value of our unconsolidated joint venture contracts in backlog. These unconsolidated joint ventures are included in our Government Operations segment.

At September 30, 2022, our ending backlog was $4,318.9 million, which included $104.3 million of unfunded backlog related to U.S. Government contracts. We expect to recognize approximately 46% of the revenue associated with our backlog by the end of 2023, with the remainder to be recognized thereafter.

Major new awards from the U.S. Government are typically received following Congressional approval of the budget for the U.S. Government's next fiscal year, which starts October 1, and may not be awarded to us before the end of the calendar year. Due to the fact that most contracts awarded by the U.S. Government are subject to these annual funding approvals, the total values of the underlying programs are significantly larger.

The value of unexercised options excluded from backlog as of September 30, 2022, was approximately $0.4 billion, which is expected to be awarded in annual installments through 2024, subject to annual Congressional appropriations.

Liquidity and Capital Resources

Credit Facility

On March 24, 2020, we entered into an Amendment No. 1 to Credit Agreement, which amended the Credit Agreement dated as of May 24, 2018 (as amended, the "Credit Facility") with Wells Fargo Bank, N.A., as administrative agent, and the other lenders party thereto. The Credit Facility provides for a $750 million senior secured revolving credit facility (the "Revolving Credit Facility"). All obligations under the Revolving Credit Facility were scheduled to mature on March 24, 2025. The proceeds of loans under the Revolving Credit Facility were available for working capital needs, permitted acquisitions and other general corporate purposes.

The Credit Facility allowed for additional parties to become lenders and, subject to certain conditions, for the increase of the commitments under the Credit Facility, subject to an aggregate maximum for all additional commitments of (1) the greater of (a) $250 million and (b) 65% of EBITDA, as defined in the Credit Facility, for the last four full fiscal quarters, plus (2) all voluntary prepayments of the term loans, plus (3) additional amounts provided the Company was in compliance with a pro forma first lien leverage ratio test of less than or equal to 2.50 to 1.00.

The Company's obligations under the Credit Facility were guaranteed, subject to certain exceptions, by substantially all of the Company's present and future wholly owned domestic restricted subsidiaries. The Credit Facility was secured by first-priority liens on certain assets owned by the Company and its subsidiary guarantors (other than the majority of its subsidiaries comprising its Government Operations segment).

The Revolving Credit Facility required interest payments on revolving loans on a periodic basis until maturity. We could prepay all loans under the Credit Facility at any time without premium or penalty (other than customary Eurocurrency breakage costs), subject to notice requirements.

The Credit Facility included financial covenants that were tested on a quarterly basis, based on the rolling four-quarter period that ended on the last day of each fiscal quarter. The maximum permitted leverage ratio was 4.00 to 1.00, which could be increased to 4.50 to 1.00 for up to four consecutive fiscal quarters after a material acquisition. The minimum consolidated interest coverage ratio was 3.00 to 1.00. In addition, the Credit Facility contained various restrictive covenants, including with respect to debt, liens, investments, mergers, acquisitions, dividends, equity repurchases and asset sales. As of September 30, 2022, we were in compliance with all covenants set forth in the Credit Facility.

Outstanding loans under the Revolving Credit Facility bore interest at our option at either (1) the Eurocurrency rate plus a margin ranging from 1.0% to 1.75% per year or (2) the base rate plus a margin ranging from 0.0% to 0.75% per year. We were charged a commitment fee on the unused portion of the Revolving Credit Facility, and that fee ranged from 0.15% to 0.225% per year. Additionally, we were charged a letter of credit fee of between 1.0% and 1.75% per year with respect to the amount of each financial letter of credit issued under the Credit Facility, and a letter of credit fee of between 0.75% and 1.05% per year with respect to the amount of each performance letter of credit issued under the Credit Facility. The applicable margin for loans, the commitment fee and the letter of credit fees set forth above varied quarterly based on our leverage ratio. Based on the leverage ratio applicable at September 30, 2022, the margin for Eurocurrency rate and base rate revolving loans was 1.50% and 0.50%, respectively, the letter of credit fee for financial letters of credit and performance letters of credit was 1.50% and 0.90%, respectively, and the commitment fee for the unused portion of the Revolving Credit Facility was 0.20%.

As of September 30, 2022, borrowings and letters of credit issued under the Revolving Credit Facility totaled $550.0 million and $37.1 million, respectively. As a result, as of September 30, 2022 we had $162.9 million available under the Revolving Credit Facility for borrowings and to meet letter of credit requirements. As of September 30, 2022, the interest rate on outstanding borrowings under our Credit Facility was 4.27%.

The Credit Facility generally includes customary events of default for a secured credit facility. Under the Credit Facility, (1) if an event of default relating to bankruptcy or other insolvency events occurs with respect to the Company, all related obligations would immediately become due and payable; (2) if any other event of default exists, the lenders would be permitted to accelerate the maturity of the related obligations outstanding; and (3) if any event of default exists, the lenders would be permitted to terminate their commitments thereunder and exercise other rights and remedies, including the commencement of foreclosure or other actions against the collateral.

If any default occurs under the Credit Facility, or if we were unable to make any of the representations and warranties in the Credit Facility, we would be unable to borrow funds or have letters of credit issued under the Credit Facility.

Amended and Restated Credit Agreement

On October 12, 2022, we entered into an Amended and Restated Credit Agreement (the "New Credit Facility") with Wells Fargo Bank, National Association, as administrative agent, and the other lenders party thereto, which amended and restated the Credit Facility. The New Credit Facility includes a $750 million senior secured revolving credit facility (the "New Revolving Credit Facility") and a $250 million senior secured term A loan (the "New Term Loan"). The New Revolving Credit Facility and the New Term Loan are scheduled to mature on October 12, 2027. All proceeds from the New Term Loan were used to repay outstanding indebtedness under the Credit Facility.

As of October 12, 2022, outstanding borrowings under the New Credit Facility totaled $570.0 million, comprising $250.0 million under the New Term Loan and $320.0 million under the New Revolving Credit Facility, and letters of credit issued under the New Revolving Credit Facility totaled $37.1 million. As a result, as of October 12, 2022, the Company had $392.9 million available under the New Revolving Credit Facility for borrowings and to meet letter of credit requirements.

Senior Notes due 2028

We issued $400 million aggregate principal amount of 4.125% senior notes due 2028 (the "Senior Notes due 2028") pursuant to an indenture dated June 12, 2020 (the "2020 Indenture"), among the Company, certain of our subsidiaries, as guarantors, and U.S. Bank Trust Company, National Association (formerly known as U.S. Bank National Association) ("U.S. Bank"), as trustee. The Senior Notes due 2028 are guaranteed by each of the Company's present and future direct and indirect wholly owned domestic subsidiaries that is a guarantor under the Credit Facility.

Interest on the Senior Notes due 2028 is payable semi-annually in cash in arrears on June 30 and December 30 of each year at a rate of 4.125% per annum. The Senior Notes due 2028 will mature on June 30, 2028.

We may redeem the Senior Notes due 2028, in whole or in part, at any time on or after June 30, 2023 at a redemption price equal to (i) 102.063% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on June 30, 2023, (ii) 101.031% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on June 30, 2024 and (iii) 100.0% of the principal amount to be redeemed if the redemption occurs on or after June 30, 2025, in each case plus accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time prior to June 30, 2023, we may also redeem up to 40.0% of the Senior Notes due 2028 with net cash proceeds of certain equity offerings at a redemption price equal to 104.125% of the principal amount of the Senior Notes due 2028 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time prior to June 30, 2023, we may redeem the Senior Notes due 2028, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes due 2028 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date plus an applicable "make-whole" premium.

The 2020 Indenture contains customary events of default, including, among other things, payment default, failure to comply with covenants or agreements contained in the 2020 Indenture or the Senior Notes due 2028 and certain provisions related to bankruptcy events. The 2020 Indenture also contains customary negative covenants. As of September 30, 2022, we were in compliance with all covenants set forth in the 2020 Indenture and the Senior Notes due 2028.

Senior Notes due 2029

We issued $400 million aggregate principal amount of 4.125% senior notes due 2029 (the "Senior Notes due 2029") pursuant to an indenture dated April 13, 2021 (the "2021 Indenture"), among the Company, certain of our subsidiaries, as guarantors, and U.S. Bank, as trustee. The Senior Notes due 2029 are guaranteed by each of the Company's present and future direct and indirect wholly owned domestic subsidiaries that is a guarantor under the Credit Facility.

Interest on the Senior Notes due 2029 is payable semi-annually in cash in arrears on April 15 and October 15 of each year, at a rate of 4.125% per annum. The Senior Notes due 2029 will mature on April 15, 2029.

We may redeem the Senior Notes due 2029, in whole or in part, at any time on or after April 15, 2024 at a redemption price equal to (i) 102.063% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on April 15, 2024, (ii) 101.031% of the principal amount to be redeemed if the redemption occurs during the twelve-month period beginning on April 15, 2025 and (iii) 100.0% of the principal amount to be redeemed if the redemption occurs on or after April 15, 2026, in each case plus accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time prior to April 15, 2024, we may also redeem up to 40.0% of the Senior Notes due 2029 with net cash proceeds of certain equity offerings at a redemption price equal to 104.125% of the principal amount of the Senior Notes due 2029 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time prior to April 15, 2024, we may redeem the Senior Notes due 2029, in whole or in part, at a redemption price equal to 100.0% of the principal amount of the Senior Notes due 2029 to be redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date plus an applicable "make-whole" premium.

The 2021 Indenture contains customary events of default, including, among other things, payment default, failure to comply with covenants or agreements contained in the 2021 Indenture or the Senior Notes due 2029 and certain provisions related to bankruptcy events. The 2021 Indenture also contains customary negative covenants. As of September 30, 2022, we were in compliance with all covenants set forth in the 2021 Indenture and the Senior Notes due 2029.

Other Arrangements

We have posted surety bonds to support regulatory and contractual obligations for certain decommissioning responsibilities, projects and legal matters. We utilize bonding facilities to support such obligations, but the issuance of bonds under those facilities is typically at the surety's discretion, and the bonding facilities generally permit the surety, in its sole discretion, to terminate the facility or demand collateral. Although there can be no assurance that we will maintain our surety bonding capacity, we believe our current capacity is adequate to support our existing requirements for the next twelve months. In addition, these bonds generally indemnify the beneficiaries should we fail to perform our obligations under the applicable agreements. We, and certain of our subsidiaries, have jointly executed general agreements of indemnity in favor of surety underwriters relating to surety bonds those underwriters issue. As of September 30, 2022, bonds issued and outstanding under these arrangements totaled approximately $112.7 million.

Long-term Benefit Obligations

As of September 30, 2022, we had underfunded defined benefit pension and postretirement benefit plans with obligations totaling approximately $74.2 million. These long-term liabilities are expected to require use of our resources to satisfy future funding obligations. Based largely on statutory funding requirements, we expect to make contributions of approximately $8.0 million for the remainder of 2022 related to our pension and postretirement plans. We may also make additional contributions based on a variety of factors including, but not limited to, tax planning, evaluation of funded status and risk mitigation strategies.

Other

Cash, Cash Equivalents, Restricted Cash and Investments

Our domestic and foreign cash and cash equivalents, restricted cash and cash equivalents and investments as of September 30, 2022 and December 31, 2021 were as follows:

	September 30, 2022	December 31, 2021
	(In thousands)	
Domestic	$ 43,030	$ 39,128
Foreign	25,486	14,016
Total	$ 68,516	$ 53,144

Our working capital increased by $128.8 million to $442.9 million at September 30, 2022 from $314.1 million at December 31, 2021, primarily attributable to an increase in cash and cash equivalents as well as the timing of project cash flows and vendor payments.

Our net cash provided by operating activities decreased by $88.5 million to $137.0 million in the nine months ended September 30, 2022, compared to $225.6 million in the nine months ended September 30, 2021. The decrease in cash provided by operating activities was primarily attributable to an $88.7 million customer payment delayed until the first quarter of 2021, which was originally expected in 2020.

Our net cash used in investing activities decreased by $41.0 million to $193.1 million in the nine months ended September 30, 2022, compared to $234.1 million in the nine months ended September 30, 2021. The decrease in cash used in investing activities was primarily attributable to a decrease in purchases of property, plant and equipment of $102.1 million, which was partially offset by the $47.3 million acquisition of Dynamic and Cunico as well as a $11.5 million increase in investments in equity method investees in the nine months ended September 30, 2022.

Our net cash provided by financing activities increased by $40.9 million to $76.3 million in the nine months ended September 30, 2022, compared to $35.4 million in the nine months ended September 30, 2021. The increase in cash provided by financing activities was primarily attributable to a reduction in repurchases of common stock of $165.8 million when compared to the corresponding period of the prior year and the repayment of bank overdrafts of $88.7 million in the nine months ended September 30, 2021. This increase was partially offset by a reduction in net borrowings of long-term debt of $240.0 million when compared to the corresponding period of the prior year.

At September 30, 2022, we had restricted cash and cash equivalents totaling $5.5 million, $2.6 million of which was held for future decommissioning of facilities (which is included in other assets on our condensed consolidated balance sheets) and $2.9 million of which was held to meet reinsurance reserve requirements of our captive insurer.

At September 30, 2022, we had short-term and long-term investments with a fair value of $11.6 million. Our investment portfolio consists primarily of U.S. Government and agency securities, corporate bonds and mutual funds. Our debt securities are carried at fair value and are either classified as trading, with unrealized gains and losses reported in earnings, or as available-for-sale, with unrealized gains and losses, net of tax, being reported as a component of other comprehensive income. Our equity securities are carried at fair value with the unrealized gains and losses reported in earnings.

Cash Requirements

Our cash requirements have not changed materially from those disclosed in Item 7 of our 2021 10-K. We believe we have sufficient cash and cash equivalents and borrowing capacity, along with cash generated from operations and continued access to debt markets, to satisfy our cash requirements for the next 12 months and beyond.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposures to market risks have not changed materially from those disclosed in Item 7A of our 2021 10-K.

Item 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this Report, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) adopted by the

Securities and Exchange Commission ("SEC") under the Exchange Act). This evaluation was conducted under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Our disclosure controls and procedures were developed through a process in which our management applied its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding the control objectives. You should note that the design of any system of disclosure controls and procedures is based in part upon various assumptions about the likelihood of future events, and we cannot assure you that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Based on the evaluation referred to above, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures are effective as of September 30, 2022 to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and such information is accumulated and communicated to management as appropriate to allow timely decisions regarding disclosure. There has been no change in our internal control over financial reporting during the three months ended September 30, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

For information regarding ongoing investigations and litigation, see Note 5 to our unaudited condensed consolidated financial statements in Part I of this Report, which we incorporate by reference into this Item.

Item 1A. RISK FACTORS

In addition to the other information in this Report, the other factors presented in Item 1A of our 2021 10-K are some of the factors that could materially affect our business, financial condition or future results. There have been no material changes to our risk factors from those disclosed in our 2021 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Since November 2012, we have periodically announced that our Board of Directors has authorized share repurchase programs. The following table provides information on our purchases of equity securities during the three months ended September 30, 2022. Any shares purchased that were not part of a publicly announced plan or program are related to repurchases of common stock pursuant to the provisions of employee benefit plans that permit the repurchase of shares to satisfy statutory tax withholding obligations.

Period	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions) (2)
July 1, 2022 - July 31, 2022	16,510	$ 56.06	—	$ 397.6
August 1, 2022 - August 31, 2022	353	$ 56.19	—	$ 397.6
September 1, 2022 - September 30, 2022	12	$ 52.03	—	$ 397.6
Total	16,875	$ 56.06	—	

(1) Includes 16,510, 353 and 12 shares repurchased during July, August and September, respectively, pursuant to the provisions of employee benefit plans that permit the repurchase of shares to satisfy statutory tax withholding obligations.

(2) On April 30, 2021, our Board of Directors authorized us to repurchase an indeterminate number of shares of our common stock at an aggregate market value of up to $500 million with no expiration date.

Item 6. EXHIBITS

Exhibit Number	Description
3.1	Certificate of Amendment to Restated Certificate of Incorporation dated May 14, 2019 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on May 17, 2019 (File No. 1-34658)).
3.2	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on May 17, 2019 (File No. 1-34658)).
3.3	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 (File No. 1-34658)).
10.1	Amended and Restated Credit Agreement, dated as of October 12, 2022, among BWX Technologies, Inc. as borrower, Wells Fargo Bank, National Association, as administrative agent and the other lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 12, 2022 (File No. 1-34658)).
10.2*	Non-Competition and Non-Solicitation Agreement, dated July 15, 2022, between Joel W. Duling and the Company.
10.3*	Transition Agreement, dated August 19, 2022, between Richard W. Loving and the Company.
31.1	Rule 13a-14(a)/15d-14(a) certification of Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) certification of Chief Financial Officer.
32.1	Section 1350 certification of Chief Executive Officer.
32.2	Section 1350 certification of Chief Financial Officer.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BWX TECHNOLOGIES, INC.

By: /s/ Robb A. LeMasters
Robb A. LeMasters
Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Representative)

By: /s/ Kevin J. Gorman
Kevin J. Gorman
Corporate Controller and Interim Chief Accounting Officer
(Principal Accounting Officer and Duly Authorized Representative)

November 7, 2022

Exhibit 10.2

TUITION REIMBURSEMENT, COVENANT NOT TO COMPETE, CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

The following Tuition Reimbursement, Covenant Not to Compete, Confidentiality and Non-Disclosure Agreement (the "Agreement") is made and entered into as of July 15, 2022, by and between Joel W. Duling ("Duling") and BWX Technologies, Inc., including its subsidiaries and affiliates ("BWXT" or the "Company").

WHEREAS, Duling is currently employed in the position of President, BWXT Nuclear Operations Group, Inc. and has been bid in the past on certain proposals for Department of Energy ("DOE") and/or other governmental solicitations or contracts as key management personnel on behalf of the Company;

WHEREAS, in connection with the aforementioned position and use as a key person on bid proposals, Duling participated in and graduated from an educational program at Auburn University's Harbert College of Business (the "Educational Program") and obtained an Executive Master of Business Administration ("Executive MBA") degree;

WHEREAS, pursuant to the pursuit of his Executive MBA degree, Duling entered into a Tuition Agreement with the Company as of August 1, 2019, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, in which the Company agreed to pay for Duling's educational expenses related to the Executive MBA degree ("Educational Expenses") and Duling agreed to reimburse the Company for funds expensed by the Company in the event he voluntarily terminated his employment or his employment was involuntarily terminated by the Company for cause prior to or within two (2) years from the date of completion of the Educational Program;

WHEREAS, Duling completed the Educational Program on May 1, 2021 (the "Graduation Date");

WHEREAS, on July 12, 2022, Duling submitted his written notice of his decision to retire with an effective date of July 29, 2022;

WHEREAS, because July 29, 2022 is less than two (2) years from Duling's Graduation Date of May 1, 2021, Duling agreed to pay and now owes the Company One Hundred percent (100%) of the Educational Expenses paid by the Company on his behalf in accordance with the terms of the Tuition Agreement;

WHEREAS, the current amount of Educational Expenses owed to the Company by Duling under the terms of the Tuition Agreement is Fifty-Seven Thousand, Eight Hundred Fifty-Five Dollars and 00/100 Cents ($57,855.00) and is reflected on the Tuition Expense Report which is attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, the Company is willing to waive repayment by Duling of the aforementioned Educational Expenses in exchange for Duling's agreement to certain continuing post-employment restrictive covenants as detailed further below;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Company and Duling hereby agree as follows:

1. The Company agrees that it will waive Duling's repayment of the Educational Expenses and accept Duling's agreement to the following post-employment restrictive covenants in satisfaction of the debt owed by Duling to the Company under the terms of the Tuition Agreement.

2. Duling agrees to the following post-employment restrictive covenants in exchange for the Company's waiver of his repayment of the Educational Expenses owed to the Company under the Tuition Agreement:

   a. Confidentiality and Non-Disclosure. Duling acknowledges that the Company and/or its Affiliates or Ventures have previously provided him with Confidential Information (as defined below) and may provide him with additional Confidential Information prior to the end of his employment and that the unauthorized disclosure of such Confidential Information will result in irreparable harm to the Company and/or its Affiliates and Ventures. Duling further acknowledges that the preservation and protection of Confidential Information is an essential part of his employment with the Company and that he has a duty of fidelity and trust to the Company and/or its Affiliates and Ventures in handling Confidential Information. Duling further acknowledges and agrees that at all times during his employment with the Company and thereafter he will hold any Confidential Information of the Company and/or its Affiliates and Ventures in strictest confidence and will not knowingly disclose or make available to any other person or entity, or use for his own personal gain, any Confidential Information. For purposes of this Agreement, the term "Confidential Information" means any information obtained during the course of his employment with the Company or any of its Affiliates or Ventures that consists of scientific, technical or non-technical information, materials, data, research, development, design, process, manufacture, procedure, formula, testing, improvements, operations, drawings, software, engineering techniques, inventions, hardware configuration and information related to the sale of products or services; the Company's patent position, trade secrets or know-how; costs; profits; investments, planning, markets, and other financial or business information; experience with new ventures or products or product plans, and whether or not any such Confidential Information was disclosed to Duling by the Company either directly or indirectly in writing, orally or by drawings, or by observation of parts or equipment or the Company's operations. Confidential Information may be in written, electronic, visual, oral or other form. "Confidential Information" does not include (i) information that is or becomes publicly available, including customer names, addresses or phone numbers, other than through an act or omission by Duling in breach of this Agreement; (ii) information that was in Duling's possession prior to his employment by the Company; or (iii) information that is received in good faith by Duling from a third party that was lawfully in possession of such information and had the right to disclose it to Duling and the disclosure of which is not otherwise prohibited above.

b. Non-Solicitation And Non-Competition.

i. In consideration of the payments and promises provided under this Agreement, the sufficiency of which is expressly acknowledged, Duling agrees that during his remaining employment with the Company, and for the twelve (12) month period following the termination of such employment he shall not, without the prior written consent of the General Counsel of the Company, directly or indirectly, (i) induce, entice or solicit (or attempt to induce, entice or solicit) any person who at such time is an employee of the Company or any of its Affiliates or Ventures to leave the employment of the Company or any of its Affiliates or Ventures, (ii) solicit or attempt to solicit the business of any acquisition prospect of the Company or any of its Affiliates or Ventures with whom Duling had any actual contact while employed by the Company, the Affiliates or Ventures, or (iii) hire, engage, employ or assist any third party in hiring, engaging or employing any person who is at such time employed by the Company or any of its Affiliates or Ventures. The provisions of this Paragraph 2(b)(i) shall not prohibit Duling from speaking with or hiring persons who respond to general advertisements or who contact a business with which Duling is affiliated through an independent recruiting firm that has not been directed to solicit interest from any person who is an employee of the Company, any of its Affiliates or Ventures.

ii. In consideration of the payments and promises provided under this Agreement, the sufficiency of which is expressly acknowledged herein, Duling agrees that during his remaining employment with the Company and for the twelve (12) month period following the termination of such employment he will not, without the prior written consent of the General Counsel of the Company (which consent may be granted or withheld in the Company's sole discretion), acting alone or in conjunction with others, serve, advise, or be employed by any individual, firm, or company engaged in the same or similar line of business as that carried on by, and which is directly competitive with, the Business, in a role in which he would perform the same or substantially similar activities or services as those performed by Duling for the Company, including, but not limited to, serving as a "key person" or committing or preparing to serve in such capacity in connection with any governmental solicitation or contract which is in direct competition with the Business. For this purpose, "Business" shall mean worked performed in the Government Operations business segment such as the engineering, design and manufacture of precision naval nuclear components, reactors and nuclear fuel as provided by BWXT Nuclear Operations Group, Inc. and the management, operation and environmental site restoration of nuclear and national security facilities for various governmental agencies as performed by BWXT Technical Services Group, Inc. The foregoing restrictions of this Paragraph 2(b)(ii) shall not apply to the ownership by Duling of the shares of a company the stock of which is traded either on a national or regional stock exchange where Duling and any related party owns less than 1%

(one percent) of the company. Duling understands and agrees that the foregoing covenant is not intended to restrict him from performing work in a role that is the same or substantially similar to activities or services as those performed by Duling for the Company that are not in direct competition with the Company and/or that are not the same or substantially similar to the activities or services that Duling performed for the Company.

iii. The restrictions contained in subparagraph (i) and (ii) of this Paragraph 2(b) are geographically limited to areas or territories within the United States or in any foreign country in which Duling performed work and/or engaged in business development efforts on behalf of the Company, including serving as a key person bid on contract proposals, during the last year of his employment with the Company.

iv. Duling acknowledges that he has received valuable consideration from the Company as provided in this Agreement for the covenants and undertakings set forth in Paragraph 2, that the consideration provided by the Company gives rise to an interest of the Company and its Affiliates and Ventures in restraining him from engaging in certain conduct described in this Agreement and that the restrictive covenants and undertakings are designed to enforce Duling's consideration or return promises under this Agreement. Additionally, Duling acknowledges that the restrictive covenants contain limitations as to time, geographical area, and scope of activity to be restrained that are reasonable and do not impose a greater restraint than is necessary to protect the Company's relationship with its customers, goodwill or other legitimate business interests of the Company and its Affiliates and Ventures, including, but not limited to, the Company's and its Affiliates' and Ventures' need to protect their Confidential Information. The Company and Duling may notify any person or entity employing or contracting with Duling or evidencing an intention of employing or contracting with Duling of the existence and provisions of this Agreement.

c. Enforcement of Covenants and Undertakings. In the event the Company determines reasonably and in good faith that Duling has breached, or has attempted or threatened to breach any term of Paragraph 2 of this Agreement, in addition to any other remedies at law or in equity the Company may have available to it, it is agreed that the Company shall be entitled, upon application to any court of competent jurisdiction, to a temporary restraining order or preliminary injunction against Duling prohibiting such breach or attempted or threatened breach by proving only the existence of such breach or attempted or threatened breach.

d. Definitions.

i. *"Affiliate"* means an affiliate within the meaning of Rule 12b-2 promulgated under Section 12 of the Securities Exchange Act of 1934.

i. "*Venture*" means an entity in which the Company or an Affiliate has a management or voting interest.

3. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the substantive laws of the Commonwealth of Virginia, but without giving effect to the principles of conflict of laws of such State.

4. This Agreement sets forth the entire agreement of the parties hereto and supersedes all prior agreements, understandings and covenants between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Date: <u>July 18, 2022 /s/ Joel W. Duling</u>
Joel W. Duling

Date: <u>July 18, 2022 /s/ Richard W. Loving</u>
Richard W. Loving
Sr. Vice President & Chief Administrative Officer
BWX Technologies, Inc.

TRANSITION AGREEMENT

This Transition Agreement (this “Agreement”) is entered into by and between, and shall inure to the benefit of and be binding upon, Richard W. Loving (“Executive”) and BWX Technologies, Inc., a Delaware corporation (the “Company”), effective as of August 19, 2022 (the “Effective Date”).

RECITALS:

A. Executive desires to retire from his employment with the Company as its Senior Vice President and Chief Administrative Officer.

B. The Company has determined that it is in the best interests of the Company and its shareholders to ensure that the Company will continue to have the assistance of Executive in a new role of Special Advisor to the Chief Executive Officer to assist in the transition of a new Chief Administrative Officer role and therefore desires to provide Executive with a cash payment if Executive remains employed by the Company in this new role until March 31, 2023.

C. The Company and Executive have determined that Executive will transition to his new role as Special Advisor to the Chief Executive Officer, effective August 29, 2022.

D. The Company and Executive mutually desire to establish and agree upon the terms and conditions of Executive’s transition, retention payment and separation from service.

In consideration of the mutual promises and obligations set forth herein, Executive and the Company hereby agree as follows:

1. Agreement Term. The term of this Agreement (the “Agreement Term”) shall be the period commencing on the Effective Date and ending on the earlier of March 31, 2023 or the date of termination of Executive’s employment with the Company (the “Termination Date”). The provisions of Paragraphs 8, 9, 10 and 11 shall survive the expiration of the Agreement Term.

2. Transition. Executive hereby resigns from his current position as Senior Vice President and Chief Administrative Officer and accepts the transitional role of Special Advisor to the Chief Executive Officer as of August 29, 2022 (the “Transition Date”).

3. Duties and Responsibilities. During the Agreement Term, Executive shall be a full-time employee in the role of Special Advisor to the Chief Executive Officer, shall assist with the transition of the Chief Administrative Officer role, and shall have such other duties and responsibilities as assigned by the Chief Executive Officer from time to time. Executive shall not work as an employee of any entity other than the Company prior to the Termination Date.

4. Compensation During the Agreement Term. Except as otherwise provided in Paragraph 5 below, during the Agreement Term Executive’s monthly base salary shall remain as it is on the Effective Date.

5. Additional Payments and Benefits Provided by the Company. In consideration of the covenants to which Executive has agreed as described in Paragraphs 8, 9, 10 and 11 and elsewhere in this Agreement, and conditioned upon Executive (i) signing and delivering to the Company the release agreement attached hereto as Exhibit A on the Effective Date, and the supplemental release agreement attached hereto as Exhibit B on the Termination Date and (ii) complying with said release agreements and not revoking said release agreements:

(a) Executive shall be entitled to receive a cash retention bonus in the aggregate amount of Four Hundred Eighty-Five Thousand Dollars and No Cents ($485,000.00) (the "Retention Bonus"), provided Executive is employed by the Company through the Termination Date. Payment of the Retention Bonus is in lieu of any severance to which Executive may otherwise be entitled under the BWXT Executive Severance Plan. Further, payment of the Retention Bonus, less applicable withholdings, will be paid or made available to Executive as soon as administratively practicable after execution of the Release Agreement attached hereto as Exhibit B and incorporated herein by reference and expiration of the revocation period therein, but not later than 30 days following the expiration of the revocation period.

(b) If prior to the Termination Date, Executive's employment is terminated: (i) by the Company as a result of a termination for Cause, or (ii) by Executive for any reason, the Retention Bonus shall be immediately forfeited. Upon Executive's receipt of the Retention Bonus, the Company shall have no further obligation to Executive with respect to the subject matter under this Agreement. This Agreement shall terminate upon the Termination Date with the exception of the continuing obligations outlined in Paragraphs 8, 9, 10, and 11.

6. Entitlements. Executive will be entitled to receive the benefits specified in this Paragraph 6 in the manner and at the times specified herein.

(a) Executive will be entitled to receive any unpaid wages through the Termination Date and payment for accrued and unused vacation as of the Termination Date. Executive and his qualified beneficiaries will continue to be covered by the Company's health care arrangements until the last day of the month in which the Termination Date occurs, and thereafter will be entitled to purchase, at his own expense, group health care coverage for himself and/or his qualified dependents for up to twenty-four (24) months in accordance with, and subject to, the requirements of the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). Through the Termination Date, Executive will continue to be eligible to participate in all health, welfare and retirement benefit plans provided to employees as set forth in the relevant plan documents including (i) the BWXT Thrift Plan, (ii) the BWXT Defined Contribution Restoration Plan, and (iii) the BWXT Supplemental Executive Retirement Plan.

(b) Executive will be entitled to the bonus opportunity for calendar year 2022 under the Company's Executive Incentive Compensation Plan ("EICP"), subject to satisfaction of the applicable performance conditions, at the same target and maximum bonus award opportunity as set by the Compensation Committee for the full 2022 performance period (using Executive's 2022 base earnings and 2022 EICP target), payable at the same time payment is made to all EICP plan participants on or before March 15, 2023. Executive understands and agrees that he will not be eligible to participate in the Company's EICP for the 2023 performance period.

(c) Executive agrees that (i) effective as of the date hereof, he is not and will not be entitled to any severance or other payments or benefits under the BWX Technologies, Inc. Executive Severance Plan, dated July 1, 2015, and (ii) effective as of the Termination Date, the Change in Control Agreement, entered into by and among the Company and Executive, effective as of July 18, 2016, is hereby automatically terminated.

(d) Executive will be entitled to financial planning services through March 31, 2024 in accordance with the terms of the applicable Company program.

7. Equity Awards. Executive previously received certain equity awards (the "Awards") under the (i) 2010 Long Term Incentive Plan of BWX Technologies, Inc., as amended and restated on July 1, 2015 and (ii) 2020 Omnibus Incentive Plan BWX Technologies, Inc., dated May 1, 2020. The Awards shall continue to vest through the Termination Date and thereafter shall be treated in accordance with the terms and conditions of their respective award agreements.

(a) Executive will not be entitled to any additional Awards for calendar year 2023 as an employee of the Company.

(b) Executive will continue to be subject to the Company's Stock Ownership Guidelines until the Termination Date.

8. Release of Claims.

(a) In consideration of the foregoing, the adequacy of which is hereby expressly acknowledged, Executive hereby unconditionally and irrevocably releases and forever discharges, to the fullest extent applicable law permits, the "Releasees," as defined in subparagraph 8(b) below, from any and every action, cause of action, complaint, claim, demand, legal right, compensation, obligation, damages (including consequential, exemplary and punitive damages), liability, cost and/or expense (including attorney's fees) that he has, may have or may be entitled to from or against the Releasees, whether legal, equitable or administrative, in any forum or jurisdiction, whether known or unknown, foreseen or unforeseen, matured or unmatured, which arises directly or indirectly out of, or is based on or related in any way to Executive's employment with the Company, its predecessors, successors and assigns and past, present and future Affiliates (as defined in Paragraph 9 below), subsidiaries, divisions and parent corporations, including, without limitation, any such matter arising from the negligence, gross negligence or willful misconduct of the Releasees (together, the "Released Claims"); provided, however, that this release does not apply to any claims solely and specifically (i) arising after the date this Agreement is executed, (ii) for indemnification (including, without limitation, under the Company's organizational documents or insurance policies) arising in connection with an action instituted by a third party against the Company, its Affiliates or Executive in his capacity as an employee or a former officer or director of the Company or its Affiliates (it being agreed by the Company that Executive shall continue to be entitled to such indemnification in respect of the period prior to the Termination Date), (iii) arising from any breach or failure to perform this Agreement, (iv) that cannot be waived by law, or (v) involving any vested rights Executive may have under a company sponsored employee benefit plan. For the sake of clarity, this Paragraph 8 shall not operate to deny Executive of any rights to coverage under the Company's directors' and officers’ liability and insurance policy, as in effect from time to time, to which he would otherwise be entitled.

(b) The parties intend this release to cover any and all Executive Released Claims, whether arising under any employment contract (express or implied), policies, procedures or practices of any of the Releasees, and/or by any acts or omissions of any of the Releasees’ agents or employees or former agents or employees including from all claims, demands, damages, sums of money, wages, employee or other benefits, causes of action, attorney’s fees, suits at law or in equity of whatever kind or nature, whether known or unknown or previously asserted or not, including, but not limited to, any claim or proceeding under the federal Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Rehabilitation Act of 1973, the Uniformed Services Employment and Reemployment Rights Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Virginia Human Rights Act, the Virginians with Disabilities Act, or any claims arising from violations of the Sarbanes Oxley Act of 2002, as amended, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any personal gain with respect to any claim under a private attorney’s general act or the qui tam provisions of the False Claims Act, or from violation of any other federal, state or local civil rights law or any other statute, constitutional provision, executive order, law or ordinance or pursuant to common law, including any tort, contract or other claims, any claims relating to any aspect of Executive’s employment with the Company, or otherwise arising out of any relationship between the Company and Executive, and any claims arising as a result of any matter or thing done, omitted or suffered to be done prior to and including the date upon which Executive signs below. Executive agrees that it is his intent that this release shall discharge the Company and others noted above to the maximum extent permitted by law. Executive understands and agrees that the Company’s offer of, or his agreement to the above, is not to be construed as an admission of liability by any of the released parties and the Company specifically denies any liability to Executive or to anyone else. As such, it is expressly acknowledged and agreed that this release is a general release, representing a full and complete disposition and satisfaction of all of the Company Releasees’ real or alleged waivable legal obligations to Executive with the specific exceptions noted above. The term “Releasees” means the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations and all their respective past, present and future officers, directors, shareholders, employee benefit plan administrators, employees and agents, individually and in their respective capacities.

(c) The release set forth in this Paragraph 8 includes a release of any claims Executive may have under the Age Discrimination in Employment Act (“ADEA”), 29 U.S.C. §621 et. seq., against Releasees that may have existed on or before the date Executive signed this Agreement. The ADEA is a federal statute that prohibits discrimination on the basis of age. By signing this Agreement, Executive understands that he is waiving any and all claims under the ADEA that he may have against the Releasees that existed on or before the date he signed this Agreement. Executive understands that any claims under the ADEA that may arise after he signs this Agreement are not waived. Executive further agrees and acknowledges: (i) that his waiver of rights under this Agreement is knowing and voluntary; (ii) that he understands the terms of this Agreement; and (iii) that the sum of money and/or other items of value provided to him pursuant to the terms of this Agreement exceeds that to which he otherwise would have been entitled and that the actual payment is in exchange for his release of the claims referenced herein, including any claims under the federal Age Discrimination in Employment Act. Executive is advised to consult with legal counsel in connection with his review of this Agreement.

(d) Excluded from this Agreement are any claims that cannot be waived by law, including but not limited to the right to file a charge with the Equal Employment Opportunity Commission ("EEOC") or the National Labor Relations Board ("NLRB"); however, Executive does waive and release his right to any monetary recovery or other personal relief should the EEOC, NLRB, or any other agency pursue claims on his behalf. This release also does not apply to any lawsuit brought to challenge the validity of this Agreement under the ADEA, to enforce the terms of this Agreement, or for claims that arise under the ADEA after the Effective Date. Notwithstanding the foregoing, Executive agrees that he is waiving his right to recover monetary damages, reinstatement or other relief in any charge, complaint, or lawsuit filed by Executive or by anyone else on his behalf except this provision does not prohibit Executive from otherwise seeking and/or obtaining a whistleblower award from the Securities and Exchange Commission ("SEC") under Section 21F of the Securities Exchange Act.

(e) Executive represents and warrants that as of the date of his execution of this Agreement he has no knowledge of any unlawful activity by himself, the Company, the Releasees, the Affiliates or the Ventures (as defined below).

9. Confidentiality and Non-Disclosure. Executive acknowledges that the Company and/or its Affiliates or Ventures have previously provided him with Confidential Information and will provide him with Confidential Information up to the Termination Date, and that the unauthorized disclosure of such Confidential Information will result in irreparable harm to the Company and/or its Affiliates or Ventures. Executive further acknowledges that the preservation and protection of Confidential Information is an essential part of his employment with the Company and that he has a duty of fidelity and trust to the Company, its Affiliates and/or Ventures in handling Confidential Information. Executive shall not disclose or make available to any other person or entity, or use for his own personal gain, any Confidential Information. For purposes of this Agreement, the term "Affiliate" means an affiliate of the Company within the meaning of Rule 12b-2 promulgated under Section 12 of the Securities Exchange Act of 1934, the term "Venture" means an entity in which the Company or an Affiliate has a management or voting interest, and the term "Confidential Information" means any and all information, data and knowledge that has been created, discovered, developed or otherwise become known to the Company or any of its Affiliates or Ventures, or in which property rights have been assigned or otherwise conveyed to the Company or any of its Affiliates or Ventures, which information, data or knowledge has commercial value in the business in which the Company or any of its Affiliates or Ventures is engaged, except such information, data or knowledge that (a) becomes generally available to the public other than as a result of a violation of the terms of this Agreement, (b) is authorized by notice in writing from the Company for release by Executive, or (c) is required by law or legal process (in which case Executive shall notify the Company of such legal or judicial proceeding as soon as practicable following his receipt of notice of such a proceeding, and permit the Company to seek to protect its interests and information).

10. Undertakings by Executive. Executive agrees that on the Termination Date, he will immediately deliver to the Company (and will not keep in his possession, recreate or deliver to anyone else) all Confidential Information as well as all other devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, customer or client lists or information, or any other documents or property, in whatever medium stored (including all reproductions of the aforementioned items) belonging to the Company or any of its Affiliates, regardless of whether such items were prepared by Executive, and any credit cards, keys, access cards, calling cards, computer equipment and software, telephone, facsimile or other property of the Company, or any Affiliate or Venture.

11. Non-Solicitation and Non-Competition.

(a) In consideration of the payments and promises provided under this Agreement, the sufficiency of which is expressly acknowledged, Executive agrees that for the 12-month period following the Termination Date he shall not, without the prior written consent of the Company, directly or indirectly, (i) induce, entice or solicit (or attempt to induce, entice or solicit) any person who is an employee of the Company or any of its Affiliates or Ventures to leave the employment of the Company or any of its Affiliates or Ventures, (ii) solicit or attempt to solicit the business of any acquisition prospect of the Company or any of its Affiliates or Ventures with whom Executive had any actual contact while employed by the Company or any of its Affiliates, or (iii) hire, engage, employ or assist any third party in hiring, engaging or employing any person who is at such time (or was at any time within six (6) months prior to the date of such employment or engagement) employed or engaged by the Company or any of its Affiliates or Ventures as an employee, agent, representative, consultant or independent contractor to perform any work or render any service similar or related to that provided by such person to the Company or any of its Affiliates or Ventures. The provisions of this subparagraph 11(a) shall not prohibit Executive from speaking with persons who respond to general advertisements or who contact a business with which Executive is affiliated through an independent recruiting firm that has not been directed to solicit interest from any person who is an employee of the Company, any of its Affiliates or Ventures.

(b) In consideration of the payments and promises provided under this Agreement, the sufficiency of which is expressly acknowledged, Executive agrees that for the 12-month period following the Termination Date he shall not, without the prior written consent of the Company (which consent may be granted or withheld in the Company's sole discretion), acting alone or in conjunction with others, either directly or indirectly, engage in any business that is in competition with the Company, an Affiliate or Venture or accept employment with or render services to such business in a role in which Executive would perform the same or substantially similar activities or services as those performed by him for the Company during the last year of his employment. Executive understands and agrees that the foregoing covenant is not intended to restrict him from performing work in roles that are not directly competitive with the Company and/or that are not the same or substantially similar to the activities or services that he performed for the Company.

(c) In consideration of the payments and promises provided under this Agreement, the sufficiency of which is expressly acknowledged, Executive agrees that for the 12-month period following the Termination Date he will not perform any act, engage in any conduct or course of action or make or publish any adverse or untrue or misleading statement which has or may reasonably have the effect of demeaning the name or business reputation of the Company, the Releasees, an Affiliate or a Venture or which adversely affects or may reasonably be expected to adversely affect the best interests (economic or otherwise) of the Company, the Releasees, an Affiliate or a Venture.

(d) The restrictions contained in subparagraph 11(b) above are geographically limited to areas or territories where the Company or an Affiliate or a Venture engages (or has definite plans to engage) in operations or the marketing of its products or services on the Termination Date.

(e) Executive acknowledges that he has received valuable consideration from the Company as provided in this Agreement for the covenants and undertakings set forth in Paragraphs 8, 9, 10 and 11, that the consideration provided by the Company gives rise to an interest of the Company and its Affiliates and Ventures in restraining Executive from engaging in the conduct described in Paragraphs 8, 9, 10 and 11 of this Agreement and that the restrictive covenants and undertakings are designed to enforce Executive's consideration or return promises under this Agreement. Additionally, Executive acknowledges that the restrictive covenants contain limitations as to time, geographical area, and scope of activity to be restrained that are reasonable and do not impose a greater restraint than is necessary to protect the Company's relationship with its customers, goodwill or other legitimate business interests of the Company and its Affiliates and Ventures, including, but not limited to, the Company's and its Affiliates' and Ventures' need to protect their Confidential Information. The Company may notify any person or entity employing or contracting with Executive or evidencing an intention of employing or contracting with Executive of the existence and provisions of this Agreement.

12. Enforcement of Covenants and Undertakings. In the event the Company determines in good faith that Executive has breached any term of Paragraph 8, 9, 10 or 11 of this Agreement, in addition to any other remedies at law or in equity the Company may have available to it, it is agreed that the Company shall be entitled, upon application to any court of competent jurisdiction, to a temporary restraining order or preliminary injunction (without the necessity of (a) proving irreparable harm, (b) establishing that monetary damages are inadequate, or (c) posting any bond with respect thereto) against Executive prohibiting such breach or attempted or threatened breach by proving only the existence of such breach or attempted or threatened breach.

13. Repayment and Forfeiture. Executive agrees that in the event that he (a) materially breaches any term of Paragraph 8, 9, 10 or 11 of this Agreement and, in the event such breach can be cured, such breach has not been cured by Executive within fifteen (15) days after receipt by the Executive of written notice thereof from the Company, or (b) challenges the validity of all or any part of Paragraphs 8, 9, 10, or 11 and all or any part of Paragraphs 8, 9, 10, or 11 is found invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction, in addition to any other remedies at law or in equity the Company may have available to it, (i) Executive shall repay to the Company any payments made under Paragraph 5 and Paragraph 6(b) of this Agreement and (ii) any Awards that vested or may vest following the Termination Date pursuant to Paragraph 7(b) of this Agreement shall be forfeited and, if

applicable, Executive shall repay the net, after tax proceeds thereof to the Company. Any repayment and/or forfeiture provisions in any of the Company's underlying plan documents or other Company policies shall continue in full force and effect. Executive hereby represents and warrants that he is not aware of any facts or circumstances that would trigger the repayment and/or forfeiture provisions in any such plan documents or Company policies. In the event that legal action is taken by the Executive or the Company to enforce this Agreement, the prevailing party shall be entitled to attorney's fees. Executive further agrees that all payments and benefits under this Agreement (including, without limitation, the base salary and all incentive compensation, if and to the extent subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), will be subject to any other forfeiture or repayment required under the Dodd-Frank Act and regulations and rulings issued thereunder.

14. Miscellaneous Provisions.

(a) Executive hereby resigns from all other director and officer positions held with the Company and any other appointed or elected positions he may hold with the Company and its Affiliates and Ventures, effective on the Termination Date.

(b) Failure on the part of the Company or Executive at any time to insist on strict compliance by the other party with any provisions of this Agreement shall not constitute a waiver of either party's obligations in respect thereof, or of either party's right hereunder to require strict compliance therewith in the future.

(c) The obligations set forth in this Agreement are severable and divisible, and the unenforceability of any clause or portion thereof shall not affect the enforceability of the remainder of such clause or of any other obligation contained herein.

(d) The Company shall be entitled to withhold from amounts payable under this Agreement such Federal, state, local, foreign or excise taxes as shall be required or permitted to be withheld pursuant to applicable law or regulation. Executive acknowledges that other than the Company's obligation to withhold applicable income and/or employment taxes he is solely responsible for any and all taxes, interest and penalties that may be imposed with respect to the payments and benefits provided under this Agreement. The Company encourages Executive to obtain independent legal advice with respect to the tax consequences of this Agreement.

(e) This Agreement is intended to comply with, or be exempt from, the requirements of Section 409A of the Code and the applicable guidance and regulations issued thereunder (collectively, "Section 409A"). The parties agree that this Agreement shall be construed and interpreted in a manner consistent with such intent. For purposes of Section 409A, Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. A termination of employment shall not be deemed to have occurred for purposes of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Section 409A upon or following a termination of employment, unless such termination is also a "separation from service" within the meaning of Section 409A and the payment thereof prior to a "separation from service" would violate Section 409A. For purposes of any such provision of this Agreement relating to any such payments or benefits, references to a "termination," "termination of employment," "retirement," or like terms shall mean "separation from service".

No reimbursement or in-kind benefit shall be subject to liquidation or exchange for another benefit and the amount available for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount available for reimbursement, or in-kind benefits to be provided, in a subsequent calendar year. Any reimbursement to which Executive is entitled hereunder shall be made no later than the last day of the calendar year following the calendar year in which such expenses were incurred. Nothing contained in this Agreement shall constitute any representation or warranty by the Company or any of its Affiliates or any of its or their employees, agents or representatives, regarding compliance with Section 409A. None of the Company or any of its Affiliates has any obligation to take any action to prevent the assessment of any additional income tax, interest or penalties under Section 409A on any person, and none of the Company or any of its Affiliates, or any of its or their employees, agents or representatives shall have any liability to Executive with respect thereto.

(f) Captions contained in this Agreement are for reference purposes only, and are not intended by either party to describe, interpret, define, broaden or limit the scope, extent or intent of this Agreement or any of its provisions.

(g) All notices and other communications provided for by this Agreement shall be in writing and shall be deemed to have been duly given when (a) delivered by hand, (b) sent by facsimile or email to the facsimile number or email address given below, provided that a copy is also sent by a nationally recognized overnight delivery service, (c) the day after being sent by a nationally recognized overnight delivery service, or (d) three days after being mailed by United States Certified Mail, return receipt requested, postage prepaid, addressed as follows:

If to Executive:

Mr. Richard W. Loving

____

____

Email:

If to the Company:

BWX Technologies, Inc.

____

____

Email:

Or to such other address as Executive or the Company may hereafter specify in a notice furnished in writing in accordance with this Paragraph 14(g).

(h) Executive and the Company acknowledge that the employment of Executive by the Company is “at will”.

15. Entire Agreement. Executive and the Company agree and acknowledge that this Agreement contains and comprises the entire agreement and understanding between the parties, that no other representation, promise, covenant or agreement of any kind whatsoever has been made to cause any party to execute this Agreement, and that all agreements and understandings between the parties are embodied and expressed in this Agreement, provided that the Awards and applicable grant agreements will remain in full force and effect as amended by this Agreement. The parties also agree that the terms of this Agreement shall not be amended or changed except in writing and signed by Executive and a duly authorized agent of the Company. The parties to this Agreement further agree that this Agreement shall be binding on and inure to the benefit of Executive, the Company, the Company's successors, assigns, the Releasees, the Affiliates and the Ventures, each as defined in this Agreement. Any other agreements or understandings between the parties, whether written or oral, are hereby null and void.

16. Applicable Law. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the substantive laws of the Commonwealth of Virginia, but without giving effect to the principles of conflict of laws of such Commonwealth. The parties agree that venue and jurisdiction for any litigation arising out of or related to this Agreement or regarding the validity of this Agreement shall lie with a court of competent jurisdiction in Lynchburg, Virginia.

17. Timing and Consultation with Counsel. Executive has up to twenty-one (21) days from the date he receives this Agreement to consider the terms of this Agreement and decide whether he wishes to accept or reject this offer (the "Consideration Period"). Executive can accept this offer at any time during the Consideration Period by executing this Agreement and delivering it to the Company General Counsel at BWX Technologies, Inc., 800 Main Street, Lynchburg, Virginia 24504, prior to 5:00 pm, Eastern Time, on September 8, 2022, the last day of the Consideration Period. If Executive decides to accept this offer by signing and returning the Agreement during the Consideration Period, he will have seven (7) calendar days following the date he signs to change his mind and revoke the Agreement (the "Revocation Period"). Any such revocation will not be effective until received in writing by the Company addressed to the Company General Counsel at BWX Technologies, Inc., 800 Main Street, Lynchburg, Virginia 24504. The additional payments offered in connection with this Agreement under Paragraph 5 will be paid to Executive no later than May 7, 2023, assuming Executive's execution of the supplemental release Agreement and expiration of the revocation period thereto. No revision or modification of this Agreement, even if material, will extend or restart the Consideration Period or the Revocation Period herein.

[Signature page follows.]

I HAVE READ THE FOREGOING TRANSITION AGREEMENT, FULLY UNDERSTAND IT AND HAVE VOLUNTARILY EXECUTED IT ON THE DATE WRITTEN BELOW, SIGNIFYING THEREBY MY ASSENT TO, AND WILLINGNESS TO BE BOUND BY, ITS TERMS:

Date: August 19, 2022 By: /s/ Richard W. Loving
Richard W. Loving

BWX TECHNOLOGIES, INC.

Date: August 19, 2022 By: /s/ Rex D. Geveden
Rex D. Geveden
President and CEO

EXHIBIT A

Release Agreement

(to be signed and delivered on the Effective Date)

This Release Agreement (this "Agreement") is entered into by and between, and shall inure to the benefit of and be binding upon, Richard W. Loving ("Executive") and BWX Technologies, Inc., a Delaware corporation (the "Company").

RECITALS:

1. Reference is made to the Transition Agreement, dated August 19, 2022 (the "Transition Agreement"), by and between the Company and Executive.

2. Execution and delivery of this Agreement by Executive is a condition to Executive's right to continue employment and receive certain benefits under the Transition Agreement.

3. Capitalized terms used and not defined herein shall have the meanings given to them in the Transition Agreement.

In consideration of the mutual promises and obligations set forth herein and in the Transition Agreement, Executive and the Company hereby agree as follows:

(a) In consideration of the benefits provided by the Transition Agreement, the adequacy of which is hereby expressly acknowledged, Executive hereby unconditionally and irrevocably releases and forever discharges, to the fullest extent applicable law permits, the Releasees (as defined below) from any and every action, cause of action, complaint, claim, demand, legal right, compensation, obligation, damages (including consequential, exemplary and punitive damages), liability, cost and/or expense (including attorney's fees) that he has, may have or may be entitled to from or against the Releasees, whether legal, equitable or administrative, in any forum or jurisdiction, whether known or unknown, foreseen or unforeseen, matured or unmatured, which arises directly or indirectly out of, or is based on or related in any way to Executive's employment with the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations, including, without limitation, any such matter arising from the negligence, gross negligence or willful misconduct of the Releasees (together, the "Released Claims"); provided, however, that this release does not apply to any claims solely and specifically (i) arising after the date this Agreement is executed, (ii) for indemnification (including, without limitation, under the Company's organizational documents or insurance policies) arising in connection with an action instituted by a third party against the Company, its Affiliates or Executive in his capacity as an employee or a former officer or director of the Company or its Affiliates (it being agreed by the Company that Executive shall continue to be entitled to such indemnification in respect of the period prior to the Termination Date), (iii) arising from any breach or failure to perform the Transition Agreement, (iv) that cannot be waived by law, or (v) involving any vested rights

Executive may have under a company sponsored employee benefit plan. For the sake of clarity, this Paragraph (a) shall not operate to deny Executive of any rights to coverage under the Company's directors' and officers' liability insurance policy, as in effect from time to time, to which he would otherwise be entitled. The term "Releasees" means the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations and all their respective past, present and future officers, directors, shareholders, employee benefit plan administrators, employees and agents, individually and in their respective capacities.

(b) The parties intend this release to cover any and all Executive Released Claims, whether arising under any employment contract (express or implied), policies, procedures or practices of any of the Releasees, and/or by any acts or omissions of any of the Releasees' agents or employees or former agents or employees including from all claims, demands, damages, sums of money, wages, employee or other benefits, causes of action, attorney's fees, suits at law or in equity of whatever kind or nature, whether known or unknown or previously asserted or not, including, but not limited to, any claim or proceeding under the federal Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Rehabilitation Act of 1973, the Uniformed Services Employment and Reemployment Rights Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Virginia Human Rights Act, the Virginians with Disabilities Act, or any claims arising from violations of the Sarbanes Oxley Act of 2002, as amended, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any personal gain with respect to any claim under a private attorney's general act or the qui tam provisions of the False Claims Act, or from violation of any other federal, state or local civil rights law or any other statute, constitutional provision, executive order, law or ordinance or pursuant to common law, including any tort, contract or other claims, any claims relating to any aspect of Executive's employment with the Company, or otherwise arising out of any relationship between the Company and Executive, and any claims arising as a result of any matter or thing done, omitted or suffered to be done prior to and including the date upon which Executive signs below. Executive agrees that it is his intent that this release shall discharge the Company and others noted above to the maximum extent permitted by law. Executive understands and agrees that the Company's offer of, or his agreement to the above, is not to be construed as an admission of liability by any of the released parties and the Company specifically denies any liability to Executive or to anyone else. As such, it is expressly acknowledged and agreed that this release is a general release, representing a full and complete disposition and satisfaction of all of the Company Releasees' real or alleged waivable legal obligations to Executive with the specific exceptions noted above. The term "Releasees" means the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations and all their respective past, present and future officers, directors, shareholders, employee benefit plan administrators, employees and agents, individually and in their respective capacities.

(c) The release set forth in this Exhibit A includes a release of any claims Executive may have under the Age Discrimination in Employment Act ("ADEA"), 29 U.S.C. §621 et. seq., against Releasees that may have existed on or before the date Executive signed this Agreement. The ADEA is a federal statute that prohibits discrimination on the basis of age. By signing this Agreement, Executive understands that he is waiving any and all claims under the ADEA that he may have against the Releasees that existed on or before the date he signed this Agreement. Executive understands that any claims under the ADEA that may arise after he signs this Agreement are not waived. Executive further agrees and acknowledges: (i) that his waiver of rights under this Agreement is knowing and voluntary; (ii) that he understands the terms of this Agreement; and (iii) that the sum of money and/or other items of value provided to him pursuant to the terms of this Agreement exceeds that to which he otherwise would have been entitled and that the actual payment is in exchange for his release of the claims referenced herein, including any claims under the federal Age Discrimination in Employment Act. Executive is advised to consult with legal counsel in connection with his review of this Agreement.

(d) Excluded from this Agreement are any claims that cannot be waived by law, including but not limited to the right to file a charge with the Equal Employment Opportunity Commission ("EEOC") or the National Labor Relations Board ("NLRB"); however, Executive does waive and release his right to any monetary recovery or other personal relief should the EEOC, NLRB, or any other agency pursue claims on his behalf. This release also does not apply to any lawsuit brought to challenge the validity of this Agreement under the ADEA, to enforce the terms of this Agreement, or for claims that arise under the ADEA after the Effective Date. Notwithstanding the foregoing, Executive agrees that he is waiving his right to recover monetary damages, reinstatement or other relief in any charge, complaint, or lawsuit filed by Executive or by anyone else on his behalf except this provision does not prohibit Executive from otherwise seeking and/or obtaining a whistleblower award from the Securities and Exchange Commission ("SEC") under Section 21F of the Securities Exchange Act.

(e) Executive acknowledges that he had at least twenty-one (21) calendar days from the date this Agreement was first presented to him to consider this Agreement. By signing this Agreement, Executive agrees that the Company advised him in writing to consult with an attorney. Executive has seven (7) calendar days following the date upon which he executes this Agreement within which to revoke this Agreement ("Revocation Period") by delivering a written notice of his revocation to the attention of the Company General Counsel at 800 Main Street, Suite 400, Lynchburg, VA 24504 prior to the end of the Revocation Period. This Agreement does not become effective or enforceable until the Revocation Period has expired.

(f) Executive represents and warrants that as of the date of his execution of this Agreement he has no knowledge of any unlawful activity by himself, the Company, the Releasees, the Affiliates or the Ventures.

(g) Executive and the Company agree and acknowledge that this Agreement together with the Transition Agreement and exhibits contains and comprises the entire agreement and understanding between the parties, that no other representation, promise, covenant or agreement of any kind whatsoever has been made to cause any party to execute this Agreement, and that all agreements and understandings between the parties are embodied and expressed in this Agreement and the Transition Agreement. The parties also agree that the terms of this Agreement shall not be amended or changed except in writing and signed by Executive and a duly authorized agent of the Company. The parties further agree that this Agreement together with the Transition Agreement shall be binding on and inure to the benefit of Executive, the

Company, the Company’s successors, assigns, the Releasees, the Affiliates and the Ventures, each as defined in this Agreement. Any other agreements or understandings between the parties, whether written or oral, are hereby null and void.

(h) The validity, interpretation, construction and performance of this Agreement together with the Transition Agreement will be governed by and construed in accordance with the substantive laws of the Commonwealth of Virginia, but without giving effect to the principles of conflict of laws of such Commonwealth.

(i) Failure on the part of the Company or Executive at any time to insist on strict compliance by the other party with any provisions of this Agreement shall not constitute a waiver of either party’s obligations in respect thereof, or of either party’s right hereunder to require strict compliance therewith in the future.

(j) The obligations set forth in this Agreement are severable and divisible, and the unenforceability of any clause or portion thereof shall not affect the enforceability of the remainder of such clause or of any other obligation contained herein.

I HAVE READ THE FOREGOING RELEASE AGREEMENT, FULLY UNDERSTAND IT AND HAVE VOLUNTARILY EXECUTED IT ON THE DATE WRITTEN BELOW, SIGNIFYING THEREBY MY ASSENT TO, AND WILLINGNESS TO BE BOUND BY, ITS TERMS:

Date: August 19, 2022 By: /s/ Richard W. Loving
Richard W. Loving

BWX TECHNOLOGIES, INC.

Date: August 19, 2022 By: /s/ Rex D. Geveden
Rex D. Geveden
President and CEO

EXHIBIT B

Release Agreement

(to be signed and delivered on Termination Date)

This Release Agreement (this "Agreement") is entered into by and between, and shall inure to the benefit of and be binding upon, Richard W. Loving ("Executive") and BWX Technologies, Inc., a Delaware corporation (the "Company").

RECITALS:

1. Reference is made to the Transition Agreement, dated August 19, 2022 (the "Transition Agreement"), by and between the Company and Executive.

2. Execution and delivery of this Agreement by Executive is a condition to Executive's right to continue employment and receive certain benefits under the Transition Agreement.

3. Capitalized terms used and not defined herein shall have the meanings given to them in the Transition Agreement.

In consideration of the mutual promises and obligations set forth herein and in the Transition Agreement, Executive and the Company hereby agree as follows:

(a) In consideration of the benefits provided by the Transition Agreement, the adequacy of which is hereby expressly acknowledged, Executive hereby unconditionally and irrevocably releases and forever discharges, to the fullest extent applicable law permits, the Releasees (as defined below) from any and every action, cause of action, complaint, claim, demand, legal right, compensation, obligation, damages (including consequential, exemplary and punitive damages), liability, cost and/or expense (including attorney's fees) that he has, may have or may be entitled to from or against the Releasees, whether legal, equitable or administrative, in any forum or jurisdiction, whether known or unknown, foreseen or unforeseen, matured or unmatured, which arises directly or indirectly out of, or is based on or related in any way to Executive's employment with or termination of employment from the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations, including, without limitation, any such matter arising from the negligence, gross negligence or willful misconduct of the Releasees (together, the "Released Claims"); provided, however, that this release does not apply to any claims solely and specifically (i) arising after the date this Agreement is executed, (ii) for indemnification (including, without limitation, under the Company's organizational documents or insurance policies) arising in connection with an action instituted by a third party against the Company, its Affiliates or Executive in his capacity as an employee or a former officer or director of the Company or its Affiliates (it being agreed by the Company that Executive shall continue to be entitled to such indemnification in respect of the period prior to the Termination Date), (iii) arising from any breach or failure to perform the Transition Agreement, (iv) that cannot be waived by law, or (v) involving any vested rights Executive may have under a company sponsored employee benefit plan. For the sake of clarity, this Paragraph (a) shall not operate to deny Executive of any rights to coverage under the Company's directors' and officers' liability insurance policy, as in effect from time to time, to which he would otherwise be entitled. The term "Releasees" means the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations and all their respective past, present and future officers, directors, shareholders, employee benefit plan administrators, employees and agents, individually and in their respective capacities.

(b) The parties intend this release to cover any and all Executive Released Claims, whether arising under any employment contract (express or implied), policies, procedures or practices of any of the Releasees, and/or by any acts or omissions of any of the Releasees' agents or employees or former agents or employees including from all claims, demands, damages, sums of money, wages, employee or other benefits, causes of action, attorney's fees, suits at law or in equity of whatever kind or nature, whether known or unknown or previously asserted or not, including, but not limited to, any claim or proceeding under the federal Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Rehabilitation Act of 1973, the Uniformed Services Employment and Reemployment Rights Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Virginia Human Rights Act, the Virginians with Disabilities Act, or any claims arising from violations of the Sarbanes Oxley Act of 2002, as amended, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any personal gain with respect to any claim under a private attorney's general act or the qui tam provisions of the False Claims Act, or from violation of any other federal, state or local civil rights law or any other statute, constitutional provision, executive order, law or ordinance or pursuant to common law, including any tort, contract or other claims, any claims relating to any aspect of Executive's employment with or termination of employment from the Company, or otherwise arising out of any relationship between the Company and Executive, and any claims arising as a result of any matter or thing done, omitted or suffered to be done prior to and including the date upon which Executive signs below. Executive agrees that it is his intent that this release shall discharge the Company and others noted above to the maximum extent permitted by law. Executive understands and agrees that the Company's offer of, or his agreement to the above, is not to be construed as an admission of liability by any of the released parties and the Company specifically denies any liability to Executive or to anyone else. As such, it is expressly acknowledged and agreed that this release is a general release, representing a full and complete disposition and satisfaction of all of the Company Releasees' real or alleged waivable legal obligations to Executive with the specific exceptions noted above. The term "Releasees" means the Company, its predecessors, successors and assigns and past, present and future Affiliates, subsidiaries, divisions and parent corporations and all their respective past, present and future officers, directors, shareholders, employee benefit plan administrators, employees and agents, individually and in their respective capacities.

(c) The release set forth in this Exhibit B includes a release of any claims Executive may have under the Age Discrimination in Employment Act ("ADEA"), 29 U.S.C. §621 et. seq., against Releasees that may have existed on or before the date Executive signed this

Agreement. The ADEA is a federal statute that prohibits discrimination on the basis of age. By signing this Agreement, Executive understands that he is waiving any and all claims under the ADEA that he may have against the Releasees that existed on or before the date he signed this Agreement. Executive understands that any claims under the ADEA that may arise after he signs this Agreement are not waived. Executive further agrees and acknowledges: (i) that his waiver of rights under this Agreement is knowing and voluntary; (ii) that he understands the terms of this Agreement; and (iii) that the sum of money and/or other items of value provided to him pursuant to the terms of this Agreement exceeds that to which he otherwise would have been entitled and that the actual payment is in exchange for his release of the claims referenced herein, including any claims under the federal Age Discrimination in Employment Act. Executive is advised to consult with legal counsel in connection with his review of this Agreement.

(d) Excluded from this Agreement are any claims that cannot be waived by law, including but not limited to the right to file a charge with the Equal Employment Opportunity Commission ("EEOC") or the National Labor Relations Board ("NLRB"); however, Executive does waive and release his right to any monetary recovery or other personal relief should the EEOC, NLRB, or any other agency pursue claims on his behalf. This release also does not apply to any lawsuit brought to challenge the validity of this Agreement under the ADEA, to enforce the terms of this Agreement, or for claims that arise under the ADEA after the Effective Date. Notwithstanding the foregoing, Executive agrees that he is waiving her right to recover monetary damages, reinstatement or other relief in any charge, complaint, or lawsuit filed by Executive or by anyone else on his behalf except this provision does not prohibit Executive from otherwise seeking and/or obtaining a whistleblower award from the Securities and Exchange Commission ("SEC") under Section 21F of the Securities Exchange Act.

(e) Executive acknowledges that he had at least twenty-one (21) calendar days from the date this Agreement was first presented to him to consider this Agreement. By signing this Agreement, Executive agrees that the Company advised him in writing to consult with an attorney. Executive has seven (7) calendar days following the date upon which he executes this Agreement within which to revoke this Agreement ("Revocation Period") by delivering a written notice of his revocation to the attention of the Company General Counsel at 800 Main Street, Suite 400, Lynchburg, VA 24504 prior to the end of the Revocation Period. This Agreement does not become effective or enforceable until the Revocation Period has expired.

(f) Executive represents and warrants that as of the date of his execution of this Agreement he has no knowledge of any unlawful activity by himself, the Company, the Releasees, the Affiliates or the Ventures.

(g) Executive and the Company agree and acknowledge that this Agreement together with the Transition Agreement and exhibits contains and comprises the entire agreement and understanding between the parties, that no other representation, promise, covenant or agreement of any kind whatsoever has been made to cause any party to execute this Agreement, and that all agreements and understandings between the parties are embodied and expressed in this Agreement and the Transition Agreement. The parties also agree that the terms of this Agreement shall not be amended or changed except in writing and signed by Executive and a duly authorized agent of the Company. The parties further agree that this Agreement together with the Transition Agreement shall be binding on and inure to the benefit of Executive, the Company, the Company's successors, assigns, the Releasees, the Affiliates and the Ventures, each as defined in this Agreement. Any other agreements or understandings between the parties, whether written or oral, are hereby null and void.

(h) The validity, interpretation, construction and performance of this Agreement together with the Transition Agreement will be governed by and construed in accordance with the substantive laws of the Commonwealth of Virginia, but without giving effect to the principles of conflict of laws of such Commonwealth.

(i) Failure on the part of the Company or Executive at any time to insist on strict compliance by the other party with any provisions of this Agreement shall not constitute a waiver of either party's obligations in respect thereof, or of either party's right hereunder to require strict compliance therewith in the future.

(j) The obligations set forth in this Agreement are severable and divisible, and the unenforceability of any clause or portion thereof shall not affect the enforceability of the remainder of such clause or of any other obligation contained herein.

I HAVE READ THE FOREGOING RELEASE AGREEMENT, FULLY UNDERSTAND IT AND HAVE VOLUNTARILY EXECUTED IT ON THE DATE WRITTEN BELOW, SIGNIFYING THEREBY MY ASSENT TO, AND WILLINGNESS TO BE BOUND BY, ITS TERMS:

Date: By:
Richard W. Loving

BWX TECHNOLOGIES, INC.

Date: By:
Name:
Title:

EXHIBIT 31.1

CERTIFICATION

I, Rex D. Geveden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BWX Technologies, Inc. for the quarterly period ended September 30, 2022;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 7, 2022

/s/ Rex D. Geveden

Rex D. Geveden
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Robb A. LeMasters, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BWX Technologies, Inc. for the quarterly period ended September 30, 2022;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 7, 2022

/s/ Robb A. LeMasters
Robb A. LeMasters
Senior Vice President and Chief Financial Officer

EXHIBIT 32.1

BWX TECHNOLOGIES, INC.

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Rex D. Geveden, President and Chief Executive Officer of BWX Technologies, Inc., a Delaware corporation (the "Company"), hereby certify, to my knowledge, that:

(1) the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 7, 2022	/s/ Rex D. Geveden
	Rex D. Geveden
	President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

EXHIBIT 32.2

BWX TECHNOLOGIES, INC.

Certification Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Robb A. LeMasters, Senior Vice President and Chief Financial Officer of BWX Technologies, Inc., a Delaware corporation (the "Company"), hereby certify, to my knowledge, that:

(1) the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 7, 2022	/s/ Robb A. LeMasters
	Robb A. LeMasters
	Senior Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.