

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

|   |   |   |                      |
|---|---|---|----------------------|
| 1 Issuer's name<br><br><b>Babcock &amp; Wilcox Enterprises, Inc.</b>  |   | 2 Issuer's employer identification number (EIN)<br><br><b>47-2783641</b>                        |                      |
| 3 Name of contact for additional information<br><br><b>Megan Wilson</b>   | 4 Telephone No. of contact<br><br><b>704-625-4944</b> | 5 Email address of contact<br><br><b>mrwilson@babcock.com</b>                                   |                      |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact<br><br><b>20 South Van Buren Avenue</b> |   | 7 City, town, or post office, state, and ZIP code of contact<br><br><b>Barberton, OH 442013</b> |                      |
| 8 Date of action<br><br><b>June 28, 2019</b>  |   | 9 Classification and description<br><br><b>1 for 10 reverse stock split</b>                     |                      |
| 10 CUSIP number<br><br><b>05614L209</b>   | 11 Serial number(s)                                   | 12 Ticker symbol<br><br><b>BW</b>   | 13 Account number(s) |

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On July 24, 2019, Babcock & Wilcox Enterprises, Inc. ("BW") effected a 1 for 10 reverse stock split for its common stock. Pursuant to the reverse stock split, every ten shares of issued and outstanding common stock automatically converted into one share share of common stock. Any shareholder who would otherwise be entitled to a fractional share as a result of the stock split received cash in lieu thereof, and for US federal income tax purposes was deemed to have received and then immediately sold such fractional share for cash.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **As a result of the reverse stock split, the Company's shareholders will be required to allocate the aggregate tax basis in their shares of Company stock held immediately before the reverse split among the shares of company stock held immediately after the reverse stock split, including any fractional share interest for which cash was received. In general, a stockholder's aggregate tax basis in its shares held immediately before the reverse stock split should be allocated in proportion to the reduced number of shares of Company stock under Section 358 of the Internal Revenue Code and the regulations thereunder. Stockholders who acquired their shares of company stock on different dates and at different amounts should consult their tax advisors regarding the allocation of the tax basis of such shares.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Because fractional shares were not issued, it is possible that the aggregate tax basis of Company stock held by a stockholder immediately after the reverse stock split will not be equal to the aggregate tax basis of Company stock held by the shareholder immediately before the reverse stock split.**

**The following example illustrates the basis allocation rules of Internal Revenue Code Section 358:**  
**A stockholder with a tax basis of \$6,500.00 in 1,000 shares (or \$6.50 per share) of Company common stock immediately before the reverse stock split whose shares were automatically converted to 100 shares after the reverse stock split will continue to have an aggregate tax basis of \$6,500.00 in their 100 shares (or \$65.00 per share).**

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
Internal Revenue Code Sections 302, 354(a)(1), 358, and 368(a)(1)(E)

**18** Can any resulting loss be recognized? ▶ Except to the extent of cash received in lieu of fractional shares, stockholders generally will not recognize gain or loss as a result of the reverse stock split. Generally, if a stockholder receives cash in lieu of a fractional share, the stockholder will recognize gain or loss based on the difference between the amount of cash received and the stockholder's adjusted tax basis in the fractional share. The recognition of gain or loss is facts and circumstance specific. We recommend taxpayers consult with their tax advisors regarding the tax consequences resulting from their receipt of cash in lieu of fractional shares.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
The reportable tax year is the calendar year ending December 31, 2019.

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Paul V. Cappiello Date ▶ 8/29/19

Print your name ▶ Paul V. Cappiello Title ▶ Vice President, Tax

**Paid Preparer Use Only**

|                            |                      |      |   |      |
|----------------------------|----------------------|------|---|------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶              |                      |      | Firm's EIN ▶                                    |      |
| Firm's address ▶           |                      |      | Phone no.                                       |      |