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Covanta to Assume Operations of Two Florida Energy-from-Waste Facilities

Agreement reached to purchase subsidiary of Babcock & Wilcox with operating and maintenance contracts

MORRISTOWN, N.J. – August 9, 2018 – Covanta Holding Corporation (NYSE:CVA), a world leader in sustainable waste and energy solutions, today announced its agreement to purchase a subsidiary of Babcock & Wilcox Enterprises, Inc. (NYSE: BW) with the operating and maintenance contracts for two Energy-from-Waste (EfW) facilities in Palm Beach County, Florida for \$45 million. The facilities are owned by the Solid Waste Authority (SWA) of Palm Beach County and have a combined capacity of 1.7 million tons per year. The transaction is expected to close during the third quarter of 2018.

Stephen J. Jones, Covanta's President and CEO said: "We are pleased to partner with the SWA on these two projects as they are a progressive special district that is committed to sustainable waste management. We look forward to demonstrating our best-in-class operating capabilities at these two high-performing, state-of-the-art facilities."

Facility Details:

- Palm Beach Renewable Energy Facility (PBREF) No. 1 – Originally built in 1989 and completely refurbished in 2008, PBREF No. 1 is a refuse derived fuel facility with a waste processing capacity of 795,000 tons-per-year and generates up to 60 megawatts of clean electricity. The facility's operating contract expires in 2029 and includes renewal options.
- Palm Beach Renewable Energy Facility No. 2 – Completed in 2015, PBREF No. 2 is the newest EfW facility in the United States. The one million tons-per-year mass burn facility generates up to 95 megawatts of clean electricity. Its operating contract expires in 2035.
- Historically, the operating and maintenance contracts for the combined facilities have generated approximately \$60 million in annual revenues.

Covanta currently operates six EfW facilities in Florida with a combined 3.6 million tons-per-year of waste disposal capacity. The company expects to achieve synergies by leveraging its scale, operational expertise and in-house maintenance capabilities.

About Covanta

Covanta is a world leader in providing sustainable waste and energy solutions. Annually, Covanta's modern Energy-from-Waste facilities safely convert approximately 20 million tons of waste from municipalities and businesses into clean, renewable electricity to power one million homes and recycle over 550,000 tons of metal. Through a vast

network of treatment and recycling facilities, Covanta also provides comprehensive industrial material management services to companies seeking solutions to some of today's most complex environmental challenges. For more information, visit covanta.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking" statements as defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the SEC, all as may be amended from time to time. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Covanta and its subsidiaries, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements that are not historical fact are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language, such as the words "plan," "believe," "expect," "anticipate," "intend," "estimate," "project," "may," "will," "would," "could," "should," "seeks," or "scheduled to," or other similar words, or the negative of these terms or other variations of these terms or comparable language, or by discussion of strategy or intentions. These cautionary statements are being made pursuant to the Securities Act, the Exchange Act and the PSLRA with the intention of obtaining the benefits of the "safe harbor" provisions of such laws. Covanta cautions investors that any forward-looking statements made by Covanta are not guarantees or indicative of future performance. Important assumptions and other important factors that could cause actual results to differ materially from those forward-looking statements with respect to Covanta include, but are not limited to, the risks and uncertainties affecting Covanta's businesses described in periodic securities filings by Covanta with the SEC. Important factors, risks and uncertainties that could cause actual results to differ materially from those forward-looking statements include, but are not limited to: seasonal or long-term fluctuations in the prices of energy, waste disposal, scrap metal and commodities; Covanta's ability to renew or replace expiring contracts at comparable prices and with other acceptable terms; adoption of new laws and regulations in the United States and abroad, including energy laws, environmental laws, tax laws, labor laws and healthcare laws; failure to maintain historical performance levels at Covanta's facilities and its ability to retain the rights to operate facilities it does not own; Covanta's ability to avoid adverse publicity or reputational damage relating to its business; advances in technology; difficulties in the operation of its facilities, including fuel supply and energy delivery interruptions, failure to obtain regulatory approvals, equipment failures, labor disputes and work stoppages, and weather interference and catastrophic events; difficulties in the financing, development and construction of new projects and expansions, including increased construction costs and delays; limits of insurance coverage; Covanta's ability to avoid defaults under its long-term contracts; performance of third parties under its contracts and such third parties' observance of laws and regulations; concentration of suppliers and customers; geographic concentration of facilities; increased competitiveness in the energy and waste industries; changes in foreign currency exchange rates; limitations imposed by Covanta's existing indebtedness and its ability to perform its financial obligations and guarantees and to refinance its existing indebtedness; exposure to counterparty credit risk and instability of financial institutions in connection with financing transactions; the scalability of its

business; restrictions in its certificate of incorporation and debt documents regarding strategic alternatives; failures of disclosure controls and procedures and internal controls over financial reporting; Covanta's ability to attract and retain talented people; Covanta's ability to utilize net operating loss carryforwards; general economic conditions in the United States and abroad, including the availability of credit and debt financing; and other risks and uncertainties affecting Covanta's businesses described in periodic securities filings by Covanta with the SEC. Although Covanta believes that its plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, actual results could differ materially from a projection or assumption in any forward-looking statements. Covanta's future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties. The forward-looking statements contained in this press release are made only as of the date hereof and Covanta does not have or undertake any obligation to update or revise any forward-looking statements whether as a result of new information, subsequent events or otherwise, unless otherwise required by law.

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