BWX Technologies (NYSE: BWXT) - Q2 2026 Results, Nuclear Growth & Valuation

Second quarter ended June 30, 2026, reported in US dollars under US GAAP. BWXT supplies nuclear reactors, fuel, and components for the U.S. Navy's nuclear fleet and for commercial nuclear power and medicine. Revenue rose 18% (9% organic) on 72% growth in Commercial Operations, backlog rose 40% to $8.4B, and the company raised full-year guidance while announcing the sale of its medical business and closing the Precision Components Group (PCG) acquisition.

A factual snapshot built from BWXT's public filings and verified market data. It contains no Blackspear forecast, price target, or recommendation.

REVENUE (Q2'26)	NON-GAAP EPS (Q2'26)	ADJ. EBITDA (NON-GAAP)	TOTAL BACKLOG
$901.6M	**$1.07**	**$155.5M**	**$8.4B**
+18% YoY (9% organic); net income $89.1M	**+5%** YoY; GAAP EPS $0.97	**+7%** YoY; 17.2% of revenue	**+40%** YoY; Government $6.8B, Commercial $1.6B

RESULTS BY SEGMENT - Q2 2026 (ADJUSTED EBITDA IS NON-GAAP)

SEGMENT	REVENUE	YOY	ADJ. EBITDA	MARGIN
Government Operations	$601.3M	+2%	$126.5M	21.0%
Commercial Operations	$302.5M	+72%	$36.1M	11.9%
Unallocated corporate	-	-	$(7.1)M	-
Consolidated	**$901.6M**	**+18%**	**$155.5M**	**17.2%**

Government Operations (naval nuclear propulsion, special materials, technical services) grew 2%; the company announced more than $1.4B of new U.S. Naval Nuclear Propulsion awards in the quarter, including a five-year $1.3B long-lead materials contract and $165M for Ford-class carrier reactor components. Commercial Operations (commercial nuclear components, fuel, field services, medical, and Kinectrics) grew 72% (33% organic); its adjusted EBITDA more than doubled. Government adjusted EBITDA slipped 5% on tougher prior-year contract adjustments and less favorable mix.

RESULTS & CASH HIGHLIGHTS - Q2 2026

Revenue	$901.6M
Adjusted EBITDA (non-GAAP)	$155.5M
Net income (GAAP / non-GAAP)	$89.1M / $98.6M
Operating cash flow	$156.4M
Free cash flow (non-GAAP)	$115.0M
Cash & equivalents / long-term debt	**$608M / $2,020M**

Free cash flow was $115.0M (down 9% on higher growth capex and tax timing). The balance sheet carries $608M of cash against $2,020M of long-term debt, roughly $1.4B of net debt, about 2.1x the 2026 adjusted-EBITDA guidance midpoint. Interest expense fell to $5.3M (from $11.7M) after balance-sheet optimization.

HOW TO READ THE NUMBERS

- BWXT is a long-cycle nuclear supplier: much of Government revenue is tied to multi-year U.S. Navy programs, which underpins an $8.4B backlog.
- Adjusted EBITDA, non-GAAP EPS, and free cash flow are company-defined non-GAAP measures; GAAP net income was $89.1M and GAAP EPS $0.97.
- 2026 guidance and margins now include PCG (acquired July 1, 2026) and exclude the medical business, which is being sold (valued at up to $800M).
- Backlog and bookings are company estimates of future revenue and depend on government funding and customers honoring contracts.

GUIDANCE, BACKLOG & CAPITAL ALLOCATION - RAISED 2026 OUTLOOK

A RAISED 2026 GUIDE, A LARGER BACKLOG, AND A RESHAPED PORTFOLIO

2026 REVENUE GUIDE	2026 ADJ. EBITDA	2026 NON-GAAP EPS / FCF	DIVIDEND
~$3.80B	**$662-672M**	**$4.70-4.80**	**$0.27/qtr**
up from >$3.75B; 2025 was $3.20B	up from $650-665M; 2025 was $574M	FCF $345-360M; 2025 EPS $4.01	$1.08 annualized; ~0.7% yield

BWXT raised all four 2026 guidance metrics (revenue, adjusted EBITDA, non-GAAP EPS, and free cash flow), reflecting first-half results and the PCG acquisition, which establishes a U.S. commercial nuclear component manufacturing footprint. In the quarter it also agreed to sell its medical business (valued at up to $800M) to focus on nuclear national security and commercial nuclear power. Capital priorities are organic growth (capex ~6% of sales), the quarterly dividend, and acquisitions; the company does not plan share repurchases. Total backlog reached $8.4B, up 40% year over year (Government $6.8B, up 53%; Commercial $1.6B).

VALUATION SNAPSHOT - NEAR ITS 52-WEEK LOW (MID-AUGUST 2026)

Share price (NYSE, recent)	**~$149.52**	Non-GAAP EPS (2025 / 2026E)	**$4.01 / $4.70-4.80**
Market capitalization (~91.6M sh.)	**~$13.7B**	Trailing P / E (GAAP)	**~39x**
Cash / long-term debt	**$0.61B / $2.02B**	Forward P / E (2026 non-GAAP mid)	**~31x**
Net debt	**~$1.4B**	EV / EBITDA (2026E ~$667M)	**~23x**
Enterprise value (plus net debt)	**~$15.1B**	Net debt / EBITDA (2026E)	**~2.1x**
52-week range	**$149.17-$241.82**	Dividend yield	**~0.7%**

BWXT trades at premium multiples (~31x forward earnings, ~23x forward EV/EBITDA), even though the shares have **fallen to near their 52-week low** ($149) from a high of $242, a decline of roughly a third. The market has historically paid a premium for its long-cycle nuclear exposure and growth. The multiples rest on the company's own raised 2026 guidance; a shortfall in government funding, contract timing, or execution would pressure both the numbers and the multiple. Multiples move with the share price and estimates, refresh before relying on them.

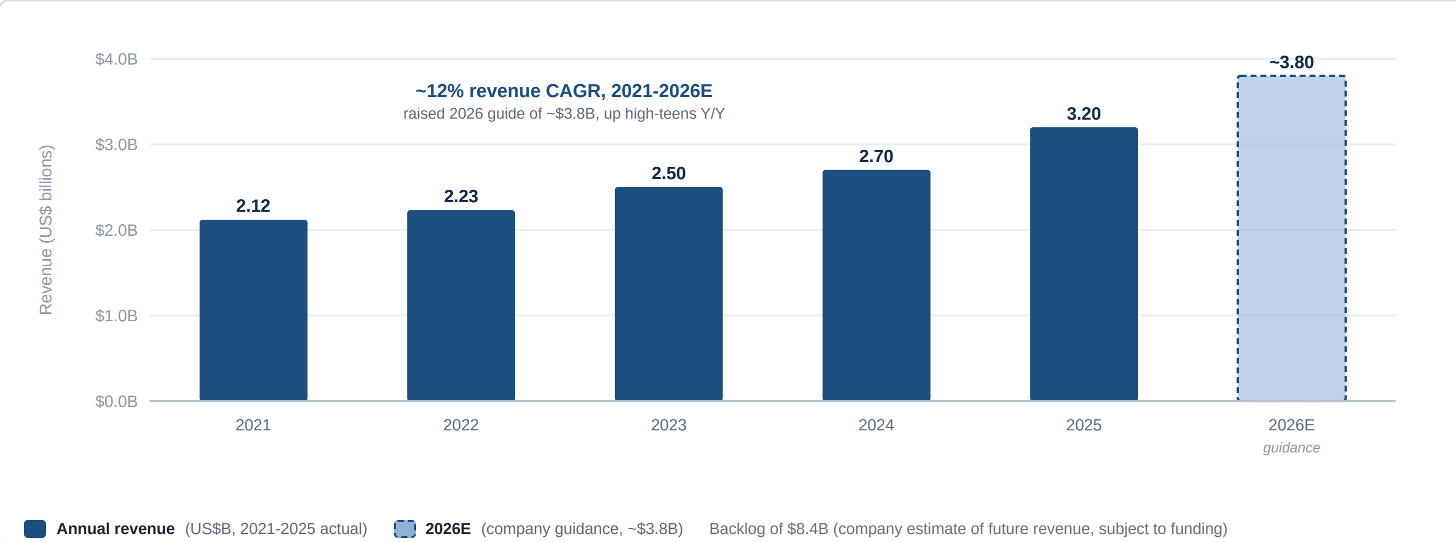
Full Excel model - linked tabs (segment build, Navy backlog and program schedule, Commercial/Kinectics/PCG model, guidance bridge, valuation, source tie-outs) - available on request. Email **info@blackspearllc.com** for a copy.

BWX Technologies (NYSE: BWXT) - Valuation, Nuclear Growth & Key Risks

A long-cycle nuclear supplier anchored by the U.S. Navy's nuclear propulsion program, with fast-growing commercial nuclear, fuel, and medical-adjacent businesses. An $8.4B backlog (up 40%) and a raised 2026 guide are the bull case; premium valuation multiples, heavy reliance on federal funding, and a share price that has fallen to near its 52-week low are the risks.

Revenue history from BWXT's filings; the 2026 figure is company guidance; multiples are Blackspear calculations. Nothing here is a Blackspear price target or recommendation.

ANNUAL REVENUE, 2021 - 2026E (2026 IS COMPANY GUIDANCE)



Revenue has compounded at roughly 12% a year from 2021 to the 2026 guidance midpoint, driven by U.S. Navy nuclear propulsion demand and commercial nuclear growth (Commercial revenue +72% this quarter). The 2026 figure is the company's own raised guidance (~$3.8B), which now includes PCG and excludes the medical business being sold; it is an estimate, not an actual result.

FORWARD P/E	EV / EBITDA	TOTAL BACKLOG	OFF 52-WK HIGH
~31x	**~23x**	**$8.4B**	**~-38%**
on 2026 non-GAAP EPS	on 2026E ~$667M	+40% YoY	$149 vs $242 high

VALUATION & GROWTH

Recent price (NYSE)	**~$149.52**
Market cap / EV	**~$13.7B / ~$15.1B**
Non-GAAP EPS (2025 / 2026E)	**$4.01 / $4.70-4.80**
Trailing P/E (GAAP)	**~39x**
Forward P/E (2026 non-GAAP mid)	**~31x**
EV / EBITDA (2026E ~$667M)	**~23x**
Net debt / EBITDA (2026E)	**~2.1x**
Total backlog / dividend yield	**$8.4B · ~0.7%**

A LONG-CYCLE NUCLEAR SUPPLIER AT A PREMIUM MULTIPLE

LONG-CYCLE GROWTH, AT A PREMIUM VALUATION

An $8.4B backlog, priced at ~31x forward earnings

BWXT trades near $15.1B enterprise value, about 31x forward earnings and 23x its 2026 adjusted-EBITDA guidance, with modest ~2.1x leverage. Bulls point to a record $8.4B backlog, multi-year U.S. Navy programs, roughly 12% revenue compounding, fast Commercial growth (72% this quarter), the PCG deal, and a raised 2026 guide. Bears note the multiple is rich even after a fall to near the 52-week low, revenue leans heavily on federal budgets and Navy timing, Government margins slipped this quarter, and the portfolio is being reshaped through a medical-business sale and acquisitions still to be integrated. This frames both sides; it is not a Blackspear view.

TOP RISK FACTORS - SUMMARIZED FROM THE COMPANY'S FILINGS

- **Government funding and concentration.** A large share of revenue depends on U.S. Navy nuclear propulsion and other federal programs; continuing resolutions, budget cuts, the debt ceiling, government shutdowns, and shifting funding or acquisition priorities could delay awards, funding, or payments.
- **Contract execution, timing and mix.** Long-cycle contracts carry cost, schedule, and estimate-to-complete risk; timing of awards and contract adjustments swings quarterly results (Government adjusted EBITDA fell 5% this quarter), and unfavorable mix can pressure margins.
- **Acquisitions and portfolio reshaping.** The PCG acquisition and other deals carry integration, cost, and goodwill risk; the announced sale of the medical business (valued at up to $800M) is subject to its terms and conditions, and the reshaping could distract management or fall short of expectations.
- **Premium valuation and de-rating risk.** The shares trade at premium multiples (~31x forward earnings) that assume continued growth and execution; the stock has already fallen roughly a third from its 52-week high, and any growth, funding, or margin disappointment could compress the multiple further.
- **Commercial nuclear and advanced-reactor demand.** Commercial growth depends on utility capital spending, new-build and small modular reactor timelines, fuel and isotope demand, and regulatory approvals, all of which can slip, reducing the pace of the commercial ramp.
- **Nuclear safety, regulatory, supply chain and labor.** Nuclear operations carry safety, environmental, licensing, and liability risk; the business relies on specialized facilities, materials, and skilled labor, and disruptions, incidents, or regulatory changes could halt production or raise costs.

On the numbers. Reported results are from BWXT's Q2 2026 earnings release, earnings-call presentation, and Form 10-Q (US GAAP, US dollars). The chart shows annual total revenue for 2021-2025 (actual) and the company's raised 2026 guidance midpoint (~$3.8B); the ~12% figure is the compound annual growth rate from 2021 to the 2026 guidance. Adjusted EBITDA, non-GAAP EPS, and free cash flow are company-defined non-GAAP measures; GAAP net income was $89.1M and GAAP EPS $0.97 for the quarter. Net debt is long-term debt of about $2,019.9M less cash of about $608.2M; enterprise value is market capitalization plus net debt. EV/EBITDA uses the 2026 adjusted-EBITDA guidance midpoint (~$667M); forward P/E uses the 2026 non-GAAP EPS guidance midpoint (~$4.75). All are mechanical Blackspear calculations, not estimates, price targets, or recommendations.