In 2015, CB&I’s success was driven by our excellence in safety and execution, and a fully integrated and diversified business model that is unmatched in our industry. We also pursued key strategies to drive long-term success and deliver value to our shareholders.

We completed the sale of our nuclear construction business, improved our outlook on cash flow generation, booked quality backlog and exceeded our cost-savings goals. Going forward we are well positioned to:

- **Deliver value to CB&I’s shareholders** through sustainable growth, strong cash flow generation, share repurchases, stable dividends and risk management
- **Optimize CB&I’s balance sheet** by reducing leverage and strategically allocating capital
- **Maintain our leadership position in the energy infrastructure industry** through investments in technology and fabrication

And we are confident that these strategies along with our business model — one that is a model of strength — will translate to continued success in 2016.

Philip K. Asherman  
President and Chief Executive Officer

L. Richard Flury  
Non-Executive Chairman  
Former Chief Executive Officer - Gas, Power and Renewables, BP plc
2015 was an important year for CB&I. We reached multiple milestones around the world while adhering to our fundamentals, strengthening our capabilities in key growth areas, winning new awards that contributed to our quality backlog and achieving solid financial results.

CB&I’s long track record of execution excellence continued throughout 2015 and is a result of our dedication to three principles: safety, ethics and teamwork. These core values are the pillars of our culture, and they dictate how we work around the world.

Our fully integrated and diversified business model, along with our direct-hire and self-perform capabilities, maximized the profitability opportunity in our backlog, and provided us the visibility and selectivity to pursue the right opportunities. CB&I has the flexibility to work on a project at any given point — technology selection, front-end engineering and design (FEED), procurement, fabrication, storage, construction, operations and maintenance, decommissioning — or for the entire life cycle of the project.
In 2015, we completed several strategic achievements as part of our capital strategy that position the company for the future.

We completed the sale of our nuclear construction business to Westinghouse Electric Company. This transaction provides shareholders clarity and increased predictability from our growing backlog of work in markets that are more strategic to our future growth. It also is consistent with our strategy to give our leadership better ability to focus on strategic priorities and strengthen our position in key growth markets such as liquefied natural gas (LNG), petrochemicals and fossil power.
Our share repurchases and dividends in 2015 totaled $250 million, with $220 million of stock repurchases and $30 million of dividend payments. In addition, we achieved cost-savings in excess of $190 million over the past three years by leveraging synergies, increasing operating efficiencies and rationalization of facilities.

We also made significant progress in developing our NET Power technology, increasing our catalyst capacity and advancing other strategic investments in technology and fabrication.

Another key factor that helped position CB&I for long-term success was our exceptional workforce of 42,000. With their commitment and expertise, we have developed and maintained long-standing relationships with our employees for more than 125 years.
EAGLE VALLEY COMBINED-CYCLE GAS TURBINE STATION

$190 M
COST-SAVINGS ACHIEVED FROM 2013-2015 MILLION
SAFETY

CB&I’s most important core value is safety, and every day our employees work together toward one goal above all others: nobody gets hurt. In 2015, we achieved a lost-time incident (LTI) rate of 0.01 for 140 million work hours, so our LTI rate translates to just one LTI for every 17.5 million hours on the job.

Our proactive and unyielding companywide commitment to safety has earned CB&I numerous awards. In April 2015, I had the honor of accepting the Green Cross for Safety medal on behalf of all CB&I employees. This award, given by the National Safety Council, is the highest honor a company can receive in recognition of outstanding safety performance, and we are especially proud to be the first recipient in our industry.

We are also extremely proud of our record-breaking safety performance on the REFICAR refinery expansion in Colombia, which achieved more than 110 million work hours without an LTI. We trained more than 17,000 Colombian craft workers for the recently completed, self-performed, multibillion-dollar project.
We firmly believe that safety is critical to our business, not only to our values as a company, but also to our employees and customers. For CB&I’s employees, our safety record reassures them that they work for a company that puts their safety above all else. They know they are working for a company with a proven, proactive approach to safety that is implemented at every CB&I office, facility, project or job site.

For CB&I’s customers, our safety record is a good indicator of the company’s ability to operate efficiently, minimize risk and comply with safety laws and regulations, which translates to economic advantages for our customers and helps us acquire new work.
FINANCIAL RESULTS

We ended 2015 with an improved outlook on operating cash generation, which will drive our capital allocation strategies of delivering value to our shareholders by optimizing our balance sheet and supporting strategic growth. Our adjusted earnings were $5.86* per diluted share, excluding the impact of the sale of our nuclear construction business.

Revenue for the year was $13 billion, which is good, but short of our expectations due primarily to foreign exchange translation from a strong dollar and new awards that did not materialize during the year.

At the end of 2015 our backlog was $23 billion. Our quality backlog has a healthy burn rate, strong underpinning and a favorable contract mix, providing a strong base for future revenues.

Our $13 billion in new awards in 2015 highlights the diversity of our end markets, versatility of our offerings and our global reach. Noteworthy bookings included the engineering and construction of two ethane crackers on the U.S. Gulf Coast for Axiall-Lotte and Shintech; an ethane cracker and associated units in the Middle East for ORPIC; an additional liquefaction train for our Freeport LNG project in Texas; a combined-cycle gas turbine plant on the Gulf Coast; construction services for a petrochemical derivatives plant in the U.S for Lotte; maintenance of a variety of power and industrial facilities globally; fabrication of low-temperature storage tanks and spheres in the U.S.; storage tanks for a clean fuels project in the Middle East; pipe fabrication for petrochemical and LNG facilities on the Gulf Coast; engineered products for a refinery in Russia and a hydrotreater in the U.S.; technology licensing for an ethylene plant on the Gulf Coast and a hydroprocessing facility in Asia; refining and petrochemical catalysts in North America and Africa; and numerous strategic technology licenses and catalysts sales globally.

Additionally, we were selected by Anadarko for the initial phase of the Mozambique LNG development. We are working closely with Anadarko to support them in the process to get this project on its way, and we are encouraged by Anadarko’s progress with the Mozambican government and structuring of the financing for this initial development.
**NEW AWARDS** (Billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$12.3</td>
<td>$16.3</td>
<td>$13.1</td>
</tr>
</tbody>
</table>

**TOTAL REVENUE** (Billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$11.1</td>
<td>$13.0</td>
<td>$12.9</td>
</tr>
</tbody>
</table>

**ADJUSTED NET INCOME*** (Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$527.4</td>
<td>$568.7</td>
<td>$630.7</td>
</tr>
</tbody>
</table>

**ADJUSTED EARNINGS PER SHARE*** (Diluted)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$4.91</td>
<td>$5.21</td>
<td>$5.86</td>
</tr>
</tbody>
</table>

* Adjusted net income and adjusted earnings per share in 2015 exclude the impact of the sale of our nuclear construction business. Adjusted net income and adjusted earnings per share in 2014 and 2013 exclude acquisition and integration-related costs. See GAAP Reconciliation on page 32.
A MODEL OF STRENGTH

As we head into 2016, the majority of our revenue for the year is already in our $23 billion backlog, and the key prospects we are forecasting continue to be supported by long-term market conditions. While we anticipate some project delays, we remain confident in our ability to convert prospects into high-quality backlog.

CB&I’s business model is a model of strength. A key source of this strength is our integrated project delivery model, which maximizes profitability opportunities for our backlog and other capital projects. We fully integrate technology, products and services on the world’s largest, most complex projects. This gives us the ability to control the critical activities of our customers’ projects and provide them with more efficient execution strategies and schedule assurance.

CB&I’s four operating groups — Technology, Engineering & Construction, Fabrication Services and Capital Services — all have unique commercial characteristics that strengthen the company’s success and help offset market cyclicalcy. For example, our Technology operating group provides higher margins and recurring revenues, as well as early access to customers and insight into their future capital investments.
In 2016, we will continue to be selective in the work we pursue and the customers we work with, apply our fully integrated project delivery model and maintain our track record of execution excellence. We will focus on returning value to our shareholders by optimizing our balance sheet, generating stronger cash flows, sustaining solid operating margins, booking quality backlog, maintaining strong execution, being financially agile and investing strategically.

Thank you for your continued support.

Philip K. Asherman
President and Chief Executive Officer
HOURS WORKED AT REFICAR WITHOUT A LOST-TIME INCIDENT

110,296,910
PROVING ZERO IS ACHIEVABLE

CB&I recently completed the Refineria de Cartagena S.A. (REFICAR) project in Cartagena, Colombia. Booked in 2009, the massive 1.25 square mile expansion project has more than doubled the refinery’s production capacity to 165,000 barrels per day. The project has relieved regional refining constraints by enabling REFICAR to produce ultra-low sulfur gasoline and diesel from heavy, high-sulfur crudes for both domestic use and export.

As the single contractor for one of the largest projects ever undertaken in Colombia, CB&I completed more than 110 million work hours without a lost-time incident (LTI). CB&I achieved this significant safety milestone by following our safety training programs, policies and procedures to ensure that nobody gets hurt.

During the course of the project, CB&I’s team implemented comprehensive strategies to increase safety awareness, enhance self-improvement and create constant reminders of the importance of safety. Our observation process empowered everyone on-site to observe their co-workers for the purpose of identifying and eliminating at-risk behaviors.

The entire CB&I team had the authority to stop work at any time if they saw an unsafe act, and work could not continue until a safe course of action was identified. If employees saw something that needed to be corrected, they turned in an observation card outlining the at-risk situation, and prompt action was taken to correct the situation and educate the project team. These are just some of the companywide safety procedures that have helped us protect our employees and achieve one of the best safety records in the industry year after year. No matter the size or location of a project, CB&I’s Health, Safety and Environmental systems, policies and procedures help us identify risk and eliminate it before an incident occurs. Our employees have played an essential role in helping CB&I build an excellent reputation for safety. Thanks to everyone who made it possible to achieve more than 110 million work hours without an LTI at the REFICAR project.
COLOMBIAN CRAFT WORKERS TRAINED AND EMPLOYED FOR THE REFICAR PROJECT
BALANCED

FOUR
FULLY INTEGRATED OPERATING GROUPS

80%
OF LARGE CONSTRUCTION PROJECTS INVOLVED INTEGRATED OFFERINGS FROM MULTIPLE OPERATING GROUPS
CB&I DELIVERS VALUE THROUGH FOUR OPERATING GROUPS – TECHNOLOGY, ENGINEERING & CONSTRUCTION, FABRICATION SERVICES AND CAPITAL SERVICES.

Each of these groups has different operating and commercial characteristics and the capability to deliver solid margins from their respective markets. Their services also can be integrated for a project, which significantly enhances our total profitability while providing additional value to our customers by having a single focus approach and maximum control over costs, quality and schedule certainty.

CB&I’s diverse portfolio serves a focused set of end markets, enabling us to sustain the earnings stability our investors and shareholders demand. We also maintain a fully integrated, direct hire approach, which maximizes our control of all of the critical elements on a project. Our direct access to labor and ability to closely control the execution of large projects, through self-perform capabilities and other key project activities, continue to drive our overall competitiveness.

When you look at global capital expenditures, CB&I has an opportunity to work on virtually every energy project in the world. Whether pursuing the prime contract with our fully integrated offerings or providing technology, pipe fabrication, storage tanks, modules, engineering, procurement and construction, or operations and maintenance, we are well positioned to serve project opportunities worldwide.
BALANCED

3,500 TECHNOLOGY PATENTS AND PATENT APPLICATIONS

50.4 MILLION TONNES PER ANNUM
LNG FACILITY CAPACITY CURRENTLY BEING BUILT BY CB&I

ONE BILLION
GALLONS OF WATER TREATED AT HUDSON RIVER REMEDIATION PROJECT
World's largest pipe fabrication capacity

50,000
Approximate number of storage structures built by CB&I

17 million lbs
Hydroprocessing catalysts delivered by CB&I

Nearly 40%
CB&I's share of maintenance services for all nuclear operating units in the U.S.
CB&I’s Work Hours Around the World in 2015

139,769,354
OVER 1,000
ACTIVE PROJECTS WORLDWIDE

130 COUNTRIES
WHERE CB&I HAS EXECUTED PROJECTS

42,000 EMPLOYEES
TALENTED AND DEDICATED WORKFORCE

EXPERIENCED
2,000 Employees hired in 2015 who served in U.S. Armed Forces

125+ Years Experience

7 Continents
CB&I’s Global Project Experience
CB&I designs, engineers and constructs some of the world’s largest energy infrastructure projects, providing a spectrum of fully integrated proven process technologies and engineering, procurement and construction solutions, operations and maintenance, as well as a comprehensive package of aftermarket services. From liquefied natural gas, petrochemicals, gas processing, refining, offshore, oil sands, power, technology, storage, fabrication, environmental, infrastructure and government services, our solutions can be tailored to meet a customer’s needs, and our ability to execute extends throughout their project’s life cycle.
CB&I is currently building a new natural-gas-fired power generation facility, the Eagle Valley Combined-Cycle Gas Turbine Station, in Martinsville, Indiana, for AES Corporation subsidiary Indianapolis Power & Light Company. The 671-megawatt unit will generate electricity more efficiently and with fewer environmental emissions than the retiring Eagle Valley coal plant. The plant will reduce the rate of sulfur dioxide (SO₂), nitrogen oxide (NOx) and particulate matter emissions by more than 98 percent as compared to the retiring Eagle Valley units. Virtually all mercury, lead and fluoride emissions will be eliminated, and water use will be reduced by 97 percent.
CB&I is currently building a world-class, 1.2 billion-pound per year capacity ethane cracker at the OxyChem plant in Ingleside, Texas, along with surface facilities at the salt cavern storage location in Markham, Texas, for a joint venture between OxyChem and Mexichem. Ethylene produced from the cracker will be used to manufacture vinyl chloride monomer, which will be delivered to Mexichem to produce polyvinyl chloride (PVC) and PVC piping systems. The plant will enable both companies to take advantage of shale gas development from the Eagle Ford Shale energy play, while being safeguarded by a set supply of ethylene. The facility is scheduled for startup in 2017.
CB&I, along with our joint venture partner, Chiyoda International Corporation, is providing engineering, procurement and construction for the addition of natural gas liquefaction and export facilities to an existing LNG regasification facility in Hackberry, Louisiana, for Cameron LNG LLC. The project includes three liquefaction trains with a nameplate capacity of approximately 4.5 million tonnes per year each, plus the planned expansion for train four. The total contract value for the first three trains is approximately $6 billion, and the project will provide economic benefits to the U.S., create jobs, support small businesses and provide U.S. trading partners with clean-burning natural gas.
CB&I’s Supervisory Board represents the interests of the company’s shareholders. The board is responsible for corporate governance, maximizing long-term shareholder value and ensuring CB&I operates in compliance with all applicable laws and regulations and to the highest standards of ethical business conduct.

COMMITTEES

AUDIT
Michael L. Underwood, Deborah M. Fretz, Larry D. McVay, James H. Miller and Marsha C. Williams

ORGANIZATION & COMPENSATION
W. Craig Kissel, James R. Bolch, Deborah M. Fretz and Michael L. Underwood

CORPORATE GOVERNANCE
Larry D. McVay, James R. Bolch, L. Richard Flury, Deborah M. Fretz, W. Craig Kissel, James H. Miller, Michael L. Underwood and Marsha C. Williams

Committee chairpersons denoted in bold.
STRATEGIC INITIATIVES
L. Richard Flury, Larry D. McVay and James H. Miller

NOMINATING
Marsha C. Williams, James R. Bolch, L. Richard Flury and W. Craig Kissel
CB&I’s executive management team is responsible for setting the strategic course and leading the company with a relentless goal of increasing shareholder value, while driving business in a manner consistent with our core values of safety, ethics and teamwork.
**GAAP RECONCILIATION**

*(in thousands, except per share data)*

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADJUSTED INCOME FROM OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Loss) income from operations</td>
<td>$(425,117)</td>
<td>$ 982,608</td>
<td>$ 684,508</td>
</tr>
<tr>
<td>Charges related to sale of nuclear operations</td>
<td>1,505,851</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Acquisition and integration related costs</td>
<td>—</td>
<td>39,685</td>
<td>95,737</td>
</tr>
<tr>
<td><strong>Adjusted income from operations</strong></td>
<td>$ 1,080,734</td>
<td>$ 1,022,293</td>
<td>$ 780,245</td>
</tr>
<tr>
<td>Adjusted % of Revenue</td>
<td>8.4%</td>
<td>7.9%</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

| **ADJUSTED NET INCOME ATTRIBUTABLE TO CB&I** |       |       |       |
| Net (loss) income attributable to CB&I | $(504,415) | $ 543,607 | $ 454,120 |
| Charges related to sale of nuclear operations, net of tax | 1,135,140 | — | — |
| Acquisition and integration related costs, net of tax | — | 25,088 | 73,316 |
| **Adjusted net income attributable to CB&I** | $ 630,725 | $ 568,695 | $ 527,436 |

| **ADJUSTED NET INCOME ATTRIBUTABLE TO CB&I PER SHARE** |       |       |       |
| Net (loss) income attributable to CB&I | $(4.72) | $ 4.98 | $ 4.23 |
| Charges related to sale of nuclear operations, net of tax | 10.58 | — | — |
| Acquisition and integration related costs, net of tax | — | 0.23 | 0.68 |
| **Adjusted net income attributable to CB&I per share** | $ 5.86 | $ 5.21 | $ 4.91 |

---

(1) The twelve month period ended December 31, 2015, includes $1,505,851 of non-cash charges related to the sale of our nuclear construction business, less the tax impact of $370,711. The unadjusted per share amount for the twelve month 2015 period is based upon diluted weighted average shares that are equivalent to our basic weighted average shares of 106,766, due to the net loss for the period. The adjusted per share amount for the twelve month 2015 period is based upon diluted weighted average shares of 107,719.

(2) The twelve month period ended December 31, 2014, includes $39,685 of integration related costs, less the tax impact of $14,597. The unadjusted and adjusted per share amounts for the twelve month 2014 period are based upon diluted weighted average shares of 109,122.

The twelve month period ended December 2013, includes $95,737 of acquisition and integration-related costs, as well as $10,517 of acquisition related pre-closing financing costs and one-time financial commitments (both included in interest expense). This cost totals $106,254, less the tax impact of $32,938. The unadjusted and adjusted per share amounts for the twelve month 2013 period are based upon diluted weighted average shares of 107,452.