

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

The following table sets forth Selected Consolidated Financial and Other Data for the periods and as of the dates indicated. The selected consolidated income statement and cash flow data for each of the years in the five-year period ended December 31, 1999 and the selected consolidated balance sheet data as of December 31, 1999, 1998, 1997, 1996 and 1995 have been derived from the audited consolidated financial statements of Chicago Bridge & Iron Company N.V. and Subsidiaries (the "Company").

(In thousands, except share and employee data)

| Years Ended December 31, | POST-PRAXAIR ACQUISITION ⁽¹⁾ | | | | PRE-PRAXAIR ACQUISITION ⁽¹⁾ |
|--|---|------------|------------|------------|---|
| | 1999 | 1998 | 1997 | 1996 | 1995 |
| INCOME STATEMENT DATA | | | | | |
| Revenues | \$ 674,770 | \$ 775,692 | \$ 672,811 | \$ 663,721 | \$ 621,938 |
| Cost of revenues | 598,335 | 703,363 | 609,173 | 590,030 | 614,230 |
| Gross profit | 76,435 | 72,329 | 63,638 | 73,691 | 7,708 |
| Selling and administrative expenses | 49,849 | 46,959 | 44,988 | 42,921 | 43,023 |
| Management Plan charge ⁽²⁾ | — | — | 16,662 | — | — |
| Special charge ⁽³⁾ | — | — | — | — | 5,230 |
| Other operating income, net ⁽⁴⁾ | (2,788) | (991) | (4,807) | (493) | (10,030) |
| Income (loss) from operations | 29,374 | 26,361 | 6,795 | 31,263 | (30,515) |
| Interest expense | (2,980) | (3,488) | (3,892) | (5,002) | (799) |
| Interest income | 766 | 1,616 | 1,416 | 990 | 1,191 |
| Income (loss) before taxes and minority interest | 27,160 | 24,489 | 4,319 | 27,251 | (30,123) |
| Income tax (expense) benefit | (7,605) | (7,347) | 730 | (7,789) | 8,093 |
| Income (loss) before minority interest | 19,555 | 17,142 | 5,049 | 19,462 | (22,030) |
| Minority interest in (income) loss | (1,171) | (105) | 354 | (2,900) | (3,576) |
| Net income (loss) | \$ 18,384 | \$ 17,037 | \$ 5,403 | \$ 16,562 | \$ (25,606) |
| PER SHARE DATA | | | | | |
| Net income—basic ⁽⁵⁾ | \$ 1.67 | \$ 1.41 | \$ 0.43 | N/A | N/A |
| Net income—diluted ⁽⁵⁾ | 1.65 | 1.40 | 0.43 | N/A | N/A |
| Dividends ⁽⁵⁾ | 0.24 | 0.24 | 0.18 | N/A | N/A |
| BALANCE SHEET DATA | | | | | |
| Total assets | \$ 337,325 | \$ 348,709 | \$ 400,650 | \$ 351,496 | \$ 356,125 |
| Long-term debt | 25,000 | 5,000 | 44,000 | 53,907 | — |
| Total shareholders' equity | 104,410 | 101,656 | 103,826 | 90,746 | 186,507 |
| Contract capital ⁽⁶⁾ | 78,859 | 76,969 | 95,243 | 121,926 | 109,503 |
| CASH FLOW DATA | | | | | |
| Cash flow from operating activities | \$ 22,461 | \$ 50,824 | \$ 40,407 | \$ 25,159 | \$ (36,806) |
| Cash flow from investing activities | (8,911) | (2,142) | (21,907) | (11,348) | 1,554 |
| Cash flow from financing activities | (779) | (53,286) | (20,124) | (14,797) | 32,012 |
| OTHER FINANCIAL DATA | | | | | |
| Depreciation and amortization | \$ 17,765 | \$ 17,710 | \$ 16,911 | \$ 17,281 | \$ 16,077 |
| EBITDA ⁽⁷⁾ | 47,139 | 44,071 | 40,368 | 48,544 | (9,208) |
| Capital expenditures | 13,450 | 12,249 | 34,955 | 20,425 | 14,880 |
| OTHER DATA | | | | | |
| Number of employees: | | | | | |
| Salaried | 1,378 | 1,525 | 1,464 | 1,516 | 1,663 |
| Hourly and craft | 4,288 | 4,928 | 4,630 | 4,432 | 3,483 |
| New business taken ⁽⁸⁾ | \$ 716,499 | \$ 760,989 | \$ 757,985 | \$ 687,227 | \$ 782,878 |
| Backlog ⁽⁸⁾ | 510,614 | 507,783 | 554,982 | 485,704 | 470,174 |

FOOTNOTES FOR PREVIOUS TABLE

⁽¹⁾ Prior to the first quarter of 1996, Chicago Bridge & Iron Company and Subsidiaries ("CB&I") was a subsidiary of CBI Industries, Inc. ("Industries"). During the first quarter of 1996, pursuant to a merger agreement dated December 22, 1995, Industries became a subsidiary of Praxair, Inc. ("Praxair"). This merger transaction was reflected in the consolidated financial statements of CB&I as a purchase effective January 1, 1996. The application of purchase accounting resulted in changes to the historical basis of various assets. Accordingly, the information provided for periods prior to January 1, 1996 is not comparable to subsequent financial information.

⁽²⁾ Upon consummation of the Offering (Note 1), the Company made a contribution to the Management Plan in the form of 925,670 Common Shares having a value of \$16.7 million. Accordingly, the Company recorded expense of \$16.7 million (the "Management Plan charge"—Note 9) in 1997.

⁽³⁾ In 1995, CB&I recorded a special charge of \$5.2 million comprised of \$0.8 million for work force reduction and \$4.4 million for the write-down of an idle facility and other related costs.

⁽⁴⁾ Other operating income, net generally represents gains on the sale of property, plant and equipment. 1997 was favorably impacted by non-recurring income of approximately \$4.0 million from the recognition of income related to a favorable appeals court decision and the resolution of disputed liabilities. In addition, 1997 includes \$1.6 million gain from the sale of assets, primarily from the sale of the Cordova, Alabama, manufacturing facility. The gain recorded in 1995 primarily relates to the sale of certain underutilized facilities.

⁽⁵⁾ The Reorganization (Note 1) was completed in March 1997 and did not materially affect the carrying amounts of the Company's assets and liabilities. The Reorganization is reflected in the Company's financial statements as of January 1, 1997. Also in March 1997, the Company completed a common share offering (the "Offering"—Note 1). Thus, net income per share and dividend data are not applicable for years prior to 1997.

⁽⁶⁾ Contract capital is defined as contract receivables plus net contracts in progress less accounts payable.

⁽⁷⁾ EBITDA is defined as income (loss) from operations plus the Management Plan charge, plus special charges, plus depreciation and amortization expenses. While EBITDA should not be construed as a substitute for operating income (loss) or a better measure of liquidity than cash flow from operating activities, which are determined in accordance with United States GAAP, it is included herein to provide additional information regarding the ability of the Company to meet its capital expenditures, working capital requirements and any future debt service. EBITDA is not necessarily a measure of the Company's ability to fund its cash needs, particularly because it does not include capital expenditures. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

⁽⁸⁾ New business taken represents the value of new project commitments received by the Company during a given period. Such commitments are included in backlog until work is performed and revenue recognized or until cancellation. Backlog may also fluctuate with currency movements.