

TREVI Group

2016 First Half Results

Ended 30th June 2016

CONFERENCE CALL

Cesena, 30th August 2016



1. *TREVI Group*

2. 1H 2016 Financial Results

3. Q&A

4. Appendix

TREVI-Finanziaria Industriale S.p.A.

TREVI Group

TREVI

Special foundation services

€278,1m



Oil drilling rigs

€92,2m

1H16 Revenues

soilmeco
Drilling and Foundation Equipment

Special foundation rigs

€124,5m

Petreven

Oil drilling services

€50,6m

TREVI

Special foundation services

€278,1m

1H16 Revenues



Geotechnical Works



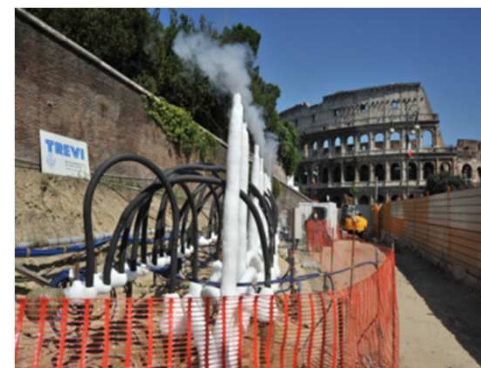
Environment



Marine Works



Deep Foundations



Tunnel Consolidation



Special foundation rigs

€124,5 mln

1H16 Revenues

SR-LDP series

Hydraulic drilling rig optimally designed to give you the best drilling performance.



Hydromill series

Hydromill with hose wheels and hose drum design for deep diaphragm walls



SC series

Heavy duty hydraulic crawler crane for different foundation technologies



SM series

Hydraulic drilling rig designed to perform: micropiles, anchors, water wells, coring and consolidations with jet grouting



TREVI Group



Land Rigs



Hydraulic Drilling Rigs



Mud Pumps



Drawworks



Modular Offshore



Conventional Packages



AHEAD Rigs



Top Drives



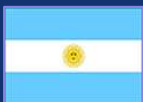
Oil drilling rigs

€92,2m

1H16 Revenues

ARGENTINA:

7 RIGS HH102



2 RIGS HH220



PERU':

2 RIGS HH102



CILE:

1 RIG HH220

1 RIG HH102



1 WO HH102

VENEZUELA:

1 RIG HH200

1 RIG HH300



COLOMBIA:

1 RIGS HH200

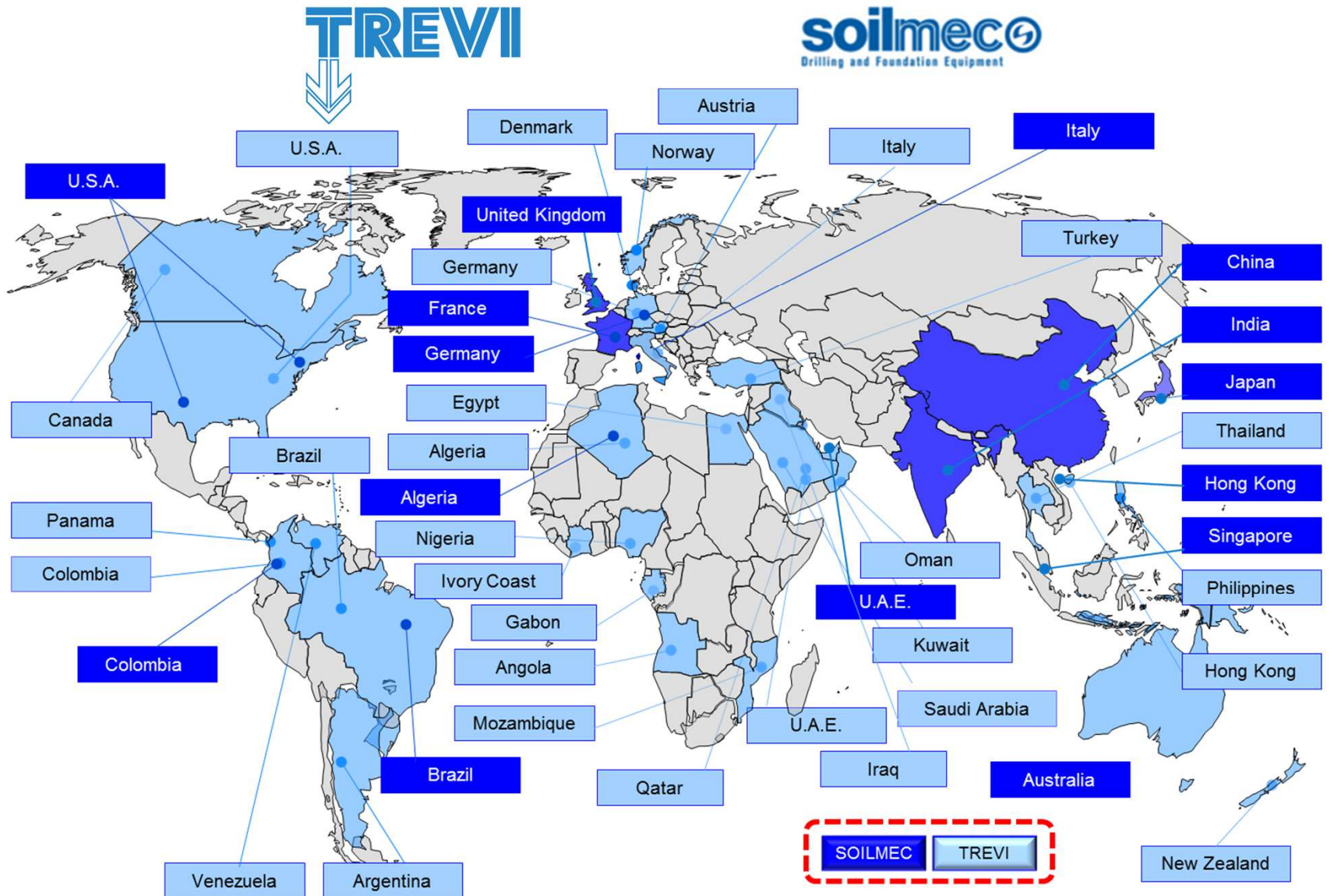


Oil drilling services

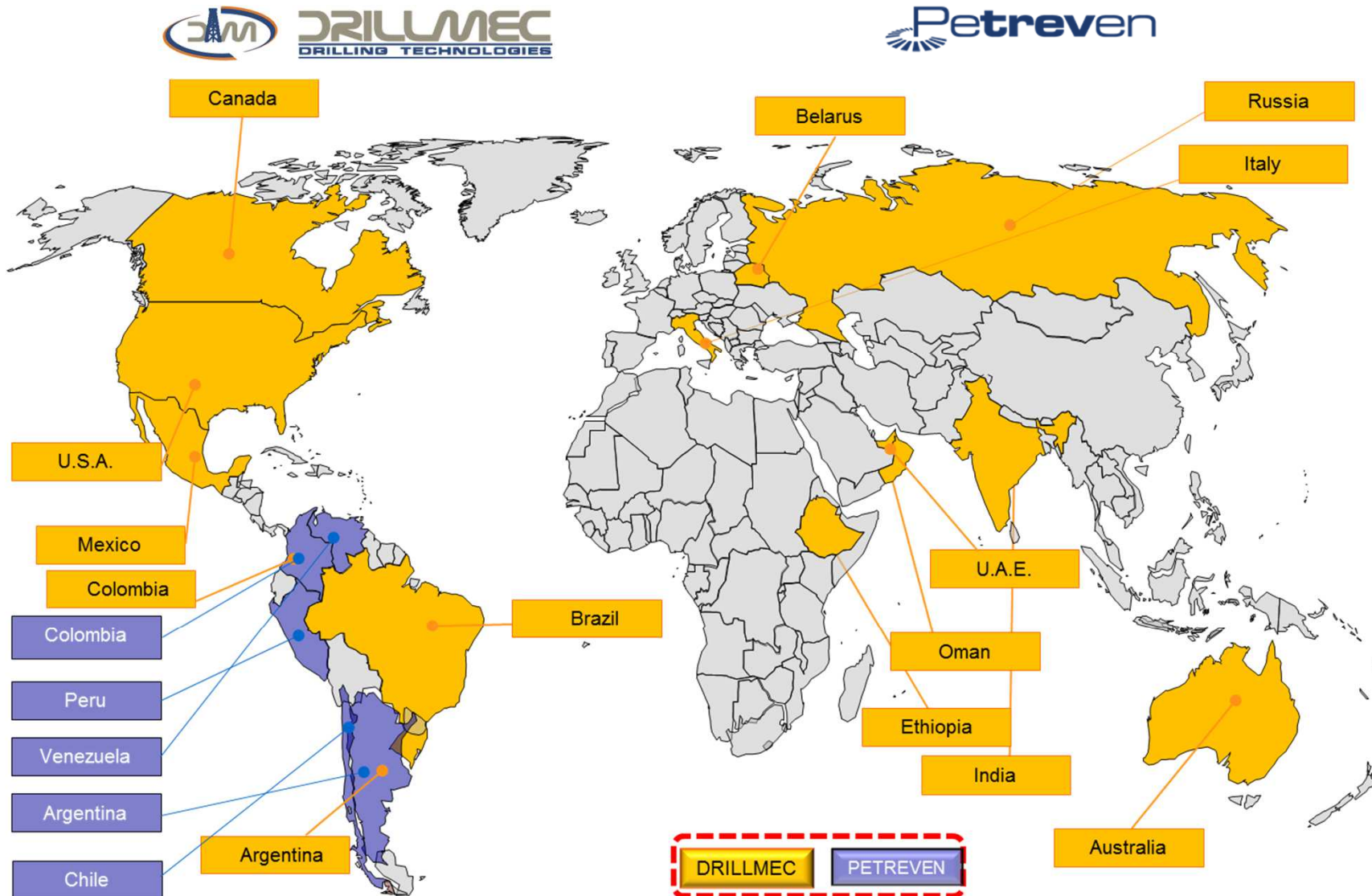
€50,6m

1H16 Revenues

Foundations Sector



Oil & Gas Sector



Group's Divisions Overlook



- Strong cash generation
- Very strong order intake in the first half;
- Trevi Division hard backlog represents 77% of total; it increased to 829 million Euros from 585 (first half 2015);
- The quality of hard backlog is represented by higher than in recent past implicit margins;
- Good level of operating margins are expected to be achieved in 2H16;
- Positive trends in international construction markets and in particular in infrastructure sector;



- 8,6% HoH increase in revenue,
- Strong improvement in margins, due to better market conditions and higher efficiency in production and commercial process;
- Positive feedback from international clients in Bauma Exhibition, the largest event in the Industry;
- High Technology new line of products introduced at the Bauma Exhibition are expected to generate increased volume of sales and margins;
- Investment in HIT products is securing new markets segments and major opportunities;

Group's Divisions Overlook



- Continued strong volatility and uncertainty in O&G. Price per barrel of petrol (Brent) increased to more than 50 dollars from the minimum of 28 touched in January (plus 79% in 8 months);
- Negotiations in progress for supply of rigs in different geographic area expected to be concluded in second half;
- HoH 39% decrease in revenues due to market conditions;
- Drillmec is waging on a reorganization plan and cost cutting, started in October 2015, which will bring major results in second half;
- Management is focused in improving services and is offering to clients maintenance, training and engineering through medium terms contracts to improve profitability of operating drilling rigs;
- Planned investments in R&D for increasing operation efficiency and controls (DMS remote, Shale Oil design);
- Management is focused on working capital decrease through better management of credits



- Struggling with decreased rig utilization rate
- Marginality challenged by more uncertain environment
- Negotiating contracts renewals to secure continuing operations

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Financial Highlights

Revenues

€519m

Ebitda

€62m

Ebit

€26m

Net Result

€-24m

Backlog

€1.074m

Net Financial Position

€396m

Financial Highlights 1H16 yoy

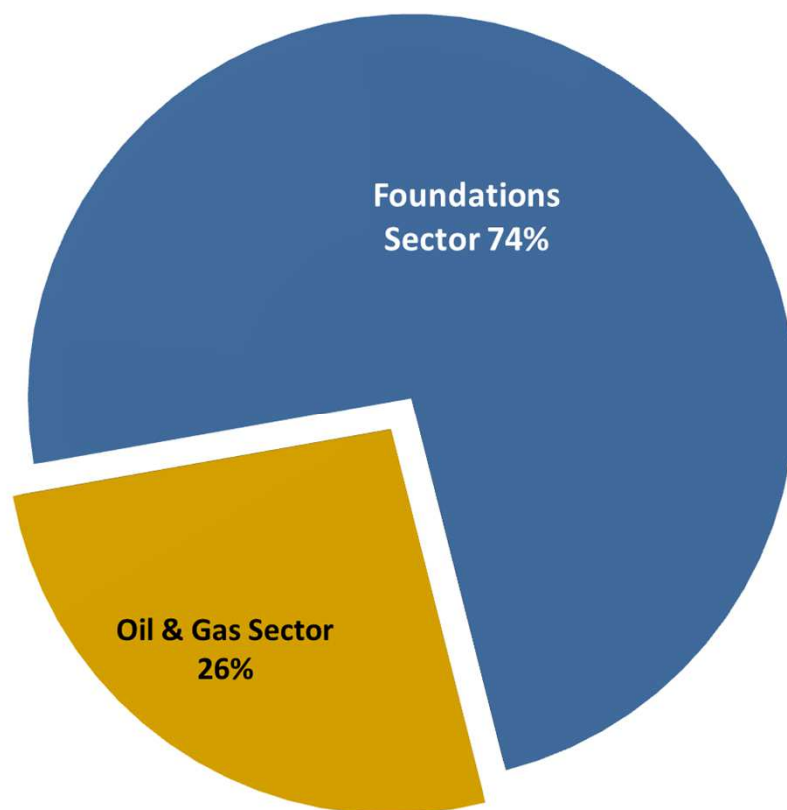
	1H16	%	1H15	%
VALUE OF PRODUCTION	557,9		627,5	
REVENUES	519,3	100,0%	601,1	100,0%
EBITDA	62,3	12,0%	(48,8)	-8,1%
EBIT	25,6	4,9%	(104,5)	-17,4%
FINANCIAL COSTS	(14,1)	-2,7%	(13,0)	-2,2%
TAXES	15,3	3,0%	4,8	0,8%
NET PROFIT	(23,6)	-4,5%	(128,1)	-21,3%
	1H16		1H15	
NET CAPITAL EMPLOYED	930,8		1.022,5	
EQUITY	534,3		558,0	
NET FINANCIAL POSITION	396,3		464,2	
BACKLOG	1.074,4		1.172,7	
	1H16		1H15	
NFP / EBITDA	3,3X		n/a	
NFP / EQUITY	0,74X		0,83X	
	1H16		1H15	
EMPLOYEES	7.399		7.671	

Revenues Before and After Consolidation

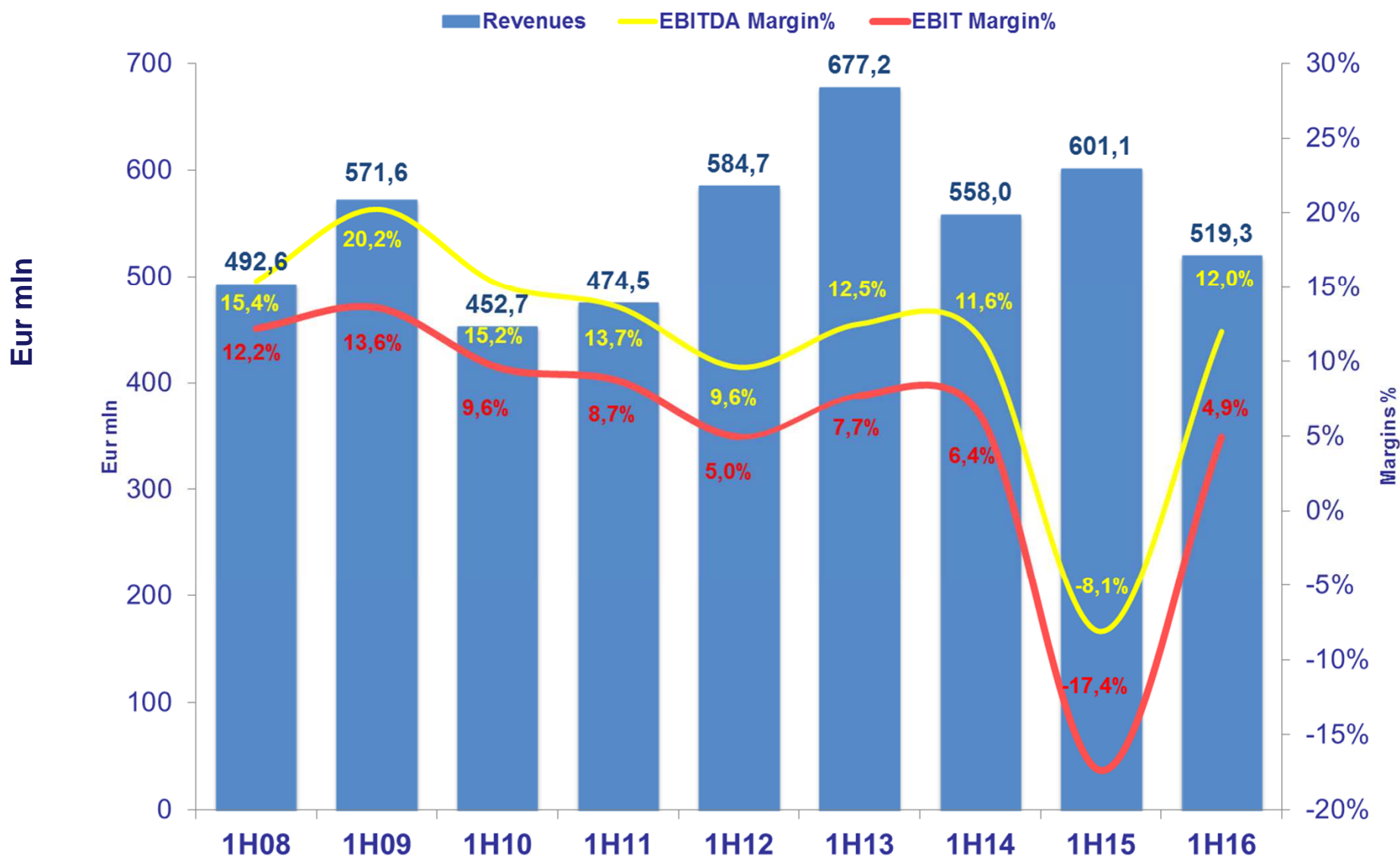
Euro mln	1H16	1H15	Δ%
Drilling Rigs (DRILLMEC)	92,2	152,3	-39,4%
Drilling Services (PETREVEN)	50,6	71,3	-29,0%
Interdivisional Adjustments and Eliminations	(0,7)	(1,0)	
Sub-Total Oil & Gas Sector	142,1	222,5	-36,1%
Special Foundation Services (TREVI)	278,1	283,8	-2,0%
Machines for Special Foundations (SOILMEC)	124,5	114,7	8,6%
Interdivisional Adjustments and Eliminations	(10,5)	(8,3)	
Sub-Total Foundation Sector	392,1	390,2	0,5%
Parent Company	13,4	13,2	
Interdivisional Eliminations	(28,4)	(24,8)	
TOTAL CONSOLIDATED REVENUES	519,3	601,1	-13,6%

One Group

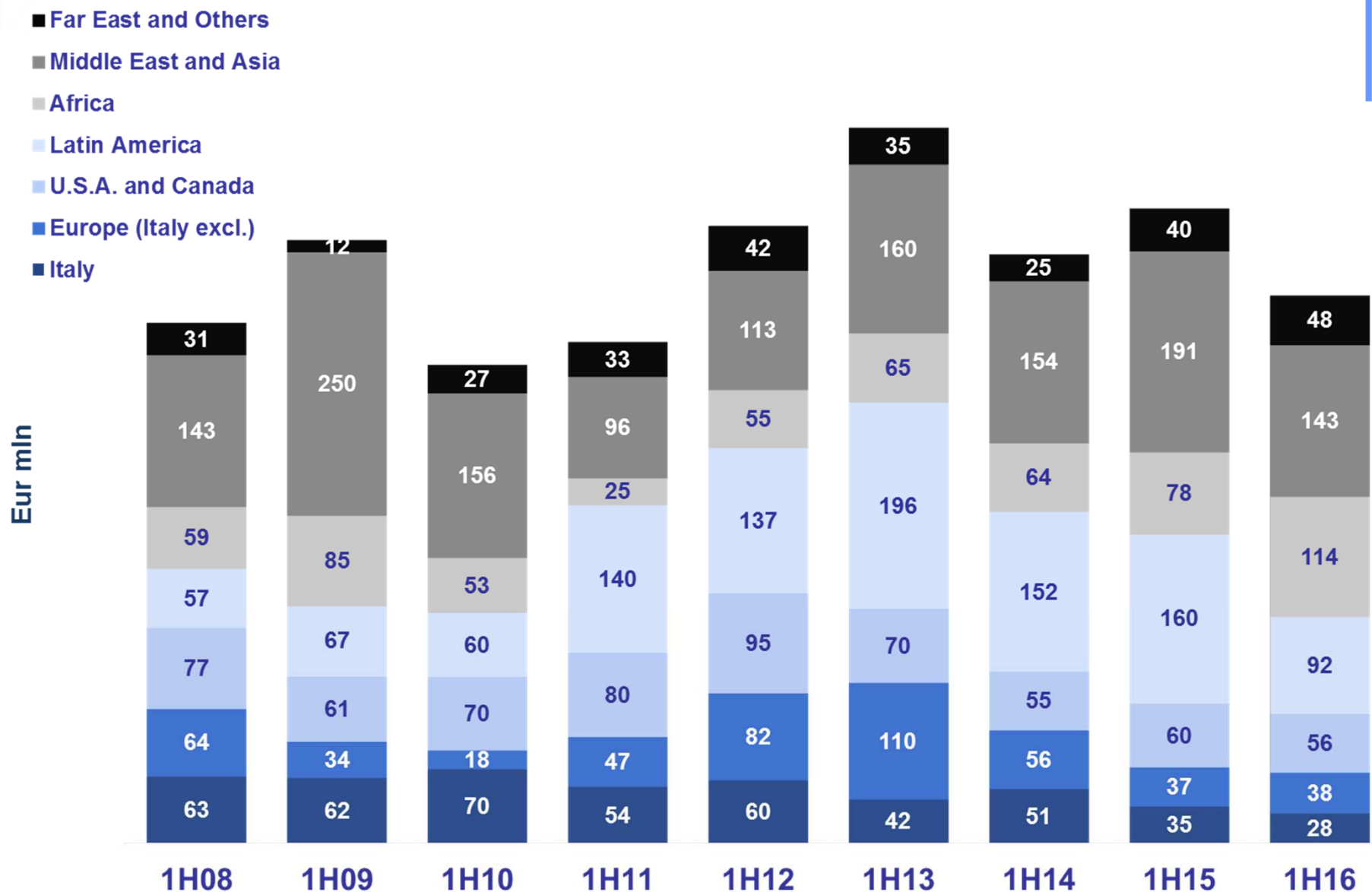
Revenues € 519,3 m



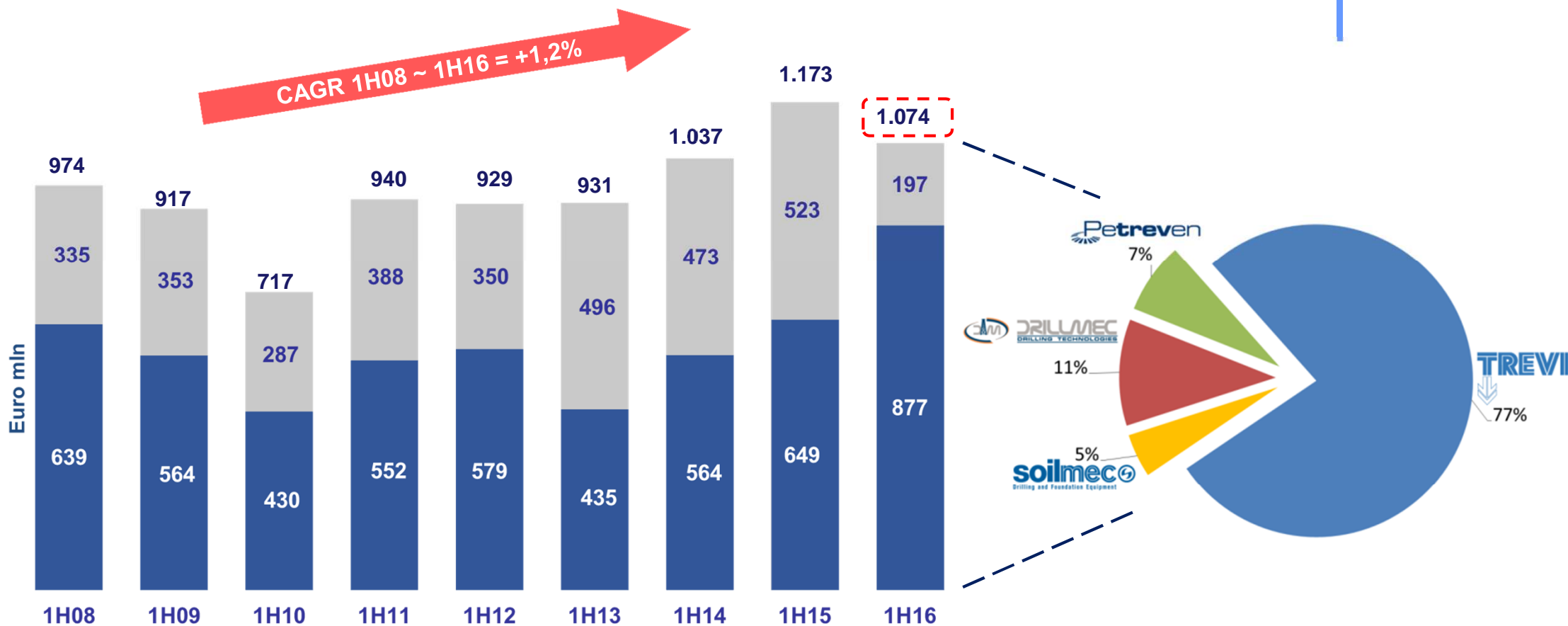
Financial Ratios



Breakdown per Geographical Area



Backlog

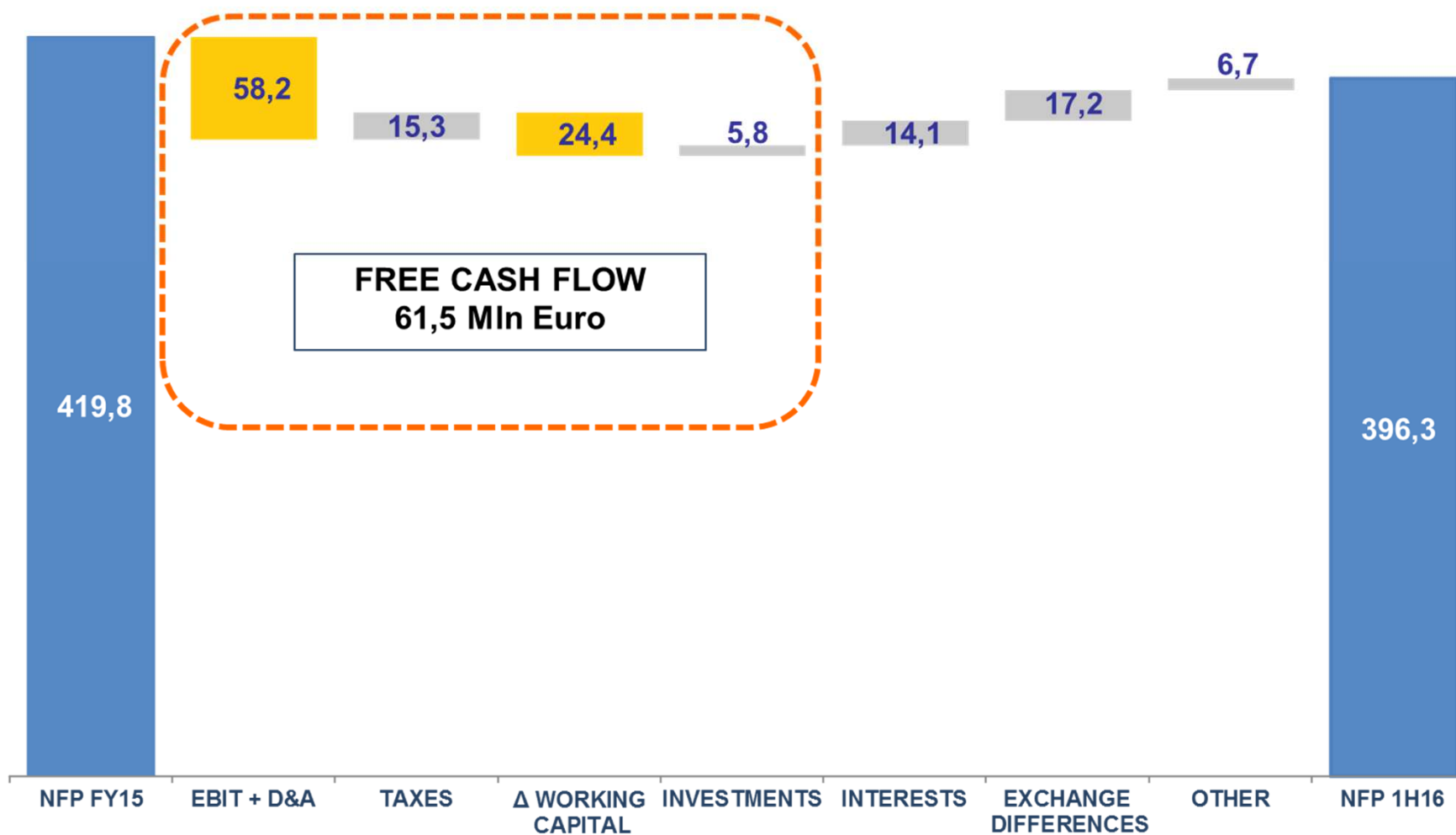


■ Foundation Sector

■ Oil & Gas Sector

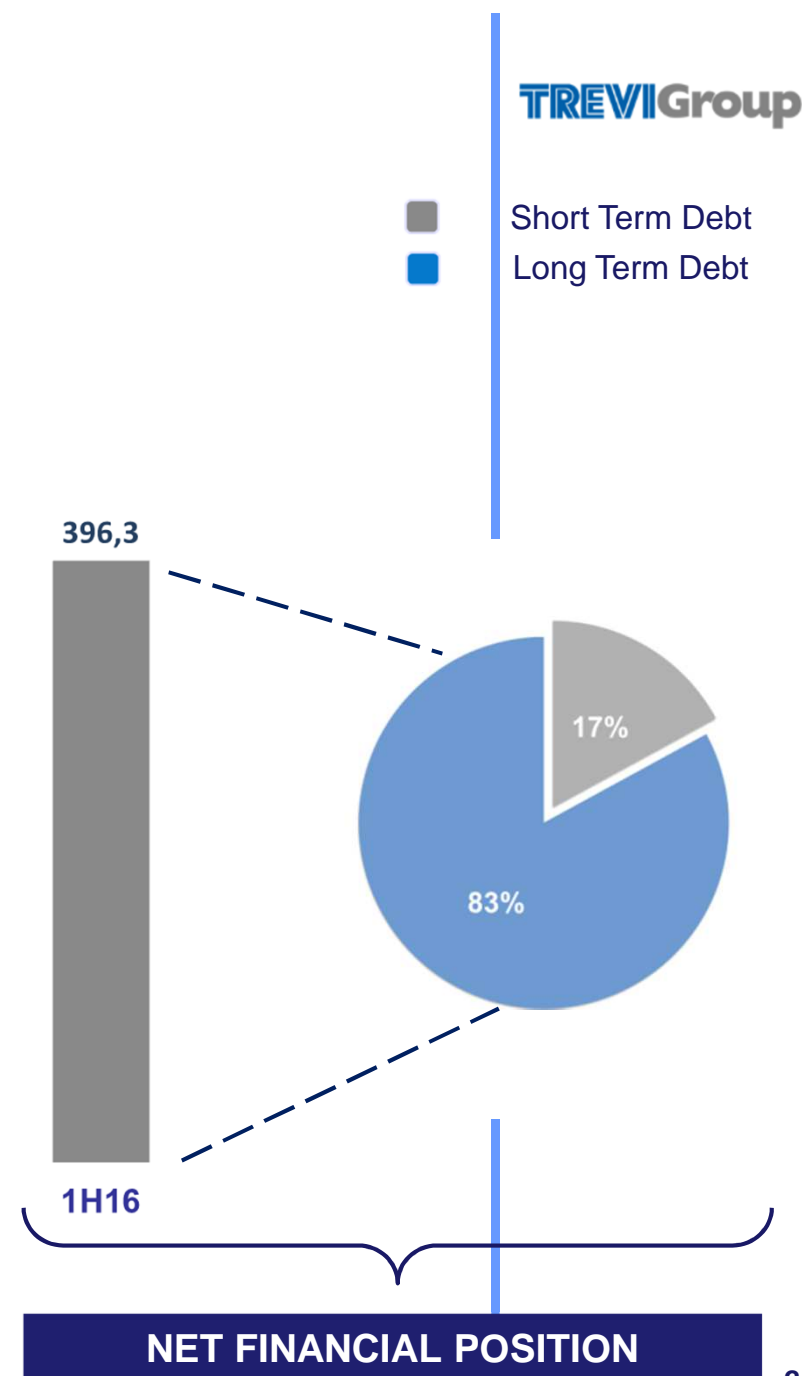
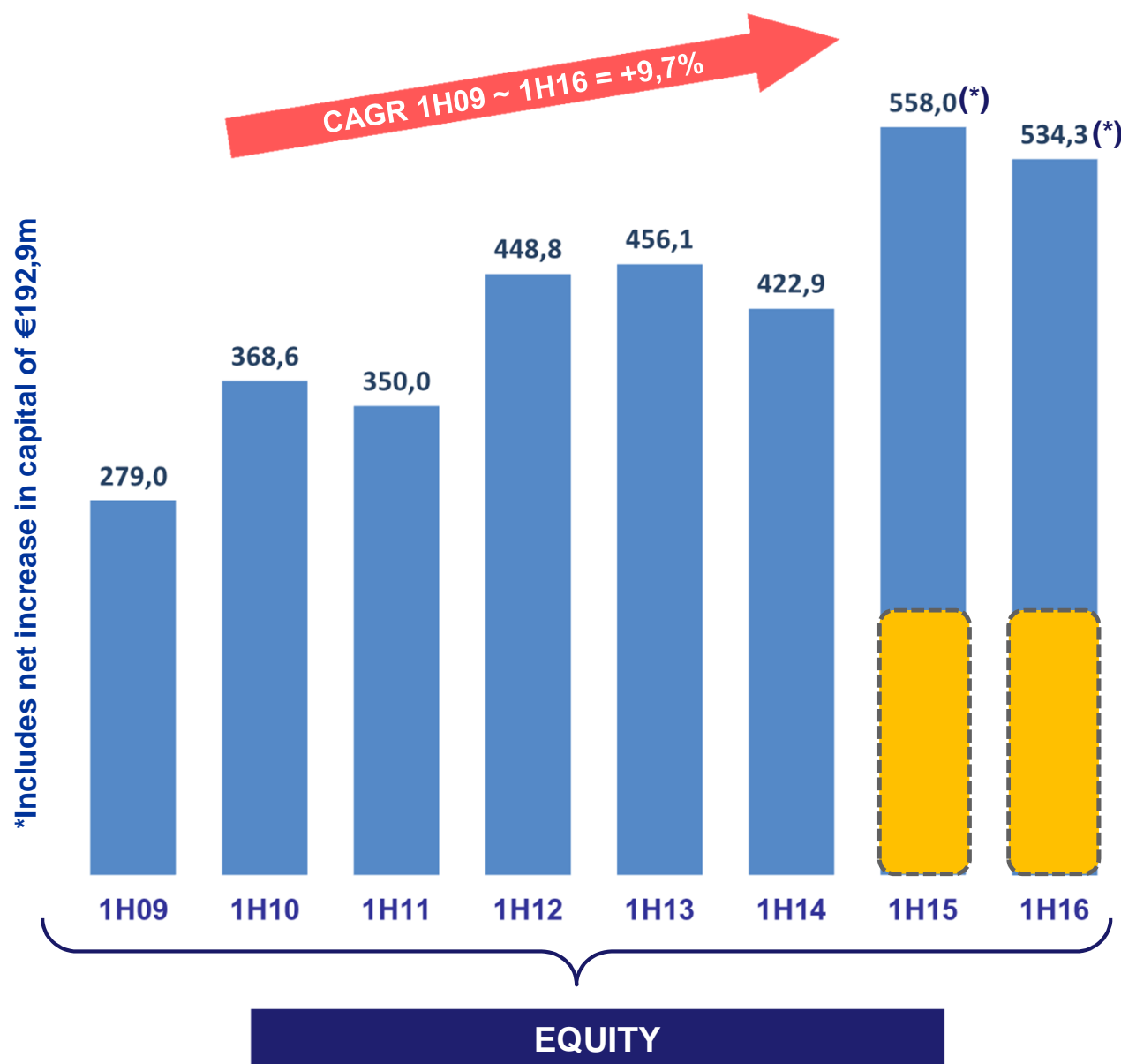


Net Financial Position

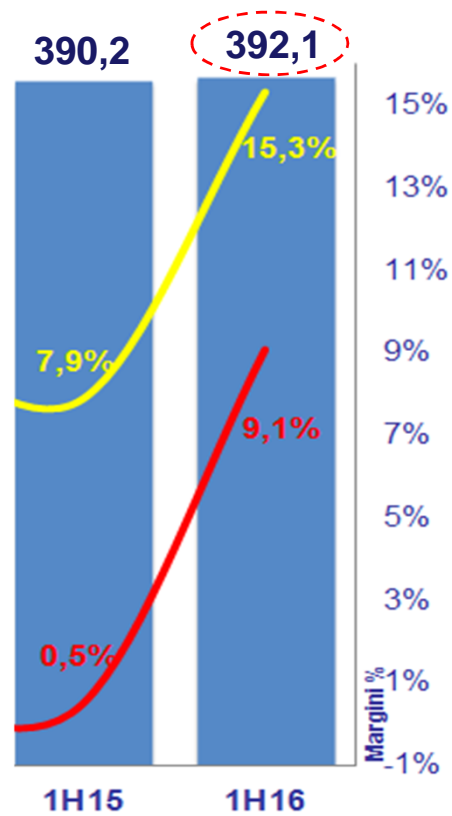


Equity and Net Financial Position

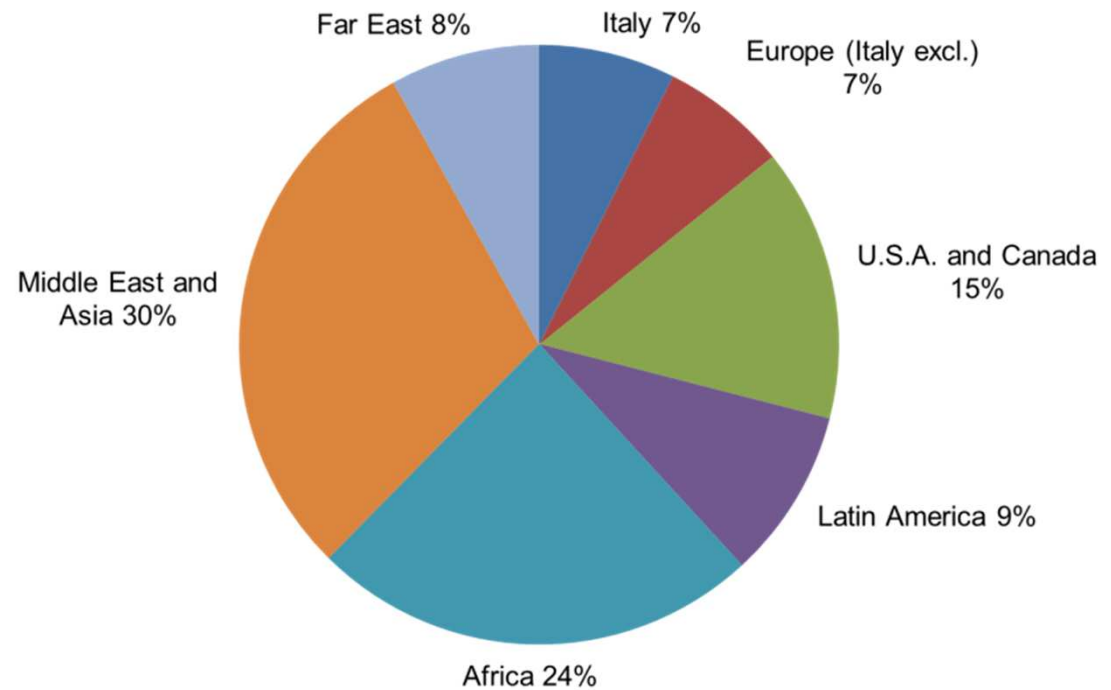
Euro mln



Foundations Sector



■ Revenues — Ebitda% — Ebit%



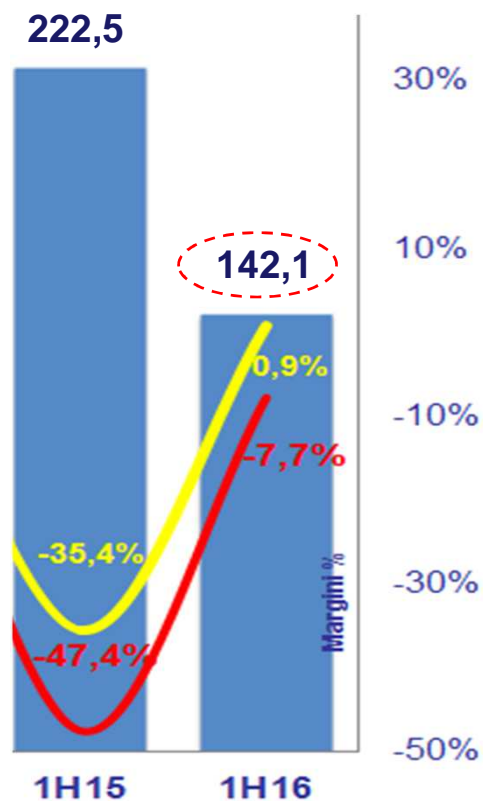
Based on non Consolidated Data

Oil & Gas Sector

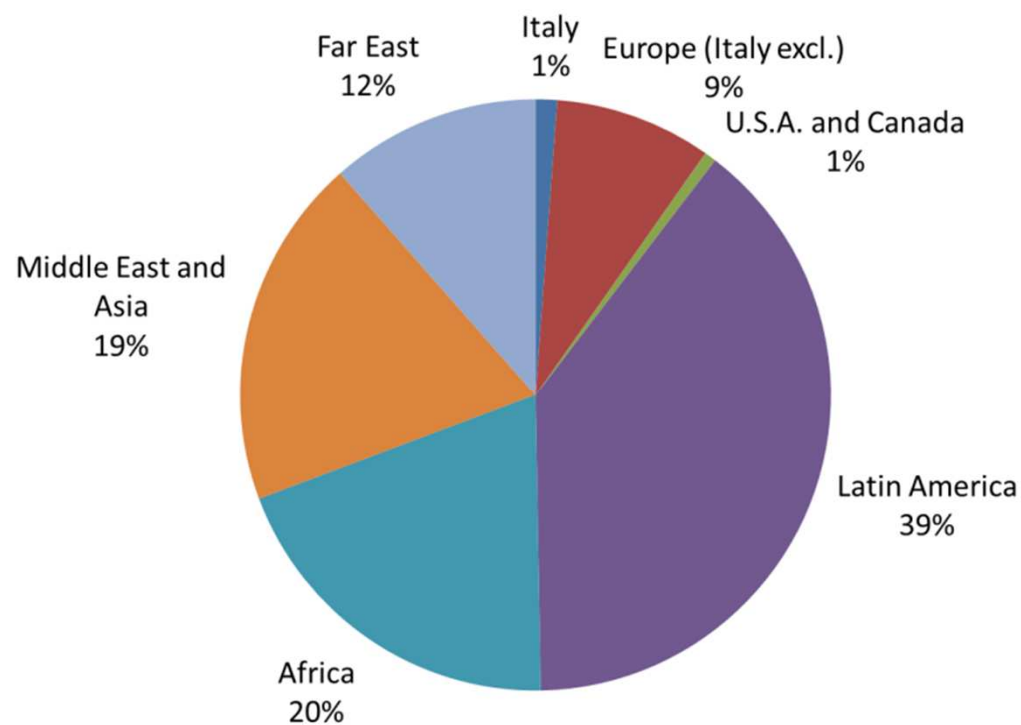


DRILLMEC
DRILLING TECHNOLOGIES

Petreven



■ Revenues — Ebitda% — Ebit%



Based on non Consolidated Data

MOSUL DAM

- *€273 million contract value*
- *Contract assigned by: Iraqi Ministry of Water Resources (MWR)*
- *The award follows an international tender issued in October 2015, which followed an expedited process*
- *Technologies: Advanced and customized drilling and cement grouting activities for the consolidation of the foundations of the dam.*

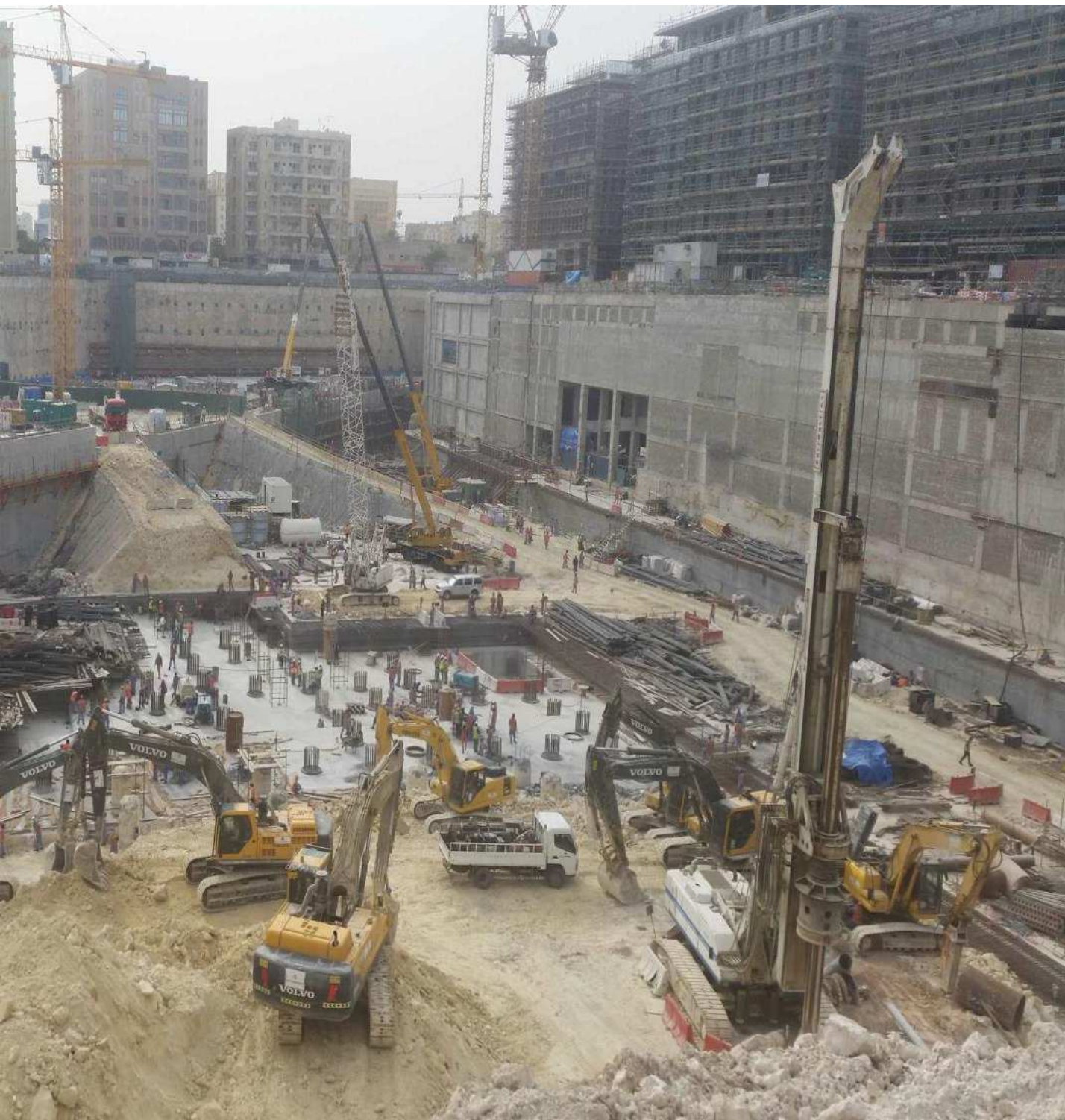
MOSUL DAM

- *Other activities include: repair and maintenance of the bottom outlet tunnels will also take place as they are currently damaged*
- *Specialized courses and training for technicians and local staff for the use of Soilmec (TREVI Group) drilling rigs will also commence*
- *The presence of the Italian military forces, will ensure the safety of the more than 450 technicians and staff of TREVI*



*Galata, Cruise Terminal,
Istanbul*





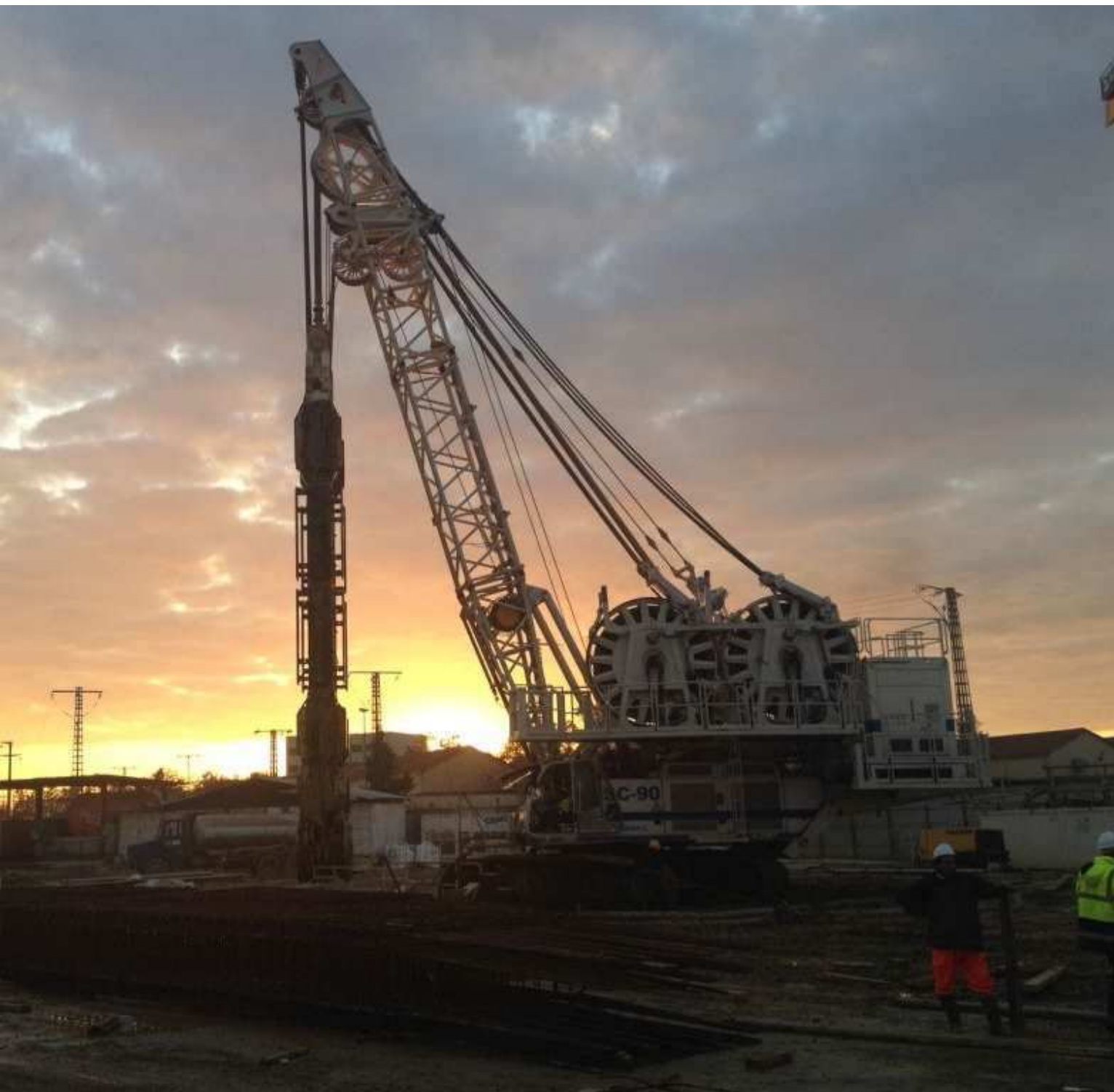
*Downtown Doha Project
Doha - Mesheireb*



***Ras Abu Fontas A3
Reverse Osmosis Project
Doha***



***Brookfield Project,
Dubai
(Norman Foster)***



Metro Algeri



Riachuelo Project Argentina



soilmec®
Drilling and Foundation Equipment

*Commissioning for
Mosul dam Project
Soilmec Italy*

Orogel - SR-120
Soilmec Italy





soilmec ⚡
Drilling and Foundation Equipment

SR-45
Soilmec UK



soilmec®
Drilling and Foundation Equipment

Bauma 2016



soilmecc®
Drilling and Foundation Equipment

Bauma 2016

First well for SOCAR

The Drillmec HH300 rig has completed the works on the construction of the first well on platform. All works have been completed ahead of schedule.



ORDERS IN THE OIL & GAS SECTOR TOTALING ABOUT 197 MILLION EURO

*Five 2000hp AC rigs and two 3000HP rigs with **ENAFOR**, an Algerian leading drilling services company and acting on behalf of **SONATRACH**, the national oil company and largest African operator.*

*Two rigs of 2000hp AC HSL (Hydraulic Swing Lift) with one of the largest drilling contractors operating in Saudi Arabia. The Saudi company has operated for more than 50 years in the industry and has an important role in the expansion program of **Saudi Aramco**, the leading oil company in the country and world leader in proven reserves.*

Drilling activities in the Andes (Geothermal)

On November 1st 2015 the drilling rig of Drillmec H-202 Extreme started drilling activities at the Cerro Pabellon well at 4,550 meters above the sea level.



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Income Statement 1H16 vs 1H15

Eur 000	1H16	1H15
TOTAL REVENUES	519.251	601.114
Changes in inventories of finished and semi-finished products	34.811	13.132
Increase in fixed assets for internal use	3.841	13.242
Other non-ordinary operating revenues	0	0
VALUE OF PRODUCTION	557.903	627.489
Raw materials and external services	365.446	536.253
Other operating costs	9.138	8.567
VALUE ADDED	183.319	82.668
Personnel expenses	120.983	131.428
EBITDA	62.336	(48.760)
<i>% Total Revenues</i>	<i>12,0%</i>	<i>-8,1%</i>
Depreciation	32.644	30.159
Provisions and write-downs	4.140	25.552
EBIT	25.552	(104.471)
<i>% Total Revenues</i>	<i>4,9%</i>	<i>-17,4%</i>
Financial revenues/(expenses)	(14.096)	(12.954)
Gains/(Losses) on exchange rates	(17.165)	(7.006)
Other Gains/(Losses)	(303)	0
EBT	(6.012)	(124.431)
Tax	15.327	4.836
Minorities	2.237	(1.178)
GROUP NET PROFIT	(23.576)	(128.089)

Statement of Financial Position 1H16 vs 1H15

FY15	Eur 000	1H16	1H15
	Fixed assets		
399.877	- Tangible fixed assets	359.883	395.405
87.150	- Intangible fixed assets	81.132	87.434
5.709	- Financial fixed assets	5.640	6.639
	Net working capital		
522.736	- Inventories	476.083	608.112
447.976	- Trade receivables	381.483	443.615
(360.541)	- Trade payables (-)	(274.401)	(354.355)
(169.413)	- Pre-payments (-)	(152.520)	(201.018)
87.485	- Other assets (liabilities)	73.198	58.198
1.020.977	Fixed assets plus net working capital	950.496	1.044.030
(21.225)	Post-employment benefits (-)	(19.708)	(21.543)
999.753	NET INVESTED CAPITAL	930.789	1.022.487
	<i>Financed by:</i>		
564.914	Group net shareholders' funds	524.454	544.137
14.659	Minorities' share of net shareholders' funds	9.809	13.878
420.180	Total financial indebtedness	396.526	464.471
999.753	TOTAL SOURCES OF FINANCING	930.789	1.022.487

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Company Facts

- **Ownership***: 51%
- **Market**: 49%
- **Established**: 1957
- **Listed**: 1999
- **Value Proposition**:

Fully integrated Special Foundation Services and Oil & Gas Company

172
Dams worldwide

1st
Oil & Gas Rig manufacturer in Europe

6
Main projects US Army Corps

>50
Metros in world

>62
Marine Projects in the world

*Includes FSI

The Group

<i>52 Companies</i> <i>38 Countries</i> <i>69 Business Units</i>	<i>Divisions:</i> <i>Special Foundations</i> <i>Oil & Gas</i>	<i>Synergies</i> <i>Innovation</i> <i>Advantage</i>
<i>FY 2015 Results</i> <i>Revenues € 1,342m</i> <i>Ebitda € 9m</i> <i>Ebit € -88m</i> <i>NFP € 420m</i>	<i>FY 2015 KPI</i> <i>Added Value € 273m</i> <i>Backlog € 949,4m</i>	<i>Employees 7,867</i> <i>FY 2015</i>

Track Record of Growth and Excellence

Revenues

TREVI Group



The Executive in charge of the preparation of accounting documents "Daniele Forti" declares, pursuant to paragraph 2 of article 154-bis of the consolidated law on finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

This presentation, prepared by TREVI – Finanziaria Industriale SpA, contains forward looking information and statements about the group and in no case may it be interpreted as an offer or an invitation to sell or purchase any security issued by the company or its subsidiaries.

These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations to future operations, products and services, and statements regarding future performance.

Forward looking statements involve inherent risks and uncertainties are current only at the date they are made.

However, the management of TREVI – Finanziaria Industriale SpA believes that the expectations are reasonable, but, at the same time, points out to holders and investors that all the information and all the statements are subject to various risk and many of which are very difficult to predict and to control.

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TREVI Group

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