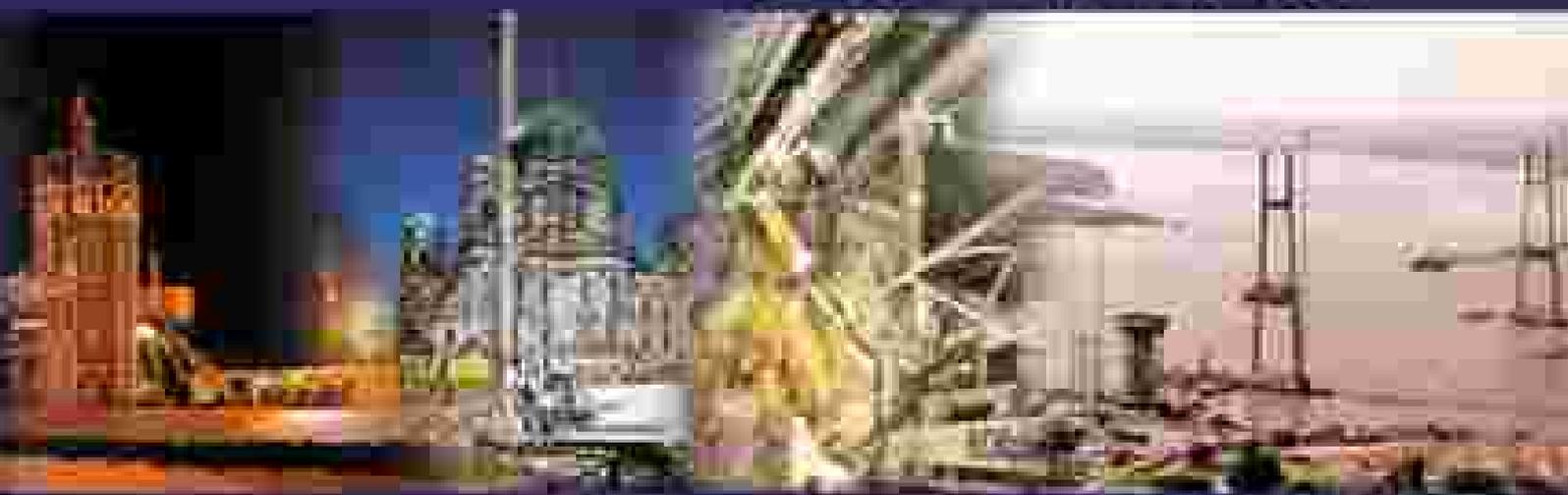


Financials Industrial Squares



Interim Report
Half year results
as at 30 June, 2001



Financial Results

I am very pleased to present the Consolidated Financial Statements for the first half of 2001, which, once more, show a strong revenue growth for the Trevi Group together with the improvement of a wide range of profitability parameters as compared to the first semester of 2000. These results reflect the remarkable increase of activity in the drilling sector which constructs drilling rigs for oil, gas and water exploration as well as provides general drilling services. Said activity today represents 20% of net sales. At the same time, the "special foundation rigs" product line has not suffered from any slowdowns while the acquisition of special foundation works shows a steady increase.

Total revenues amounted to 357 billion Italian Liras (+34,5%) and the added value shows an increase of 17,5%, from 96 to 113 billion Italian Liras in the same semester.

The Ebitda is above 30 billion Italian Liras, with an increase of about 21% compared to the first semester of the previous year. The operating profit increases from 11 to 14,7 billion Italian Liras (+33,3%). Net financial charges increased to 5.136 million Italian Liras; they amounted to 3.972 million Italian Liras during the first semester '00.

The Group's pre-tax profit increased to 8.213 million Italian Liras (+18,6%), after depreciations, amortizations and bad debts provision for 15.385 million Italian Liras (+11,4%).

Market Leadership

With reference to operating management, it should be noted, once again, that foreign markets offer the most interesting outlet to the Companies of the Group, also due to the favourable currency trend that took place in early 2001.

The wide-spread presence of the Group into the international markets is highlighted by the fact that the percentage of foreign sales exceeded 85% of total sales; conversely, the weight of the Italian area on the Group's total profits from sales and services decreased from 23% to 14,5%. The incidence of the consolidated net sales achieved in Middle and Far East increased from 18,7% to about 29,5%; this area experienced the biggest sales growth; The American areas decreased from 41% to about 36%; the presence in Africa began to grow, although at a very slow pace and shifted from 6% to 12% of the Group's total net sales. As at 30 June 2001, the Group has an overall works' portfolio of 599 billion Italian Liras, of which 290 are expected to be executed during the second half of this fiscal year. The orders volume remains on the record levels achieved at the end of the first three-month period. This is the best premise for a strong improvement in the revenues and economic results of the second semester compared to the first one. It should be noted that in the second half of the year additional well drilling rigs will be delivered.

The R&D activity continued during the first semester 2001 and due to the new products and equipment steadily introduced into the market, the Trevi Group will be able to maintain its leading position in the field of foundation engineering. In this connection, it is worth to mention the design and construction of the new MR5000 oil drilling rig, the CM700 foundation equipment for the continuous auger and the SM 575 multi-purpose rig.

The gross investment in technical equipment amounted to 32,2 billion Italian Liras (in the corresponding semester of the previous year it was 28,3 billion Italian Liras). The net investment amounted to 22 billion Italian Liras (13,4 billion in the first half of the year 2000). An important share of the above is represented by the initial investment in equipment for the start up of the new branch in Taiwan. The liquidity is substantially unchanged, while the medium-long term debt has increased from 67 to 90 billion Italian Liras and the short-term debt by about 40 billion Liras, mainly due to the increase of the net working capital and the financing of the purchase of new fixed assets.

TREVI - Finanziaria Industriale S.p.A., the holding company of the Group, shows in the first half 2001 net sales for 2.531 million Italian Liras (933 in the first semester 2000), with a pre-tax profit of 515 million Italian Liras, compared to 416 million in the first half of the previous year.

Trevi Division

During the 1^o semester 2001 the turnover of Trevi Icos Corporation - USA reached 65 billion Italian Liras (+11,4%), corresponding to approximately 18% of the net sales. In addition to the operations performed

in New England we experienced an increase of the activities in the West Coast and Southern Region. The company profitability is still affected by the negative performance of some projects acquired the year before.

In Argentina, Pilotes Trevi S.A. directly carried out works for 8 billion Italian Liras, and for about 6 billion Italian Liras through international Joint Ventures, with a rather poor profit performance. The second semester doesn't seem to be better because of the well known financial crisis of the country.

In Venezuela the traditional foundation activity was successfully carried out, reaching revenues of 9 billion Italian Liras. The oil well drilling activity generated revenue for approximately 13 billion Italian Liras during the semester. The works' portfolio of this activity reached 132 billion Italian Liras, reason why a third drilling rig will be added within year-end.

Trevi S.p.A., in spite of an uncertain trend in the field of public works in Italy, shows a total production for the first half of the current fiscal year of 66 billion Italian Liras (as the first semester of the previous year). Trevi S.p.A. has a works' portfolio of 124 billion Italian Liras, 65 of which are to be completed by year end. The company is present in Algeria, Guinea Bissau, Ethiopia, Germany and Venezuela with own branches; in Algeria and Sweden we recently started operations through local subsidiaries. The profitability of the semester under consideration has been negatively influenced by the delay of the activities in some African countries and the negative performances of some Italian Consortia, in which Trevi has an interest. Our Group stands out in the Georesources' field for its unique soil drilling technology aimed to hydrocarbons research. In association with Saipem S.p.A., Trevi S.p.A. operates through the SAI-TRE Consortium, taking advantage of equipment designed and built by Soilmec S.p.A.

In the first semester 2001 the gross proceeds of Trevi Foundations Nigeria Ltd were approximately 25 billion Italian Liras, more than doubling the performance obtained during the same period of the previous year. The company was active in the field of ancillary services related to the extraction and liquefaction of natural gas. The profitability met expectations and we look with optimism to the future because of the additional country's financial resources generated by the soaring oil price per barrel.

During the first half of 2001, Trevi Construction Co. Ltd in Hong Kong registered revenues of 17,7 billion Italian Liras. In the second half of the fiscal year, works amounting to about 15 billion Italian Liras remain to be executed.

In the same area and period, Trevi Foundations Philippines Inc., based in Manila, attained proceeds of approximately 5 billion Italian Liras.

Soilmec Division

Soilmec division, which manufactures and markets plants and equipment for foundation engineering and rigs for oil well drilling, shows a particularly positive trend. As a matter of fact, during the first semester 2001, Soilmec managed to reach a total production of 147 billion Italian Liras (+51%) with a remarkable improvement in profitability. Said increase is mainly due to the sales in Middle and Far East, which as of June 30th 2001 covered 55% of the division's total sales (compared to 26% as of June 30th 2000). With respect to other markets, we note an encouraging recovery in Africa (Tunisia) and Southern/Central America (Mexico). Substantial appears the change in the distribution of sales per line of business: the diversification, which started with the introduction into the sector of well drilling plants, is now completed. The incidence of the core business (foundation rigs), although remaining at the same absolute sale values as the previous year, fell below 60%, and a further drop is expected by year end. The activity of the controlled company Soilmec Branham Inc. based in Huston Texas, involving substantial operating costs, has given - so far - a modest boost to the production of drilling rigs for oil wells in USA.,

Prospects

The acquisition of orders is continuing at a sustained pace thanks to the expansion of sales in the American continent (important contracts have been recently signed in Northern America for about US \$50 million), to the recovery of the European economy and, to some extent, also of the Italian one. The amount of orders in portfolio and the negotiations in progress will allow us to reach a level of consolidated revenue for the year 2001 significantly greater than that of the previous financial year, with positive economic results.

Cesena, 11 September 2001

For the Board of Directors

Consolidated Balance Sheet *as of June 30, 2001*

(in millions of Lire)

12/31/2000	ASSETS	06/30/2001	06/30/2000	(in thousands of euro) 06/30/2001
167	Amounts due from stockholders	112	0	58
	Fixed assets			
15,657	I - Intangible fixed assets	15,234	15,614	7,868
206,891	II - Tangible fixed assets	228,905	193,499	118,220
3,112	III - Financial fixed assets	3,009	12,252	1,554
225,570	Total fixed assets	247,148	221,365	127,641
	Current assets			
153,964	I - Inventories	188,153	132,261	97,173
185,259	II - Accounts receivable	235,362	188,555	121,554
681	III - Financial assets not held as fixed assets	1,448	681	748
78,685	IV - Liquid funds	59,824	53,163	30,897
418,589	Total current assets	484,787	374,660	250,372
4,399	Accrued income and prepaid expenses	4,814	5,782	2,486
648,725	TOTAL ASSETS	736,861	601,807	380,557

12/31/2000	LIABILITIES AND STOCKHOLDERS' EQUITY	06/30/2001	06/30/2000	(in thousands of euro) 06/30/2001
	Stockholders' equity			
32,000	I Capital stock	32,000	32,000	16,527
96,482	II Share premium reserve	95,715	96,482	49,433
6,628	IV Legal reserve	6,743	6,628	3,482
681	V Company own share reserve	1,448	681	748
	VII Other reserves:			
6,529	-extraordinary reserve	6,847	6,528	3,536
7,311	-cumulative translation adjustment	15,123	4,915	7,810
48,335	-consolidation reserve	50,300	48,251	25,978
62,175	Total other reserves	72,270	59,694	37,324
4,312	IX Net income (loss) for the year	8,213 ⁽¹⁾	6,925 ⁽¹⁾	4,242 ⁽¹⁾
202,278	Group interest in stockholders' equity	216,389	202,410	111,756
7,807	Minority interests in capital and reserves	9,125	8,368	4,713
210,085	Total stockholders' equity	225,514	210,778	116,468
17,594	Reserves for risks and charges	20,259	14,943	10,463
14,758	Reserve for employee termination indemnities	15,520	13,999	8,015
401,153	Payables	471,707	358,123	243,616
5,135	Accrued expenses and deferred income	3,861	3,964	1,994
648,725	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	736,861	601,807	380,557

(1) The result refers to net income before taxation

Consolidated Statement of Income

(in millions of Lire)

(in thousands of euro)

Year ended 31 Dec. 2000		Six months ended 30 June 2001	Six months ended 30 June 2000	Six months ended 30 June 2001
568,138	Net sales	344,264	255,348	177,798
20,419	Other income and revenues	12,727	10,140	6,573
588,557	Total revenues	356,991	265,488	184,370
569,453	Cost of production	342,320	254,482	176,794
19,104	Operating Result	14,671	11,006	7,577
(10,604)	Financial income (expense)	(5,136)	(3,972)	(2,653)
1,995	Extraordinary income and (expense)	453	(83)	234
10,495	Results before taxation	9,988	6,951	5,158
6,457	Income taxes	-	-	-
4,038	Net income/(loss) for the year (*)	9,988	6,951	5,158
(274)	Minority interests	1,775	26	917
4,312	Group net income for the year (*)	8,213	6,925	4,242

(*) The result refers to net income before taxation

12.31.2000	MEMORANDUM ACCOUNTS	06/30/2001	06/30/2000	06/30/2001
	UNSECURED GUARANTEES GIVEN			
146,878	Sureties	160,128	135,708	82,699
146,878	TOTAL	160,128	135,708	82,699
146,878	Total unsecured guarantees given	160,128	135,708	82,699
	COMMITMENTS, RISKS AND OTHER MEMORANDUM ACCOUNTS			
26,461	Recourse risks	42,781	11,244	22,095
0	Commitments towards third parties	0		0
461	End-of-lease purchase agreement	461	2,124	238
29,922	TOTAL	43,242	13,368	22,333
176,800	TOTAL MEMORANDUM ACCOUNTS	203,370	149,076	105,032

Consolidated Statement of Cash Flows

(in millions of Lire)

	06/30/2001	2000
Opening amount - cash and banks	78,685	89,057
Net income before taxation	8,213	4,312 ⁽¹⁾
Depreciation and amortization	15,069	28,353
Provision for employee termination indemnities, pension funds and similar commitments	2,165	4,206
Change in minority interests in capital and reserves	1,318	(2,217)
A Cash generated from operations before changes in working capital	26,765	34,654
B Changes in working capital:		
Inventories	(34,189)	(46,233)
Receivables	(50,103)	(3,040)
Accrued income and prepaid expenses	(415)	(515)
Payables	29,009	19,486
Accrued expenses and deferred income	(1,274)	489
Reserves for risks and charges	1,139	490
Total	(55,833)	(29,323)
C Net cash flows for operating activities:		
Intangible fixed assets	(2,153)	(3,390)
Tangible fixed assets	(34,599)	(49,970)
Financial fixed assets	103	1,413
Other changes (including changes in the scope of consolidation)	6,119	5,494
Total	(30,530)	(46,453)
D Cash flows from (used in) financing activities:		
Banks	35,694	28,345
Other providers of finance	5,851	5,480
Capital increase and reserves	0	0
Dividends distributed	0	(1,859)
Change in the reserve for employees termination indemnities and other changes	(808)	(1,216)
Total	40,737	30,750
Net change in cash flows (A + B + C + D)	(18,861)	(10,372)
Cash and banks as of June 30, 2001	59,824	78,685

(1) The net income as at December 31, 2000 refers to net income of the Group.

Group Profile and Activities

TREVI- Finanziaria Industriale S.p.A. and its subsidiaries (hereafter called "TREVI Group or "the Group") carry out their activities in two main sectors: contracts and engineering services for civil and infrastructural foundation works, construction of plant and equipment for special foundation works, tunnel excavations and well-drilling for oil/gas and water exploration. These two business sectors are co-ordinated by the Group's two major companies, Trevi S.p.A, which heads the division involved in underground engineering ("Trevi Division") and Soilmec S.p.A which oversees the division responsible for manufacturing and marketing plant and equipment for underground engineering works, well drilling for oil/gas and water exploration ("Soilmec Division").

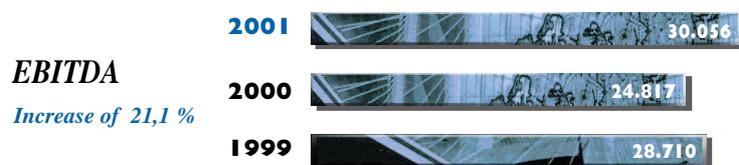
Accounting methods and principles

The Consolidated Financial Statement of the "Group" for the first six months of 2001 has been prepared according to the same accounting principles, consolidation methods and conversion criteria of the foreign currency items which were applied for the preparation of the Financial Statement as at 31st December 2000, with the necessary amendments, due to a very particular midyear situation, that is referred to a limited six month period. In particular, we point out that the six month economical result is shown before income tax.

The consolidation area has changed with respect to 31st December 2000, due to:

- In order to strengthen its entry into the Californian and West Coast market, the controlled Trevi Icos Corporation established a Joint Venture with a local company in California during the first three month period where it holds the majority (99%);
- In the first quarter, a new company was created: Trevi Icos South which is 100% controlled by Trevi Icos Corporation.

Interim Results at a glance





TREVI-Finanziaria Industriale S.p.A. Cesena (Italy)

TREVI S.p.A.
Cesena (Italy)

TREVI CONSTRUCTION Co. Ltd
Hong Kong

TREVI FUNDACOES Lda
Lisbon (Portugal)

TREVI INSAAT ve MUHENDISLIK A.S.
Istanbul (Turkey)

TREVI FOUNDATIONS NIGERIA Ltd
Lagos (Nigeria)

PILOTES TREVI
Buenos Aires (Argentina)

TREVI CIMENTACIONES
Caracas (Venezuela)

TREVI ICOS CORPORATION
Boston (U.S.A.)

TREVI ICOS SOUTH
U.S.A.

WAGNER CONSTRUCTION J.V.
U.S.A.

TREVI FOUNDATIONS PHILIPPINES Inc.
Philippines

TREVI CONTRACTORS B.V.
Amsterdam (The Netherlands)

PROFURO Lda
Mozambique

PETREVEN C.A.
Venezuela

CIFUVEN C.A.
Venezuela

SWISSBORING OVERSEAR PILING Co. Ltd
Svizzera

SWISSBORING OVERSEAR Co. Ltd
U.A.E. (Emirati Arabi)

SWISSBORING & Co. LLC
Oman

TREVI ALGERIE E.U.R.L.
Algeria

SOILMEC S.p.A.
Cesena (Italy)

SOILMEC S.p.A. Drilling Equipment Division
Piacenza (Italy)

SOILMEC S.p.A. Representative Office
Beijing (China R.P.)

LIANYUNGANG SOILMEC MACHINERY Co.Ltd
Lianyungang (China R.P.)

SOILMEC JAPAN Co. Ltd
Tokyo (Japan)

SOILMEC Ltd
Peterborough (UK)

SOILMEC MISR
Cairo (Egypt)

SMFE Sdn. Bhd
Malaysia

SOILMEC FAR EAST Pte. Ltd
Singapore

SOILMEC BRANHAM Inc.
Conroe - Texas (U.S.A.)

SOILMEC INTERNATIONAL B.V.
Amsterdam (The Netherlands)

I.D.T. SA
R.S.M.

SOILMEC H.K. Ltd
Hong Kong

TREVI - Finanziaria Industriale S.p.A.

Headquarters: Cesena (FC) - Via Larga, 201
Share Capital Euro 32,000,000 fully paid-up
Chamber of Commerce Forli-Cesena N. 201.271
Fiscal and VAT Code and Register of
Companies of Forli-Cesena: 01547370401
Internet Homepage: www.trevifin.com