

TREVI – Finanziaria Industriale S.p.A.

Registered Office: Cesena (FC) Via Larga n. 201 Italy

Share Capital Euro 32.000.000

Forlì – Cesena Chamber of Commerce Business Register n. 201.271

Fiscal Code, VAT number and Forlì – Cesena Business Registry: 01547370401

Report on the Corporate Governance concerning the Balance Sheet as at 31st December 2008

Report on Corporate Governance

Information given is in accordance with the Self-regulatory Code of Conduct for listed companies drawn up by the Committee for Corporate Governance – Borsa Italiana S.p.A. in March 2006, which replaced that which was drawn up in 1999 and amended in 2002.

The Company has adopted the general principles of the Self-Regulatory Code of Conduct as a means of improving its own corporate governance rules and internal organization and in order to direct management to the creation of shareholder value and for the advantage of other stakeholders (clients, creditors, suppliers, employees, the community and general social environment).

This report, which will be available to shareholders, together with the necessary documentation for the Annual General Meeting to approve the Financial Statements, and at the same time forwarded to Borsa Italiana in the way and within the time limits laid down, and posted on the company website (www.trevifin.com), will inform the market and shareholders of the internal corporate governance of the company and its adoption of the Self-Regulatory Code of Conduct.

The organizational structure of TREVI – Finanziaria Industriale S.p.A. is based on the traditional model where management is assigned exclusively to the Board of Directors, the central governing body of the company; the supervisory functions are assigned to the Board of Statutory Auditors and accounting verification to the independent auditors appointed by the Shareholders' Meeting.

Board of Directors

The regulations governing corporate entities emphasise the central role of the Board of Directors as the governing body and details its relations with other corporate entities. Article 23 of the company articles vests the Board of Directors with the most wide-ranging and unlimited powers for the ordinary and extraordinary management of the company, excluding only those matters that by law are explicitly reserved for the Shareholders' Meeting.

Meetings of the Board of Directors are convened by the Chairman or, in his absence or in the event of incapacity, by the Managing Directors or by written request of at least one member of the board or a member of the Board of Statutory Auditors to be sent to members of the Board of Directors and Board of Statutory Auditors at least three days before the meeting, containing a summary of the agenda to be discussed. Board meetings can also be held via video or teleconference. Timely information on the agenda for discussion is provided to all Board members and auditors. The Board of Directors meets regularly, at least every two months, and has the main responsibility of defining the strategic objectives of all the operating companies and ensuring their achievement. The Board is responsible for:

- defining the operating structure of the group and deciding on the setting up and/or closure of operating companies
- examining and approving the annual and quarterly strategic, financial and industrial plans of Group companies and periodically comparing the results achieved with those planned

- assigning and revoking the powers of the Managing Directors and defining the limits and ways in which they will be exercised; at the first board meeting of the year, the activities carried out through the exercise of the powers received or granted in the period will be discussed;
- examining and approving any operations of significant impact on the assets and the economic or financial position of the company; with reference to operations with related parties when approved by the independent board members; in cases under Article 2391 of the Civil Code, "board members' interests", the Board must vote with the abstention of those having an interest
- deciding on the acquisition of companies and investments in fixed assets;
- appointing the directors of directly controlled companies
- deliberating the recruitment of senior management in the Parent Company and in the subsidiaries, as well as the remuneration and incentive schemes of senior management
- regulating the conduct of subsidiaries in related party transactions
- monitoring the regular progress of management with particular attention to possible conflicts of interest, in particular taking into account information received from the Managing Directors and from the general managers of the operating companies, and referring to shareholders in Shareholders' Meetings.

The company articles state that the Board of Directors must be composed of a minimum of three and a maximum of eleven members. The Board of Directors, as appointed on 7 May 2007, is composed of nine members, four executive members and five independent non-executive members. In keeping with corporate governance best practice, the majority of the directors are non-executive and independent members of the Board.

Table 1 below shows the current composition of the Board of Directors and Committees. The current Board of Directors expires with the approval of the Reports and Accounts as at 31 December 2009. Pursuant to Article 30 of the Company articles, the Chairman of the Board of Directors is responsible for signing on behalf of and representing the company with third parties and in court. Within the limits of the powers accorded them, the Managing Directors can also represent and sign on behalf of the company. At the meeting of the Board of Directors of 28 March 2008, the Director, Stefano Trevisani, was appointed Managing Director

The four Managing Directors, one of which is the Chairman, have wide-reaching powers for the ordinary management of the company; the wide-ranging powers given the Chairman are motivated by and connected to the activities of the Group, which is an industrial holding company that provides services predominantly for other group companies.

Given that the Chairman has a significant role in the operations of the Company and is the person who indirectly controls the Company, in accordance with the recommendations of the Self Regulatory Code, the Board of Directors has appointed the independent and non-executive Director, Mr Enrico Bocchini, to be the lead independent director to act as a reference point and to coordinate the requests and contributions of the independent and non-executive directors.

On the occasion of the most recent renewal of corporate appointments at the Shareholders' Meeting of 7 May 2007, the curriculum vitae of each candidate were deposited at the Company's Registered Offices. During 2008, the Board of Directors met six times.

The company articles do not stipulate a minimum frequency for board meetings.

The remuneration of Board Members, detailed in the Notes to the Accounts for the financial year 2008, particularly of the four Managing Directors, representing the Trevisani family, the majority shareholder, is not linked to the Company's results or the achievement of specific objectives. The Report of the Board of Directors also contains details of the shareholdings of each member of the Board of Directors and of the Statutory Auditors in the Parent Company and in its subsidiaries.

Corporate positions held by board members in other companies listed on regulated markets are given below:

- Pio Fabbri Teodorani:

- Vice President of EXOR S.p.A., and independent board member of Allianz S.p.A.

Among positions held in unlisted companies, he is a member of the Managing Board of Assonime.

- Guglielmo Claudio Moscato:

- Non-executive director of Gas Plus S.p.A., of which he is a member of the E&P Strategy Committee.

In order to improve operating ability and policy making and to adhere to the Self-Regulatory Code of Conduct for Listed companies, the Board of Directors has set up two committees.

Committee for directors remuneration

The company has set up the Committee for Directors Remuneration, which is composed of three independent non-executive members. At the Board of Directors meeting of 14 May 2007, the independent non-executive board members Mr Enrico Bocchini (Chairman), Mr Franco Mosconi, and Mr Riccardo Pinza, were appointed as committee members. The Committee met once during the 2008 financial year.

Internal control committee

The company has set up the Internal Control Committee, composed of three independent non-executive members. At the meeting of the Board of Directors of 14 May 2007, the independent non-executive board members, Mr Enrico Bocchini (Chairman), Mr Franco Mosconi and Mr Riccardo Pinza, were appointed to the Committee. Until 7 May 2007, when the corporate appointments were renewed, the Committee was made up of Mr Mario Amoroso (Chairman) Mr Enrico Bocchini and Mr Franco Mosconi.

All three members of the Committee have accounting and financial experience.

The committee reported every six months to the Board of Directors and met three times in the course of the financial year. The Chairman of the

Board of Statutory Auditors was also present at these meetings. Other than the meetings of the Board of Statutory Auditors, the Chairman of the Internal Control Committee had several meetings with the Managing Directors, the Executive Director responsible for overseeing the internal control system, the managers of the Company and, in particular, the Manager responsible for the preparation of Company accounts.

In carrying out its duties, the Committee adhered to the recommendations of the Self-Regulatory Code and evaluated the adequacy of the internal control system. The Company has its own organizational model that meets the requirements of Decree Law No. 231 of 8 June 2001 and which is currently being implemented.

Committee for board appointments

A Committee for Board Appointments, as suggested in the Self-Regulatory Code, has not been set up. Nominations to the Board are put forward by shareholders and, in particular, the majority shareholders, who make a provisional selection from among the nominations.

Executive director appointed to oversee the internal control system

The Board of Directors appointed Gianluigi Trevisani to be Executive Director to oversee the internal control system.

Head of internal audit

During 2008, the Board of Directors appointed Baker Tilly Consulaudit S.p.A. (in the person of Mr Francesco Lo Cascio) to replace Mr Piergiorgio Marini, who had previously been appointed.

The Board of Directors decided that, given the dimensions of the Group and its geographical diversification, at least in the initial phase, the internal audit should be given to an external company whose main duties are:

- a) to verify that the internal control system is always fit for purpose, operating properly and functional;
- b) to evaluate any significant risks and the measures to be taken;
- c) to spot check the functioning of the system.

The company appointed will coordinate the other control committees (the Board of Statutory Auditors, the Internal Control Committee, the executive director appointed to oversee the internal control system, and the independent auditors).

Board of statutory auditors

The Board of Statutory Auditors, pursuant to Article 149 of Decree Law no. 58/98 monitors the correct observance of the law and of the company articles of association with regard to management and the adequacy of the management structure of the company; it monitors those aspects of the internal control, administrative and accounting systems that fall within its remit. Under Article 159 of Decree Law no. 58 of 24 February 1998 and subsequent modifications, it is the duty of the Board of Statutory Auditors to propose that the Shareholders' Meeting awards a mandate for the audit of the Financial Statements and the Consolidated Financial Statements, as well as a limited audit of the Half-Yearly Financial Statements, for a period of nine years and determines the relative remuneration.

The Board of Statutory Auditors is made up of three statutory and two supplementary members appointed for a period of three years by the Shareholders' Meeting of 7 May 2007 and is due to expire with the approval of the 2009 Financial Statements. Table 2) shows the composition of the Board of Statutory Auditors, the number of meetings held during the financial year and the percentage of attendance at each meeting.

Pursuant to Article 18 of the company articles, and barring any incompatibilities under the law, members may not be appointed if they already act as a member of the Board of Statutory Auditors in more than five other companies listed on regulated markets, excluding those companies which directly or indirectly control the Company or is controlled by it, or if they do not have the necessary good name and professionalism required by law.

Minority shareholders have the right to elect one statutory and one supplementary auditor; those shareholders who alone or collectively hold shares representing at least 3% of the share capital have the right to propose lists of candidates for election.

The lists must be deposited at the Company's Registered Office at least five days before the date of the Shareholders' Meeting and must be published in at least one national daily newspaper within the same period.

At the Shareholders' Meeting of 7 May 2007, which appointed the current Board of Statutory Auditors, no list of candidates was presented by minority shareholders.

During the 2008 financial year, the Board of Statutory Auditors met twelve times. The Board of Statutory Auditors was represented at the six Board of Directors meetings as follows:

Mr Adolfo Leonardi (Chairman): attended all six meetings (100%);

Mr Giacinto Alessandri (Acting Auditor): attended all six meetings (100%);

Mr Giancarlo Poletti (Acting Auditor): attended five of the six meetings (83%).

None of the Acting or Supplementary Auditors holds the position of Director or Auditor in other companies listed on regulated markets.

On 28 March 2008, the Board of Statutory Auditors put forward the proposal that the auditing of the Financial Statements and the Consolidated Financial Statements should be given for a period of nine years (2008 – 2016) to a company registered in the special register under Article 161, in accordance with Article 159, paragraph 1, of Decree Law 59/98.

Independent auditors

the auditing of the accounts is assigned to an audit company listed on the official register of accounting auditors (Article 159 of Decree Law 58/98) and appointed by the Shareholders' Meeting.

It is the duty of the Board of Statutory Auditors to propose a company. The auditors PricewaterhouseCoopers S.p.A., appointed for three years at the Shareholders' Meeting of 13 May 2005, held the mandate until the approval of the 2007 Financial Statements, which took place at the Shareholders' Meeting of 29 April 2008.

The current auditors are Reconta Ernst & Young S.p.A., appointed for nine years (2008 – 2016) by the Shareholders' Meeting of 29 April 2008.

Shareholders' meeting

The Shareholders' Meeting, when the Directors of the Company meet with its shareholders, is both ordinary and extraordinary under the law, and any decisions taken in compliance with the law and the company articles are binding on all shareholders.

To enable shareholder participation, proxy votes are permitted pursuant to enacted law. The Company has not adopted procedural regulations given the limited number of shareholders present, which has always permitted the meeting to be held in an orderly manner with those present able to take part in any discussion.

At the Ordinary Shareholders' Meeting of 29 April 2008, the shareholders were given appropriate information on the Company's adoption of the Self-Regulatory Code for Listed Companies; those shareholders present at the meeting were offered the possibility of a guided visit of the Cesena production facilities; the initiative was aimed at giving them a fuller understanding of the Company and was an important opportunity for shareholders and Company management to meet and exchange ideas.

Manager responsible for the preparation of company accounts

The Board of Directors meeting of 14 May 2007 appointed Mr Daniele Forti, currently Group Chief Financial Officer, as Manager responsible for the Preparation of Company Accounts pursuant to Article 23 of the Company articles and Article 154-bis of Decree Law No. 58 of 24 February 1998. The Board has conferred on him the necessary powers and means to carry out his duties, taking into account the actual operations of the Company and of the Group, as well as market procedures and the recommendations of the relevant associations (as an indication and a non-binding example, those expressed by Andaf – the National Association of Administrative and Financial Directors); the appointment is for an unspecified length of time and until it is revoked by the Board of Directors.

The company articles

The current Company Articles, approved by the Extraordinary Shareholders' Meeting of 7 May 2007, are deposited with Borsa Italiana and are available on the Company website. There are 37 articles. The report of the Board of Directors commenting and presenting the proposed new Company Articles has also been properly deposited at the registered offices of Borsa Italiana S.p.A. and is available to shareholders.

Communication with shareholders and institutional investors

To facilitate an open dialogue with all shareholders and, in particular, with institutional investors, the Company has nominated a person to be responsible for financial communications (the Investor Relations Manager) and to make available information released by the company (Financial Statements, reports, press releases) on its website, www.trevifin.com, both in Italian and English. In the financial year 2008, the website was updated and now contains more complete information and also gives access to the websites of the Company's main subsidiaries.

The contact details of the Investor Relations Manager are:

Stefano Campana

Tel. -39 (0)547-319411

Fax: -39 (0)547-319313

e-mail: scampana@trevifin.com investorrelations@trevifin.com

The Company promotes regular meetings with institutional investors and, in conjunction with AIAF (The Italian Association of Financial Analysts), organises twice yearly presentations for the financial community at the Milan stock exchange for its half-year and full-year results and to illustrate the strategies of the principal business sectors. In the last financial year, the Company actively promoted meetings with the financial community involving guided tours of its production

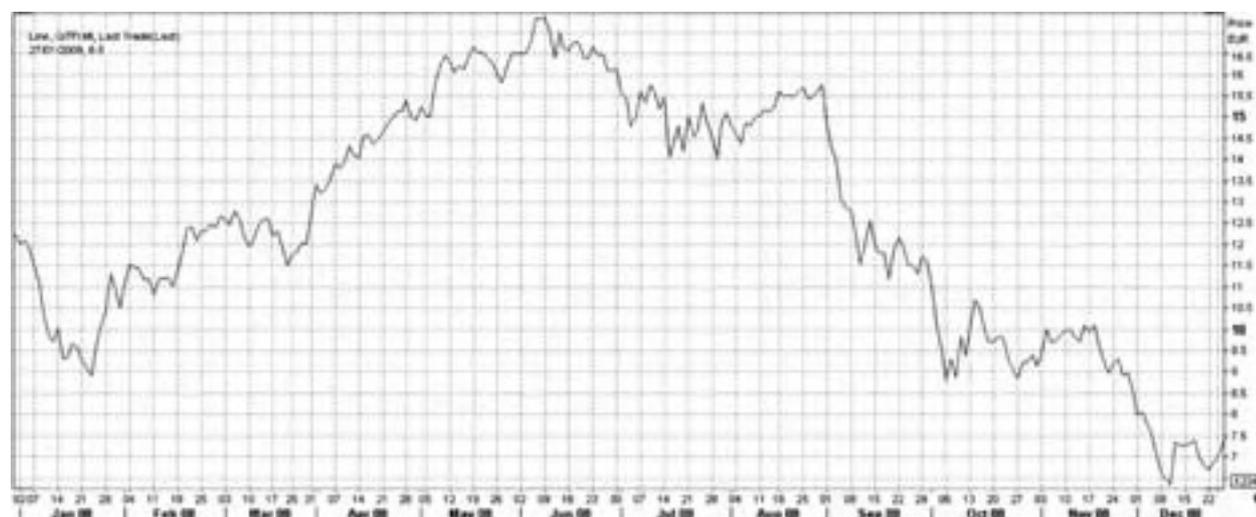
facilities, as well as one-to-one meetings with individual shareholders and investors, particularly abroad and in the main financial centres.

The Company intends to follow the guidelines of the "Guida per l'informazione al mercato" (Guide for communicating with the market) compiled by Forum ref. and Borsa Italiana for its corporate communications.

The calendar of corporate events has been sent by NIS to the Italian Stock Exchange and is available on the company website.

2008 proved to be an overall negative year for the Italian stock market and for all the main stock markets worldwide. The Mibtel index fell 48.5% with a more marked decline in the second half of the year due to the growing problems of all international financial markets caused by the deepening financial crisis. TREVI shares, despite a very positive performance in the first half when they reached a record high of Euro 17.40 per share, closed the financial year in line with the market and down 39.3%. At the close of 2008, the share price was Euro 7.365 per share.

The share price performance in 2008 showed little correlation with the underlying business performance of the Group but was negatively affected by the international context which in the final months of the year particularly penalised listed companies.



Average Price:

Maximum Price: 17,30 EURO

Minimum Price: 6,35 EURO

Performance 2008:

Share capital

The issued share capital of TREVI – Finanziaria Industriale S.p.A. at 31 December 2008 totalled Euro32,000,000 fully paid-up and comprising 64,000,000 ordinary shares of nominal value Euro 0.50 each.

Following the meeting of the Board of Directors of 23 November 2006, a share capital increase of Euro3,097,345 made up of 6,194,690 ordinary shares of nominal value Euro 0.50 per share was deliberated to service the conversion rights of the bonds of the Indirect Convertible Bond Loan.

At 31 December 2008, the authorised share capital was Euro 35,097,345 made up of 70,194,690 shares with a nominal value of Euro 0.50 per share.

The company is controlled by Trevi Holding Aps which holds 53.125% of the share capital.

At 31 December 2008 data held by Consob showed that JP Morgan Asset Management (UK) Ltd had a stake in excess of 2%, a holding of 4.995%. During 2008, Fidelity International Limited reduced its holding to below 2% of the share capital.

At 31 December 2008, the Company owned 770,389 of its own shares, equivalent to 1.20% of the share capital.

On 4 February 2009, JP Morgan Asset Management (UK) declared that

it had reduced its holding to below 2% whilst on 5 March 2009, the Oppenheimer (USA) fund declared that it had a stake in excess of 2% (2.01%).

Shares held by board members and statutory auditors are listed in the Notes to the 2008 Financial Statements.

Additional information

Attachment 3 has been included, as recommended in the Guide to Preparing a Review of Corporate Governance prepared by Assonime, to provide further information and estimates under the Self-Regulatory Code.

Code of ethics

On 13 November 2006, the Board of Directors approved an internal Code of Ethics, which is available on the Company website.

TABLE 1: STRUCTURE OF THE BOARD OF DIRECTORS & OTHER COMMITTEES

Board of Directors						
Position	Members	Executive	Non-executive	Independent	****	No. of positions **
Chairman & MD	Davide Trevisani	X			100%	
VP & MD	Gianluigi Trevisani	X			83%	
MD	Cesare Trevisani	X			100%	
MD	Stefano Trevisani	X			100%	
Director	Guglielmo Moscato		X	X	83%	
Director	Pio Fabbri Teodorani		X	X	50%	
Director	Enrico Bocchini		X	X	100%	
Director	Riccardo Pinza		X	X	100%	
Director	Franco Mosconi		X	X	67%	

Board of Directors									
Position	Members	Internal Audit Committee °		Remuneration Committee °°		Appointments Committee #		Executive Committee	
		***	****	***	****	***	****	***	****
Chairman & MD	Davide Trevisani								
VP & MD	Gianluigi Trevisani								
MD	Cesare Trevisani								
MD	Stefano Trevisani								
Director	Guglielmo Moscato								
Director	Pio Fabbri Teodorani								
Director	Enrico Bocchini	X	100%	X	100%				
Director	Riccardo Pinza	X	100%	X	100%				
Director	Franco Mosconi	X	---	X	100%				

No. of meetings held during the financial year Board meetings: 6 Internal Audit Committee: 3 Remuneration committee: 1 Appointments Committee: --- Executive committee: ---- Executive committee: ---

° Summary of reasons for any absence from the Committee or different composition from that recommended in the Code of Practice:

°° Summary of reasons for any absence from the Committee or different composition from that recommended in the Code of Practice:

Summary of reasons for any absence from the Committee or different composition from that recommended in the Code of Practice: None foreseen

NOTES:

* The asterisk indicates if the Board member has been appointed by minority shareholders.

TABLE 2: BOARD OF STATUTORY AUDITORS

Position	Members	Percentage of attendance at Auditors' meetings	No. of other positions held**
Chairman	Adolfo Leonardi	100%	
Acting Auditor	Giacinto Alessandri	100%	
Acting Auditor	Giancarlo Poletti	100%	
Supplementary Auditor	Giancarlo Daltri	---	
Supplementary Auditor	Silvia Caporali	---	

Number of meetings held in the financial year: 12

Required quorum for minority shareholders presenting lists of nominations for one or more acting members (from Article 148 TUF): a minimum of 3% of the share capital

NOTES:

* The asterisk indicates if the Auditor has been appointed from lists presented by minority shareholders.

** This column indicates the number of appointments as Director or Auditor held by the person in other companies listed on Italian regulated markets. Greater detail on appointments is given in the Corporate Governance Report.

TABLE 3: OTHER PROVISIONS OF THE SELF-REGULATORY CODE OF PRACTICE

	YES	NO	Summary reasons for differences to the recommendations of the Code
System of delegation and related party transactions			
Has the Board established their:			
a) limits	x		
b) implementation methods	x		
c) reporting intervals?	x		
Does the Board retain the right to examine and approve operations having a significant effect on assets or on the economic and financial standing of the Company (including those with related parties)?	x		
Has the Board set guidelines and defined the criteria to define "significant" operations?	x		
Are the above guidelines and criteria described in the Report?	x		
Has the Board defined appropriate procedures to examine and approve related party transactions?	x		
Are the procedures for approving related party transactions described in the Report?	x		
Procedures for appointing the most recent Board members and Auditors			
Was notice of the candidature for Board membership deposited at least ten days in advance?	x		
Was the candidature for Board membership accompanied by full information?	x		
Was the candidature for Board membership accompanied by indications that she/he was suitably qualified to be independent?	x		
Was notice of the candidature to be an Auditor deposited at least ten days in advance?	x		
Was the candidature to be an Auditor accompanied by full information?	x		
Shareholders' Meetings			
Has the Company approved procedure rules?		x	Limited number of shareholders present
Are the Procedure Rules attached to the Report (or is there an indication of where they may be obtained/downloaded)		x	
Internal Control			
Has the Company appointed a Head of Internal Control	x		
Organisational unit for internal control (from Article 9.3 of the Code)			Baker Tilly Consulaudit S.p.A.
Investor relations			
Has the Company appointed an Investor Relations Manager?	x		

Organisational unit and contact details (address/telephone/fax/e-mail) of the Investor Relations Manager Stefano Campana based at the Company's Registered Offices in Cesena (FC), Via Larga 201 – tel. 0039 (0)547-319411 fax 0039 (0)547-319313 e-mail: scampana@trevifin.com

Register of persons having access to privileged information

The Board of Directors approved from 1 April 2006 the procedure relating to the existence and maintenance of the register of persons with access to privileged information, in accordance with Article 115-bis of the Finance Consolidation Act. The procedure was updated following the deliberation of the Board of Directors on 16 February 2009.

Internal Dealing

In the 2008 financial year, there were six communications concerning internal dealing, of which one concerned the Managing Director of the Company, Davide Trevisani; two the Managing Director Gianluigi Trevisani; two the Managing Director Cesare Trevisani; and one the Managing Director of the subsidiary, Soilmec S.p.A. . All these communications were deposited with Borsa Italiana and are available on its website.

Treasury shares and shares in the controlling shareholder

At 31 December 2008, the Company held 773,389 treasury shares, equivalent to 1.20% of the share capital of the Company. The Company holds no shares and/or stakes in the controlling company, Trevi Holding APS.

Additional information

The company has had a subsidiary in Venezuela since March 2004 for the purpose of running the consortium that includes Trevi SpA (50%), TREVI – Finanziaria Industriale (45%) and SC Sembenelli Srl (5%), which won the contract awarded by CADAFE in Venezuela for the repair of the "Borde Seco" dam.

With regards to personal data protection, the Company has introduced and implemented the Prospectus Document on the Security of Personal Data (Dps) as required under Articles 33-34-35-36 and rules 19 and 26 of Appendix B, Technical Instructions for Minimum Security Measures, of Decree Law 196/2003.

In accordance with Consob ruling 11971 of 14 May 1999, shares held personally by Board members and acting and supplementary auditors in the Company and in its subsidiaries are shown in the following table:

1 -Shares held in TREVI – Finanziaria Industriale S.p.A.

Surname and name	Ownership capacity	No. of shares held at 31/12/07	No. of shares purchased	No. of shares sold	No. of shares held at 31/12/08
Trevisani Davide	Held directly	1,565,575		355,000	1,210,575
	Held by spouse	56,447			56,447
Trevisani Gianluigi	Held directly	222,700	31,000		253,700
Trevisani Cesare	Held directly	186,414	28,500		214,914
Trevisani Stefano	Held directly	-	1,210		1,210
Moscato Antonio Claudio		-			-
Franco Mosconi		-			-
Teodorani Fabbri Pio		-			-
Bocchini Enrico	Held directly	1,000			1,000
Leonardi Adolfo		-			-
Alessandri Giacinto		-			-
Poletti Giancarlo		-			-
Daltri Giancarlo		-			-
Caporali Silvia		-			-

2- Shares held in the subsidiary SOILMEC S.p.A., with registered offices in Cesena (FC) Via Dismano, 5819 – Business Register of Forlì – Cesena no. 00139200406, share capital of Euro 5,160,000 fully paid-up, representing 1,000,000 ordinary shares of nominal value Euro 5.16 each.

Surname and name	Ownership capacity	No. of shares held at 31/12/07	No. of shares purchased	No. of shares sold	No. of shares held at 31/12/08
Trevisani Davide	Owner	16,800	-	-	16,800
Trevisani Gianluigi	Owner	10,200	-	-	10,200
Trevisani Cesare	Owner	3,000	-	-	3,000

Control and significant influence on the company

In accordance with Article 93 of the Consolidation Act, it is declared that, at 31 December 2008 and at the date the current Financial Statements were prepared, TREVI – Finanziaria Industriale SpA is indirectly controlled by I.F.I.T. S.r.l. (a company with registered offices in Cesena) and directly controlled by the Danish company TREVI Holding Aps, a company controlled by I.F.I.T. S.r.l.

With regard to company data pursuant to Article 2497 of the Italian Civil Code, concerning control and any eventual influence exercised by controlling companies, it is stated that at 31 December 2008 and at the date the current Financial Statements were prepared, no declaration had been made concerning control or significant influence by controlling companies, as the Board of Directors of TREVI – Finanziaria Industriale S.p.A maintain that, while the corporate strategies and policies of TREVI Group are indirectly controlled by IFIT S.r.l., the Company is both operationally and financially completely independent of the controlling company, and has not carried out either in 2008 or any preceding financial periods any corporate transaction in the interests of the controlling company.

The Company, at the date the current Financial Statements were prepared, is the Parent Company of TREVI Group (and as such compiles the Consolidated Financial Statements of the Group), and exercises, in accordance with Article 2497 of the Italian Civil Code, control and influence on the activities of the companies it directly controls:

- TREVI S.p.A., held directly for 99.78%;
- SOILMEC S.p.A., held directly for 97.00%;
- DRILLMEC S.p.A., held directly for 98.25%.
- R.C.T. S.r.l., held indirectly for 99.78% (100% held by TREVI S.p.A.).
- TREVI ENERGY S.p.A., held directly as the sole shareholder for 100%

Proposed allocation of profits

The profit in the TREVI – Finanziaria Industriale S.p.A. Financial Statements for the year ending 31 December 2008 was Euro 9,420,428 which is proposed should be allocated as follows:

- 5%, equal to Euro 471,021, to the legal reserve;
- Euro 0.12 per share (and, therefore, about Euro 7,680,000) to the shareholders ranking for dividend, with an ex-dividend date of 13 July 2009 and payment from 16 July 2009;
- the residual amount of about Euro 1,269,407 to the extraordinary reserve.