

Gruppo **TREVI**

THE BOARD HAS UNANIMOUSLY APPROVED THE GUIDELINES OF THE TRANSACTION FOR THE CAPITAL STRENGTHENING OF THE COMPANY AND THE RESTRUCTURING OF THE TREVI GROUP'S DEBT

FINANCIAL RESTRUCTURING BASED ON A RIGHTS OFFERING FOR EURO 130 MILLION TO BE OFFERED IN PRE-EMPTION (*IN OPZIONE*) TO THE EXISTING SHAREHOLDERS AND A DEBT CONVERSION IN FINANCIAL INSTRUMENTS FOR EURO 250 MILLION

THE PROPOSAL WILL BE SUBMITTED TO THE BANKS FOR THE DEFINITION OF THE TERMS AND CONDITIONS OF THE FINANCIAL RESTRUCTURING

TREVI GROUP AWARDED NEW CONSTRUCTION, INFRASTRUCTURE AND OIL & GAS ORDERS FOR A TOTAL AMOUNT OF MORE THAN EURO 138 MILLION

Milan, October 8, 2018 – The Board of Directors of Trevi Finanziaria Industriale S.p.A. (the "**Company**" or "**Trevifin**"), following the proposal of the Chief Restructuring Officer (CRO) Mr. Sergio Iasi and taking into account the preliminary indications received from the main shareholders of the Company and the financing banks, unanimously approved the guidelines of the capital strengthening and debt restructuring transaction, which include *inter alia*:

- a capital increase for Euro 130 million, to be paid up in cash with an option right in favour of the shareholders, on the basis of the proxy granted pursuant to Article 2443 of the Italian Civil Code by the Extraordinary Shareholders' Meeting held on July 30, 2018;
- the conversion of credits owed to the banks by the Company and the other companies of the Trevi Group for Euro 250 million in financial instruments and the rescheduling of residual financial indebtedness towards the banks;
- all of the above in the context of a debt restructuring agreement pursuant to Article 182-bis of the Royal Decree no. 267 of March 16, 1942.

The Board of Directors therefore authorized CRO to promptly move forward with the negotiations with the financing banks for the definition of the final terms and conditions of the financial restructuring, including the conversion ratio of the debts as well as the characteristics and rights of the financial instruments that shall be allocated to the banks as a consequence of the conversion, with the aim of reaching an agreement by the beginning of November.

It is also expected that also the main shareholders of the Company shall take part to such negotiations to the extent that they relate to aspects of the transactions which concern their interest, also having regard to the preliminary expressions of interest to subscribe part of the capital increase so far received from them.

As to the results of the business as of 30 June 2018, the total revenues of the Trevi Group are equal to Euro 380.2 million, lower than the revenues of the same period during 2017 (Euro 460.8 million as of 30 June 2017). In particular, the revenues of the Trevi division are equal to Euro 203.1 million (Euro 287.3 as of 30 June 2017), while the total revenues of the Soilmec division are equal to Euro 100.6 million (Euro 97 million as of 30 June 2017) and, within the Oil & Gas sector, Euro 40.9 million revenues for the Drilmec division (Euro 32.9 million as of 30 June 2017) and Euro 44.9 million revenues for the Petreven division (Euro 60.4 as of 30 June 2017).

The total revenues of the Trevi division have been affected by the postponement of the Iraq contract and by the sharp contraction of volumes in the LATAM area, and an increase in margin of the division is expected compared to the previous financial year.

As far as the Soilmec division is concerned, in addition to preserving the same total revenues of the same reference period of the previous financial year, an increase in margin is expected as a consequence of the change in the product mix which is more focused on high-end machineries.

In relation to the Oil & Gas sector, notwithstanding some signs of recovery of the reference market, the relevant divisions continue to face difficulties mainly due to the areas in which such divisions operate.

The TREVI Group was recently awarded new and significant contracts in the Special Foundation sector for Euro 80 million and in the Oil & Gas sector for Euro 58 million.

Trevi S.p.A. has acquired the foundation works for the construction of the new Four Frankfurt complex, which envisage the construction of four buildings, the highest of which will reach 228m in height. In the United States, TREVIICOS, the American subsidiary of Trevi, was awarded, in joint venture with the Nicholson Construction Company, subsidiary of the Soletanche Group, the works to ensure the safety of the Boone Dam in the state of Tennessee.

In the Oil & Gas sector, Drilmec SpA. has signed a contract concerning the supply of 2 drilling rigs, type 2000 Hp land rig, in favour of Burisma Group, an oil and gas company operating on the Ukrainian market.

Furthermore, in the last few months, Drilmec has acquired other new contracts for around Euro 15 million.

Petreven has signed drilling contracts in the last months for a total of over 28 million dollars in Argentina, Peru and Venezuela.

The CEO of the Trevi Group, Stefano Trevisani, has remarked with satisfaction the quality of the contracts awarded notwithstanding the continuing difficult situation of the relevant market.

Without prejudice to what has been mentioned in letter a) in the second part of the press release, the C.F.O., Marco Andreasi, in his position as the Director responsible for drawing up the Company's accounting statements, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Financial Law (*Testo Unico della Finanza*), that the financial information contained in this press release accurately represents the figures arising from the Company's accounting records.

This press release contains forward-looking statements. These statements are based on the current estimates and projections of the Group, relating to future events and, by their nature, are subject to an intrinsic component of risk and uncertainty. Actual results may differ materially from those contained in such statements due to a variety of factors, including continued volatility and further deterioration of capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, in addition to other factors, the majority of which is beyond the control of the Group.

About Trevi:

Trevi Group is a worldwide leader in the field of soil engineering (special foundations, tunnel excavation, soil consolidation and the building and marketing of special rigs and equipment relevant to this engineering sector); the Group is also active in the drilling sector (oil, gas and water) both in the production of plant and the supply of services, and it also builds automated underground car parks. The Group was established in Cesena in 1957 and today has more than 30 branches and is present in over 80 countries. Its success is due to the vertical integration of the main divisions making up the Group: Trevi, the division that supplies special services in the field of soil engineering, Petreven, the oil drilling division of the Group, Soilmec, the division that produces and develops plant and machinery for soil engineering and Drillmec the division that produces and develops drilling rigs (oil, gas and water). The parent company has been listed on the Milan stock exchange since July 1999.

For further information:

Investor Relations: Francesca Cocco – e-mail: investorrelations@trevifin.com

Group Communications Office: Franco Cicognani - e-mail: fcicognani@trevifin.com – tel: +39/0547 319503

Press Office: Community - Strategic communication advisers – T. +39 02 89404231

Auro Palomba - Auro.palomba@communitygroup.it

Roberto Patriarca – (T. +39 335 65 09568) - Roberto.patriarca@communitygroup.