

2015 Full Year Results

TREVI Group

Ended 31st December 2015

CONFERENCE CALL

Cesena
24 March 2015

Financial Results



1. *TREVI Group*

2. FY 2015 Financial Results

3. Appendix

4. Q&A

TREVII-Finanziaria Industriale S.p.A.



Special foundation services

€591,5m



Oil drilling rigs

€403,5m

FY2015 Revenues



Special foundation rigs

€252,0m



Oil drilling services

€146,2m

TREVI

Special foundation services

€591,5m

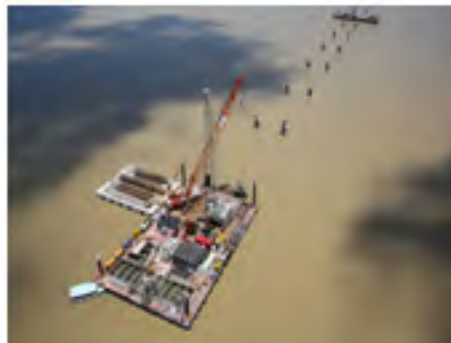
FY2015 Revenues



Geotechnical Works



Environment



Marine Works



Deep Foundations



Tunnel Consolidation



Large Diameter Piles



Hydromills & Grabs



Microdrilling & Attachments



Cranes



Special foundation rigs

€252,0m

FY2015 Revenues

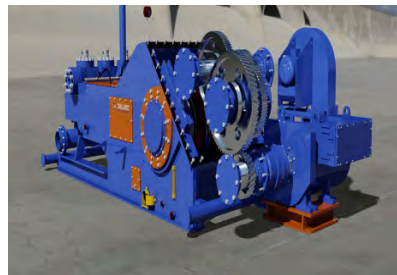




Land Rigs



Hydraulic Drilling Rigs



Mud Pumps



Drawworks



Modular Offshore



Conventional Packages



AHEAD Rigs



Top Drives



Oil drilling rigs

€403,5m

FY2015 Revenues

ARGENTINA:

7 RIGS HH102



2 RIGS HH220



PERU':

1 RIGS HH102



CILE:

1 RIG HH220

1 RIG HH102



2 WO HH102

17 HH Rigs
Operating in
South America

VENEZUELA:

1 RIG HH200

1 RIG HH300



COLOMBIA:

1 RIGS HH220

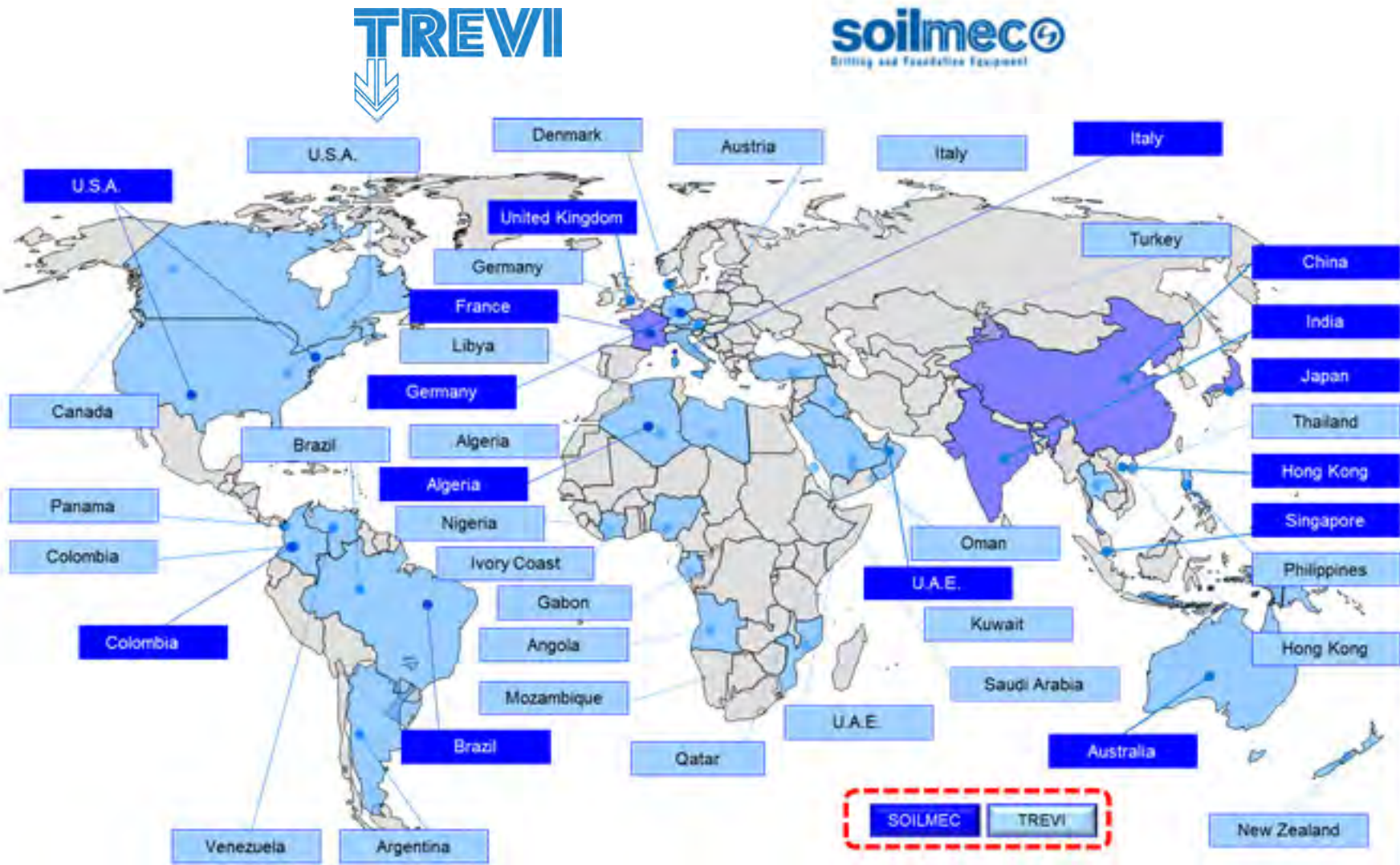


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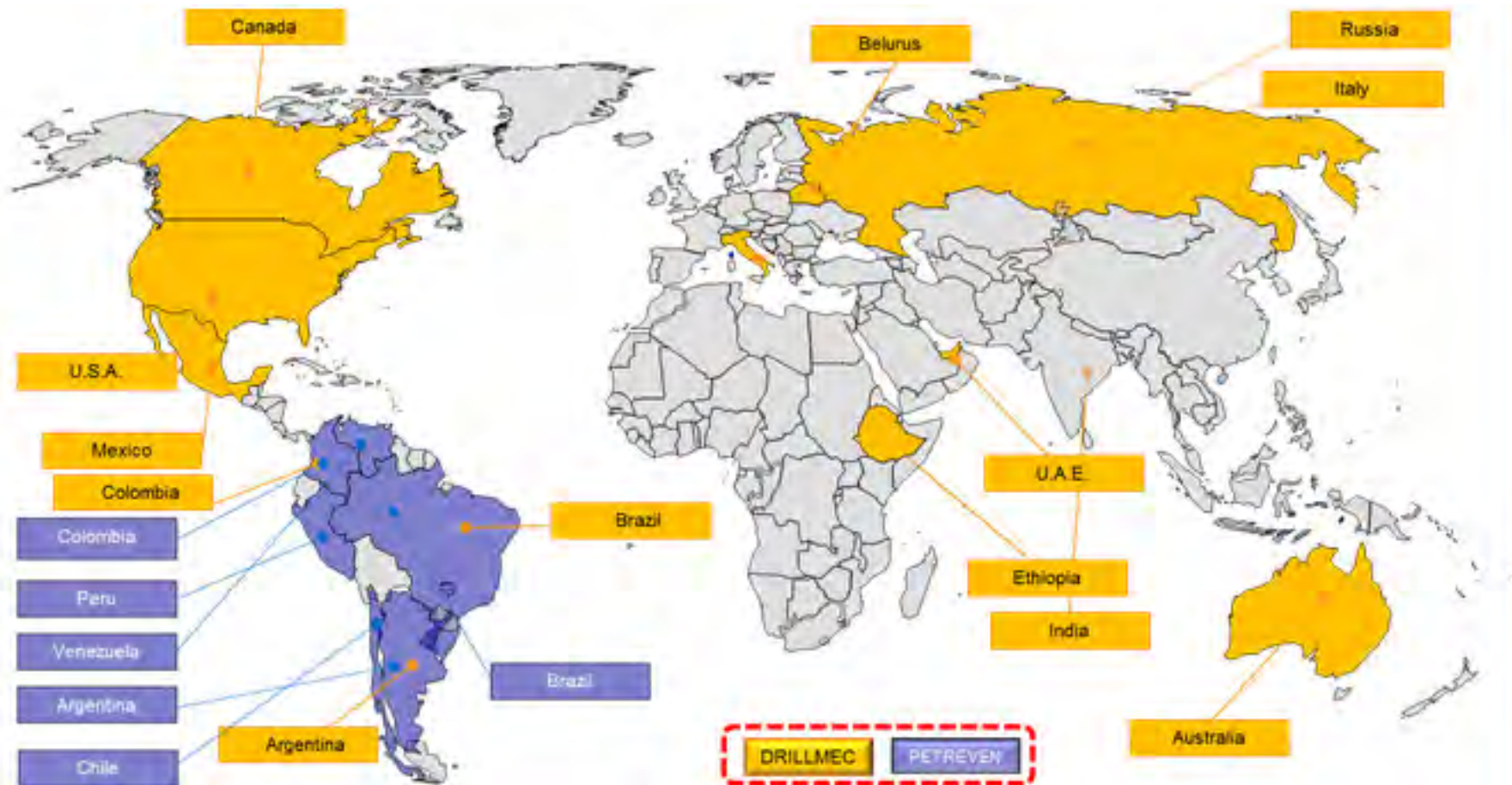
Oil drilling services

€146,2m
FY2015 Revenues

Foundations Sector



Oil & Gas Sector



1. TREVI Group

2. *FY 2015 Financial Results*

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4. Q&A

Results Key Highlights

FY15: A year of challenges with improvements ahead

- ***113 million Euro improvement in the Net financial Position***
The net financial indebtedness improved considerably at 21% with respect to the 3Q15
- ***949 million Euro of solid backlog***
The order backlog is mainly characterized by solid contracts from the foundations sectors
- ***Mosul Dam finally acquired (value Euro 273m)***
After a highly selective process TREVI Group won the contract for the remediation of the dam
- ***New opportunities in the foundations business worldwide***
Contracts for important special foundation works are expected

Main discussion points

- *The Full Year End Results were characterized mainly by the “one-off” event of the Drillmec contract*
- *The Oil & Gas division’s performance is witnessing a more complex phase given the depressed oil prices and reduced investments from oil companies*
- *Notwithstanding the current situation the Group was able to improve significantly the Net Financial Position*
- *Given the unfavorable dynamics of the energy sector, the Group has already initiated a major reorganization of the Oil & Gas sector and is carrying out cost efficient measures.*
- *The foundation sector, with an already strong portfolio as well as with the recent acquisition of the Mosul dam, has significantly increased its visibility. The contract value, as already known, is equal to Euro 273 million and works will be carried out until 2017.*

Financial Highlights

Revenues

€1.342m

Ebit

€-88m

Backlog

€949m

Ebitda

€9m

Net Profit

€-115m

Net Financial Position

€420m

Group's Divisions Overlook

- End of Year very solid order backlog (doesn't include Mosul)
 - Very strong order intake in areas such as the Middle East and North Africa
 - Greater demand for marine, transportation and metro works
 - Increased the already long term visibility
 - Infrastructure sector improving and wider international reach
 - MOSUL acquisition a great accomplishment (€273m)
 - Private development building activities reaching momentum (LatAm, US, UAE)
-
- 9% of revenue increase with respect to the previous year
 - Notwithstanding the contraction in some European countries the US, UK & France performed well
 - Quarterly order intake continues to register growth (about 53m Euro in 4Q15)
 - Increased demand for classic «Rotary» rigs, good performance for micropiling and cranes
 - Management focused on strong actions for the reduction of inventories and showing positive effects while maintaining volumes of sales



Group's Divisions Overlook

- Volatility in the markets given the prolonged situation in the Oil markets
- Cost reduction initiatives have been implemented and production sites are in the process of being improved in terms of efficiency
- Marginality affected by a higher deterioration in market conditions and completion of product portfolio
- Strategically the company is scaling its production to a smaller output and focusing on aftermarket services.



-
- Minor growth in sales
 - Marginality hindered by macroeconomic environment
 - Still challenging environment in 2016 given the current dynamics of Oil
 - Rigs are being kept active from clients given higher performance





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*

Financial Highlights FY15 yoy

	FY15	%	FY14	%	Δ%
VALUE OF PRODUCTION	1.368,4		1.283,1		6,6%
REVENUES	1.342,3	100,0%	1.250,7	100,0%	7,3%
EBITDA	8,9	0,7%	126,4	10,1%	-92,9%
EBIT	(87,9)	-6,5%	62,6	5,0%	-240,4%
FINANCIAL COSTS	(29,6)	-2,2%	(31,7)	-2,5%	-6,7%
TAXES	(16,3)	-1,2%	3,9	0,3%	520,1%
NET PROFIT	(115,2)	-8,6%	24,4	2,0%	-571,8%
	FY15		FY14		Δ%*
NET CAPITAL EMPLOYED	999,8		1.046,4		-4,5%
EQUITY	579,6		666,7		-13,1%
NET FINANCIAL POSITION	419,8		379,3		-10,7%
BACKLOG	949,4		1.107,4		-14,3%
	FY15		FY14		
NFP / EBITDA	n/a		3,00X		
NFP / EQUITY	0,72X		0,57X		
	FY15		FY14		
EMPLOYEES	7.867		7.379		

Financial Highlights 1H15 vs 2H15

Eur 000	1H15	2H15	FY15
TOTAL REVENUES	601.114	741.188	1.342.302
Changes in inventories of finished and semi-finished products	13.132	(9.832)	3.301
Increase in fixed assets for internal use	13.242	9.541	22.783
Other non-ordinary operating revenues	0	0	0
VALUE OF PRODUCTION	627.489	740.896	1.368.384
Raw materials and external services	536.253	539.618	1.075.871
Other operating costs	8.567	11.169	19.737
VALUE ADDED	82.668	190.109	272.776
Personnel expenses	131.428	132.416	263.845
EBITDA	(48.760)	57.693	8.934
<i>% Total Revenues</i>	-8,1%	7,8%	0,7%
Depreciation	30.159	32.878	63.038
Provisions and write-downs	25.552	8.207	33.758
EBIT	(104.471)	16.607	(87.861)
<i>% Total Revenues</i>	-17,4%	2,2%	-6,5%
Financial revenues/(expenses)	(12.954)	(16.645)	(29.600)
Gains/(Losses) on exchange rates	(7.006)	(6.739)	(13.744)
Other Gains/(Losses)	0	(557)	(556)
EBT	(124.431)	(7.333)	(131.764)
Tax	4.836	(21.145)	(16.309)
Minorities	(1.178)	910	(268)
GROUP NET PROFIT	(128.090)	12.902	(115.187)

Financial Highlights 1Q15 - 4Q15

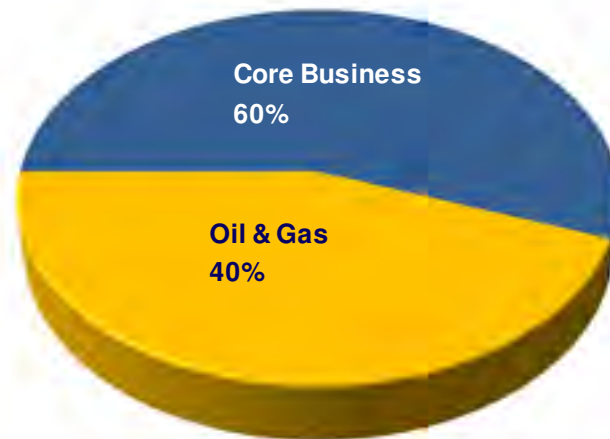
Eur 000	1Q15	2Q15	3Q15	4Q15
TOTAL REVENUES	297.009	304.105	355.222	385.966
Changes in inventories of finished and semi-finished products	7.385	5.748	3.301	(13.133)
Increase in fixed assets for internal use	5.311	7.931	4.970	4.571
Other non-ordinary operating revenues	0	0	0	0
VALUE OF PRODUCTION	309.704	317.784	363.493	377.403
Raw materials and external services	222.484	313.769	261.898	277.720
Other operating costs	3.114	5.453	4.158	7.012
VALUE ADDED	84.106	(1.438)	97.437	92.671
Personnel expenses	62.771	68.657	64.594	67.823
EBITDA	21.336	(70.095)	32.844	24.849
<i>% Total Revenues</i>	7,2%	-23,0%	9,2%	6,4%
Depreciation	15.205	14.954	15.544	17.335
Provisions and write-downs	1.122	24.430	1.396	6.810
EBIT	5.009	(109.478)	15.904	704
<i>% Total Revenues</i>	1,7%	-36,0%	4,5%	0,2%
Financial revenues/(expenses)	(5.638)	(7.316)	(8.331)	(8.315)
Gains/(Losses) on exchange rates	3.567	(10.573)	(7.586)	848
Other Gains/(Losses)	0	1	(2)	(555)
EBT	2.937	(127.366)	(16)	(7.319)
Tax	734	4.102	3.807	(24.952)
Minorities	320	(1.498)	(483)	1.393
GROUP NET PROFIT	1.883	(129.970)	(3.340)	16.240

Revenues Before and After Consolidation

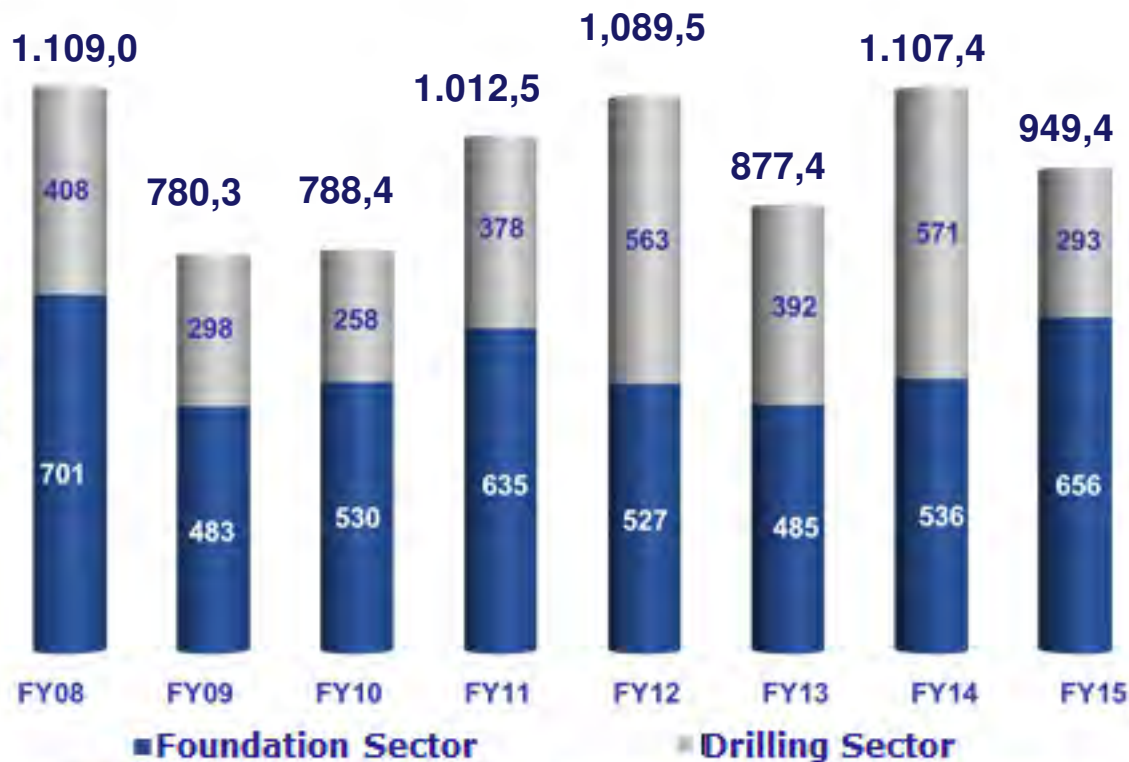
Euro mln	FY15	FY14	Δ%
Drilling Rigs (DRILLMEC)	403,5	426,8	-5,4%
Drilling Services (PETREVEN)	146,2	144,6	1,1%
Interdivisional Adjustments and Eliminations	(2,1)	(3,7)	
Sub-Total Oil & Gas Sector	547,6	567,7	-3,5%
Special Foundation Services (TREVI)	591,5	486,6	21,5%
Machines for Special Foundations (SOILMEC)	252,0	231,3	8,9%
Interdivisional Adjustments and Eliminations	(16,9)	(14,5)	
Sub-Total Foundation Sector	826,5	703,4	17,5%
Parent Company	26,7	20,8	
Interdivisional Eliminations	(58,6)	(41,3)	
TOTAL CONSOLIDATED REVENUES	1.342,3	1.250,7	7,3%

One Group: Two Points of view

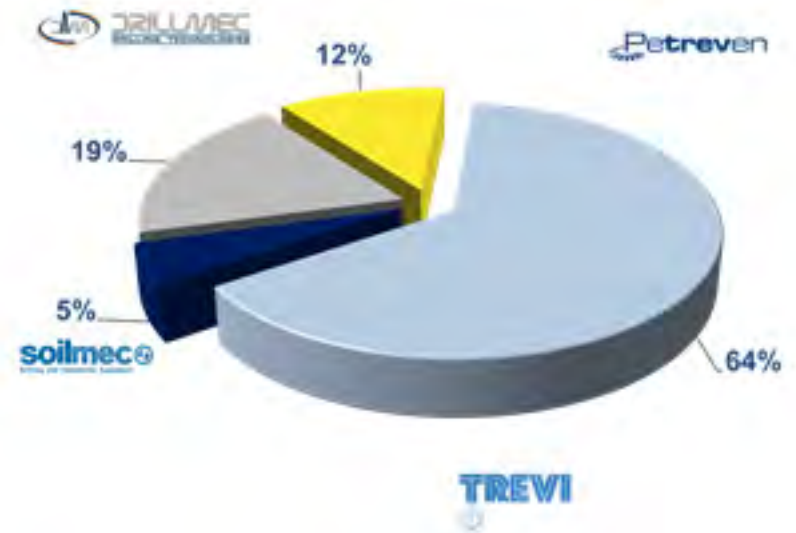
Ricavi Totali FY15:
Euro 1.342,3 mln



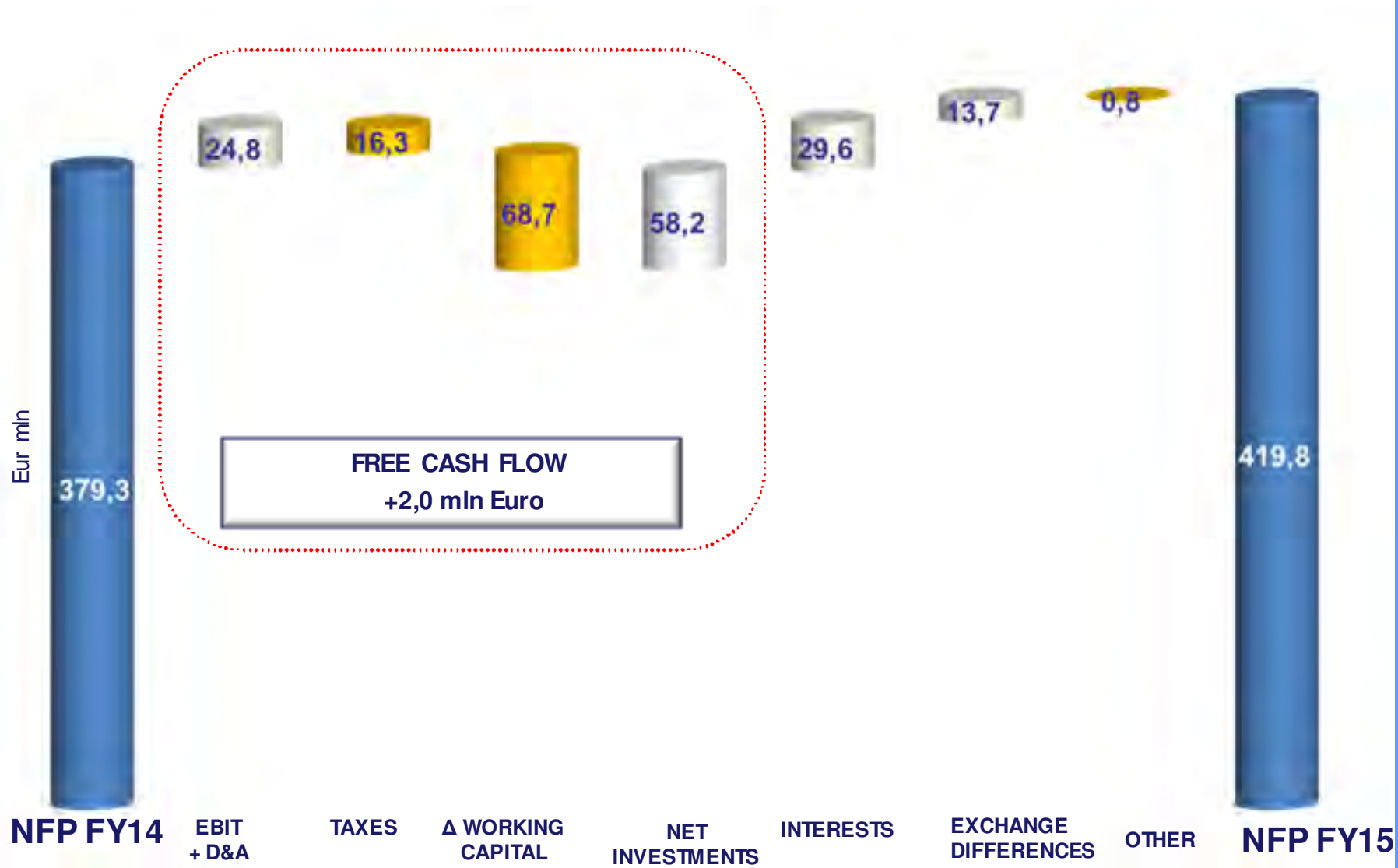
Backlog



AREA GEOGRAFICA (Euro mln)	FY 15	%
Italia	68,6	7,2%
Europa (esclusa Italia)	20,8	2,2%
U.S.A. e Canada	62,8	6,6%
America Latina	209,8	22,1%
Africa	265,5	28,0%
Medio Oriente e Asia	195,5	20,6%
Estremo Oriente e Resto del mondo	126,3	13,3%
TOTALE	949,4	100,0%

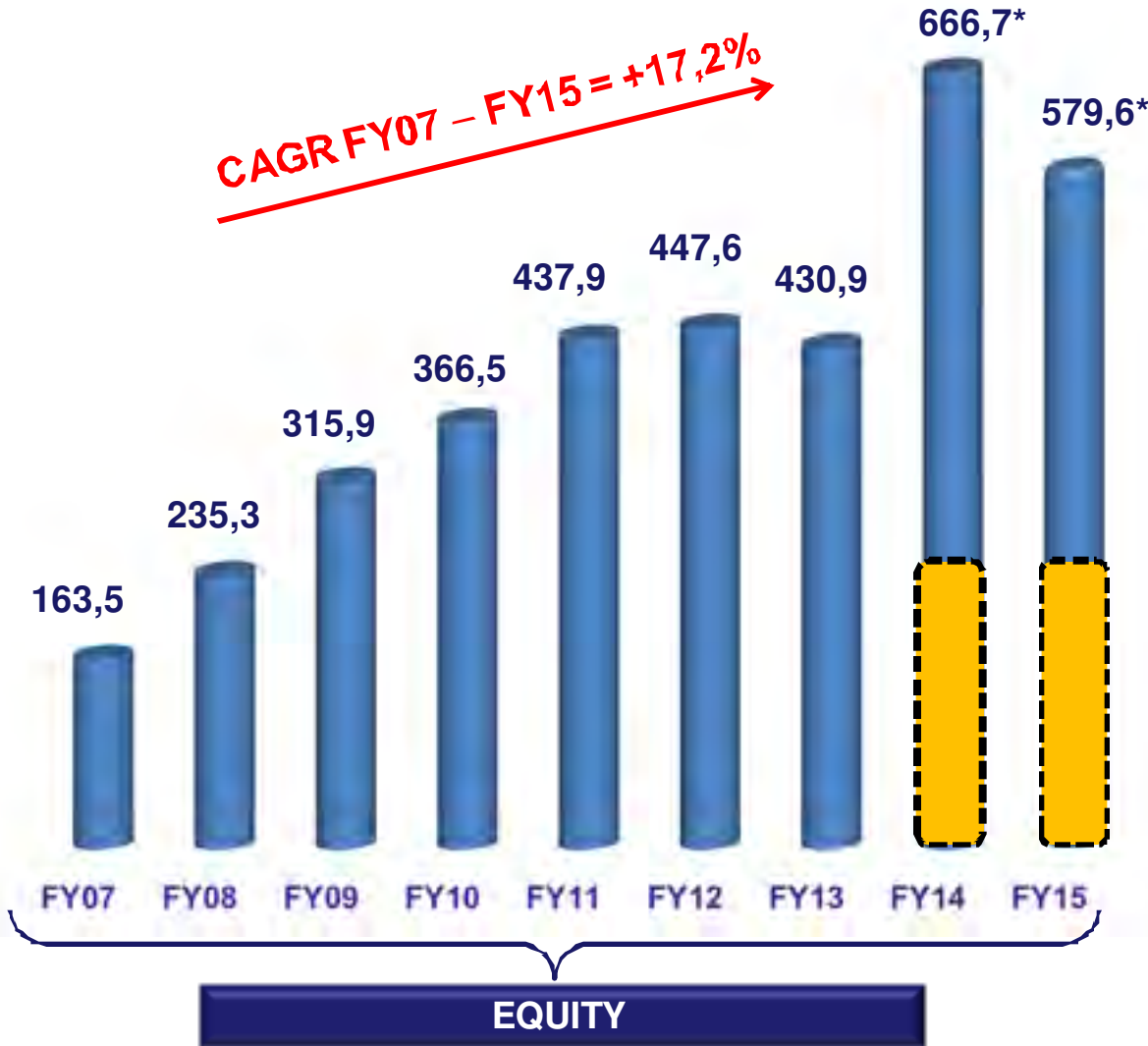


Net Financial Position

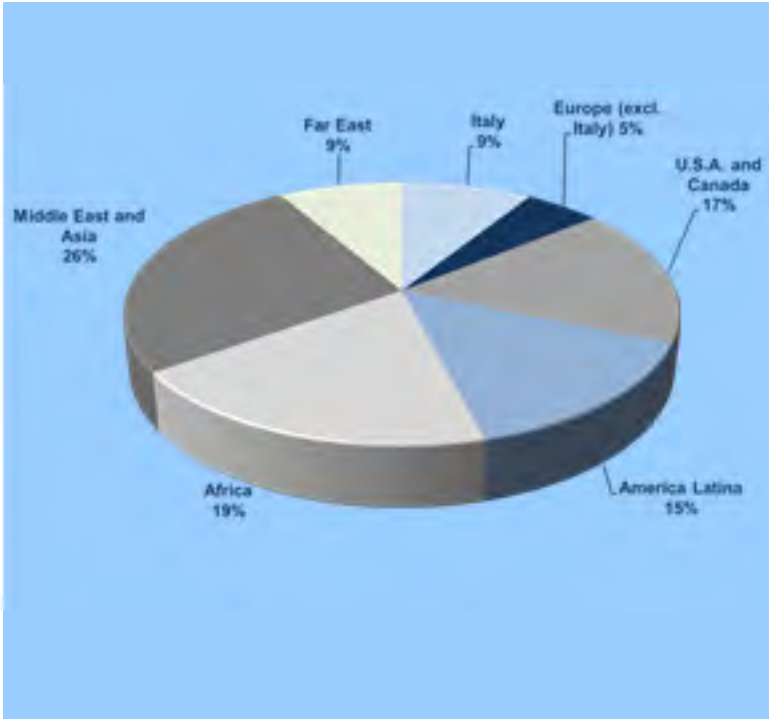
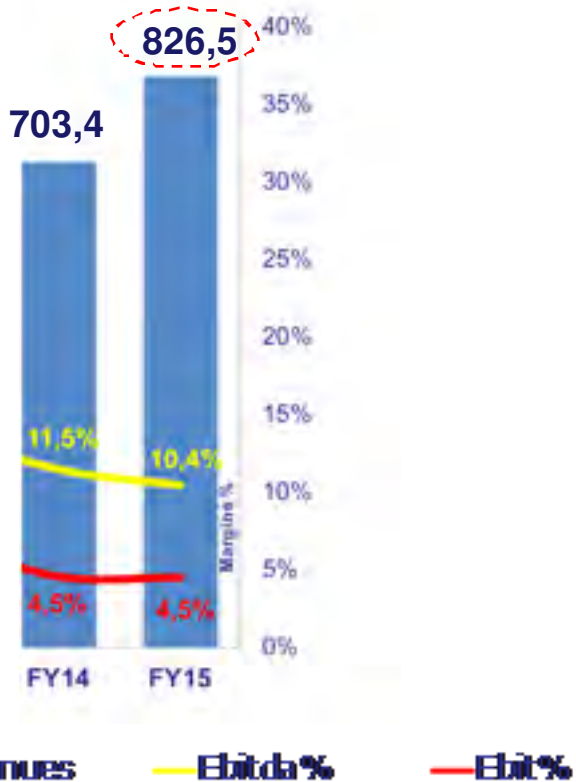


Equity and Net Financial Position

Euro mln

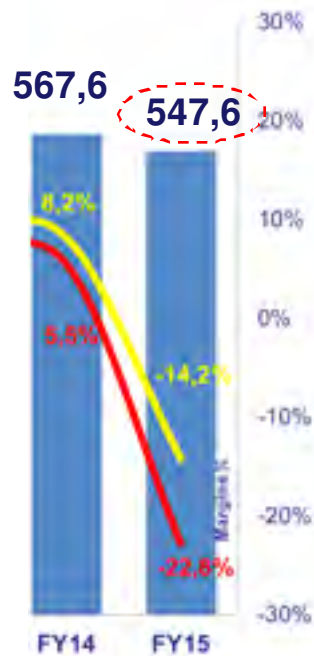


Foundations Sector



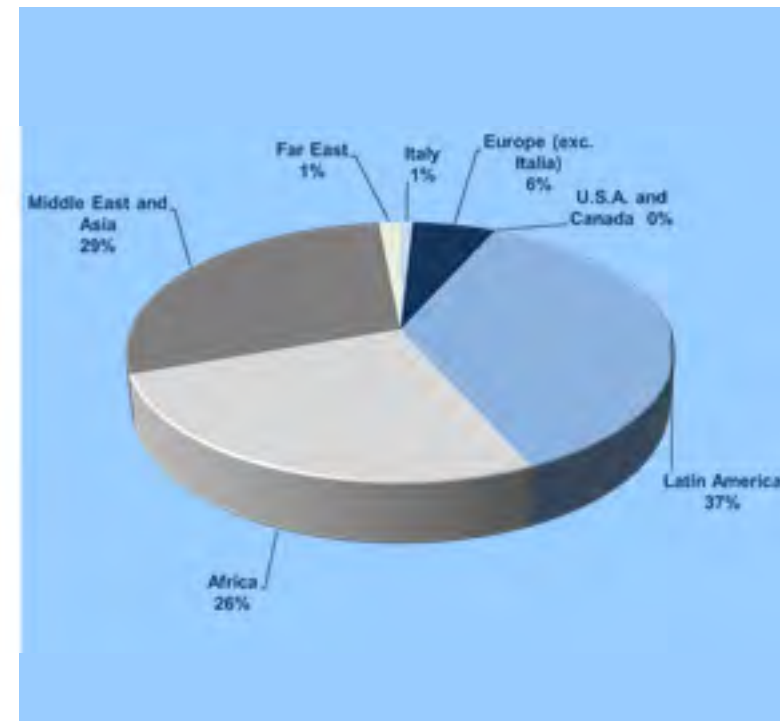
Based on non Consolidated Data

Oil & Gas Sector

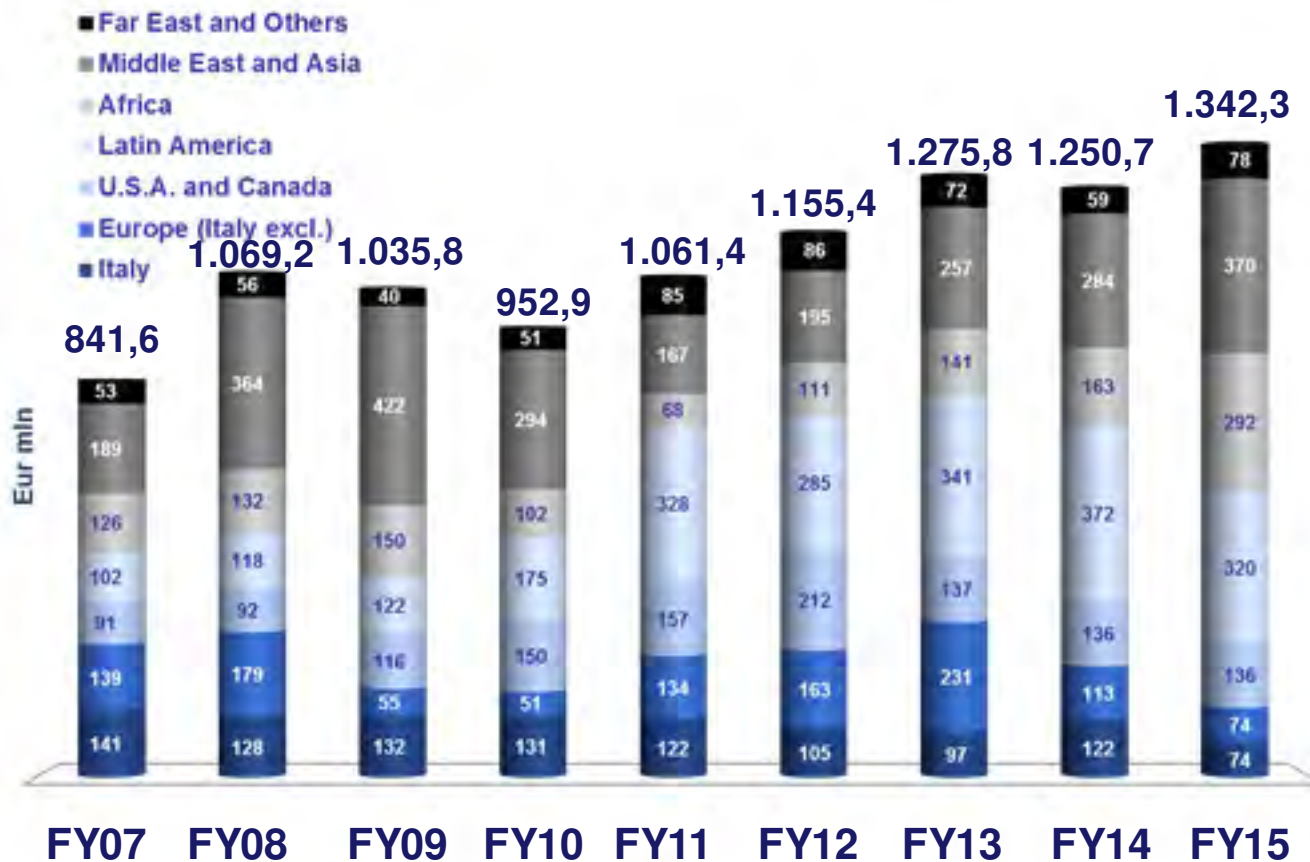


■ Revenues ■ Ebitda% ■ Ebit%

Based on non Consolidated Data



Breakdown per Geographical Area



Middle East: Contribution from this area is significantly improving from year to year. In 2015 the Group peaked the highest value ever. Infrastructural & Residential projects are key and drive the growth.

USA: Attractive North American market with major indicators proving for sustainable growth.

Africa: Another record with the highest revenues registered so far in this region. Most project relate to Marine and Large infrastructure projects.



TREVI special foundation

Temporary bridge on the Gulf of Kuwait. TREVI performing the construction of the foundation for 37 km.



TREVI special foundation Works in the Philippines

View of the Trevi yards for the Metro Manila Skyway.



Special Foundations In China

TREVI Construction Co. Ltd is working on the execution of the jet grouting columns to consolidate a layer of soft clay soil as part of a real estate development.



Suez Canal

TREVI has participated in the work for the doubling of the Suez Canal extension project. The channel was enlarged by 37km from the original channel and the excavation of a new route of was carried out for 35km.



Working for the Doha Metro

TREVI Group, through its local company Swissboring, is involved in a number of different projects as part of the important project to build new lines for the Doha Metro.

The Doha Metro is an integral part of the Qatar Rail Development Program (QRDP). Consisting of 4 lines, the metro network will cover the entire Greater Doha area. In the center of Doha, the Metro will run underground, while in the outskirts it will mainly be at surface level of evaluated.

Works in the United Kingdom

New generation Soilmec rigs, SR-75 are the first of its kind in Europe and part of a new generation of rigs designed by Soilmec for large diameter piling, where the structural components have been redesigned to reduce weight.

The foundations consist of a diaphragm wall along the outer boundary of the whole area, constructed with bored secant piles. More specifically, there will be 1,565 piles with diameters of 620, 750, 900 and 1,200 mm at a depth of 15 – 20 meters. A number of 1,500 mm diameter piles will be installed at a depth of 40 meters under the most important buildings.





SR-95 in “Silicon Beach”

Soilmec drilling rigs are currently committed to the foundations of the building project in the district of “Playa Vista”.



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 280 MILLION USD

*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.

1. TREVI Group

2. FY 2015 Financial Results

3. *Appendix*

4. Q&A

Statement of Financial Position FY15 vs FY14

Eur 000	FY15	FY14	Δ%
TOTAL REVENUES	1.342.302	1.250.699	7,3%
Changes in inventories of finished and semi-finished products	3.300	(21.963)	
Increase in fixed assets for internal use	22.783	54.329	
Other non-ordinary operating revenues	0	0	
VALUE OF PRODUCTION	1.368.385	1.283.065	6,6%
Raw materials and external services	1.075.872	898.947	
Other operating costs	19.737	21.511	
VALUE ADDED	272.777	362.607	-24,8%
Personnel expenses	263.844	236.250	
EBITDA	8.933	126.357	-92,9%
<i>% Total Revenues</i>	<i>0,7%</i>	<i>10,1%</i>	
Depreciation	63.038	57.036	
Provisions and write-downs	33.759	6.743	
EBIT	(87.864)	62.578	-240,4%
<i>% Total Revenues</i>	<i>-6,5%</i>	<i>5,0%</i>	
Financial revenues/(expenses)	(29.599)	(31.714)	
Gains/(Losses) on exchange rates	(13.744)	2.355	
Other Gains/(Losses)	(556)	2.032	
EBT	(131.764)	35.251	-473,8%
Tax	(16.309)	3.882	
Minorities	(268)	6.954	
GROUP NET PROFIT	(115.187)	24.415	-571,8%

Income Statement FY15 vs FY14

Eur 000	FY15	FY14	Δ%
Fixed assets			
- Tangible fixed assets	399.877	386.861	
- Intangible fixed assets	87.150	80.010	
- Financial fixed assets	5.709	6.562	
Net working capital			
- Inventories	522.736	709.173	
- Trade receivables	447.976	428.196	
- Trade payables (-)	(360.541)	(304.858)	
- Pre-payments (-)	(169.413)	(256.355)	
- Other assets (liabilities)	87.485	20.791	
Fixed assets plus net working capital	1.020.978	1.070.379	-4,6%
Post-employment benefits (-)	(21.225)	(24.005)	
NET INVESTED CAPITAL	999.753	1.046.374	-4,5%
<i>Financed by:</i>			
Group net shareholders' funds	564.914	648.802	
Minorities' share of net shareholders' funds	14.659	17.944	
Total financial indebtedness	420.180	379.629	
TOTAL SOURCES OF FINANCING	999.753	1.046.374	-4,5%

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4. Q&A

Company Facts

- **Ownership:** 51%
- **Market:** 49%
- **Established:** 1957
- **Listed:** 1999
- **Valuation:** \$550m
- **Value Proposition:**
Fully integrated Special Foundation Services and Oil & Gas Company

172
Dams worldwide

12%
EBITDA margin
14 year average

1st
Oil & Gas Rig
manufacturer in
Europe

6
Main projects
US Army Corps

>50
Metros in
world

>62
Marine Projects in the
world

The Group

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

Disclaimer

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.

TREVI – Finanziaria Industriale SpA does not undertake any obligation to update forward looking statements to reflect any changes in own expectations with regard thereto or any changes in events.

TREVI Group

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