

# TREVI Group

## RESULTS ENDED 31 MARCH 2013

**STABLE REVENUES, IMPROVING MARGINALITY AND SIGNIFICANTLY INCREASED ORDER PORTFOLIO**

### Consolidated key financial and economic data 1Q13

- Revenues €300m
- EBITDA €33m
- EBIT €17m
- Net Financial Position €467m
- Backlog €1,109m

**Cesena, 14 May 2013** – The Board of Directors of TREVI - Finanziaria Industriale S.p.A., the holding company of the **TREVI Group**, one of the world's leaders in engineering services for special foundations and in the manufacturing of machinery for special foundations and for drilling, approved the First Quarter Financial Statements ended March 31<sup>st</sup> 2013.

At a **Consolidated** level, the First Quarter **TOTAL REVENUES** were Euro **299.7** million, decreasing **2.7%** if compared to the 2012 figure of Euro **307.8** million.

The **value of production** was Euro **309.3** million of the first quarter of 2013.

**EBITDA** was Euro **32.7** million (a margin of **10.9%** on total revenues) increasing **3.4%** if compared to Euro **31.6** million in 2012. **EBIT** was Euro **17.4** million (an EBIT margin of **5.8%**) compared to Euro **19.0** million of the same period last year.

**PROFIT BEFORE TAX AND NON-CONTROLLING INTERESTS** was Euro **8.7** million compared to Euro **12.6** million in 2012; **Group NET PROFIT** was Euro **2.7** million compared to the Euro **8.2** million of the previous year.

The 2013 first quarter **ROI** was **7.5%** compared to **8.2%** in same period last year; the **ROE** was **2.4%**.

**NET DEBT** was at Euro **467.2** million compared to Euro **495.0** million at 31 March 2012.

**TOTAL NET EQUITY** was Euro **455.1** million, an increase of **4.7%** compared to the 2012 first quarter figure (Euro **434.8** million)

The **NET DEBT/EQUITY** ratio was **1.0x** (1.1x at 31 March 2012) and **NET DEBT/EBITDA** was **3.6x** (3.9x at 31 March 2012).

The **ORDER PORTFOLIO** was Euro **1.108.9** million, increasing **18.1%** with respect to that of 31 March 2012 of Euro **939.2** million.

The CEO, Stefano Trevisani, commented – *“The results of the first quarter of 2013 show a gradual recovery in operating margins which stood at levels higher than last year. The main economic indicators of the Group are gradually reaching a level of normalization, and we remain confident in achieving the goals of the year. The Oil & Gas division, actively engaged in the realization of important projects offshore, will mark a gradual growth during the year both in activities and in operating margins, this growth will emerge in the course of the last two quarters of the year. Services sector continues a steady delivery phase bringing very comforting margins for the quarter with the exception of the domestic market. The backlog has reached one of the highest values ever recorded in recent years and this guarantees a long-term visibility for all activities of the Group. We believe that the strategic choices taken in recent months will produce the desired results soon”.*

The Board of Directors has also approved:

1. the allocation of corporate officers appointed President and CEO Davide Trevisani, Vice Chairman and CEO Gianluigi Trevisani and CEO Cesare and Stefano Trevisani;
2. the assessment of the independence requirements of the Directors Monica Mondardini, Guglielmo Antonio Claudio Moscato, Cristina Finocchi Mahne, Cristiano Schena and Riccardo Pinza;
3. the appointment of the Audit Committee and Risk, Committee for the remuneration, Related Parties Committee: Riccardo Pinza (Presidente), Cristina Finocchi Mahne, Cristiano Schena;
4. reserve the functions of the Nomination Committee to the Board under the coordination of the President;
6. appointment of the "Lead Independent Director": Monica Mondardini;
8. appointment of charge of the internal control system and risk management: Gianluigi Trevisani;
9. The update of the Code of Conduct for Internal Dealing.

The CFO, Daniele Forti, the manager responsible for the preparation of the company's accounts states that, in accordance with paragraph 2 of article 154 bis of the Testo Unico della Finanza (Consolidated Financial Law), the accounting information contained in the present communication corresponds to the company's documented results, accounts and reports.

Cesena (FC), 14 May 2013

The manager responsible for the preparation of the company's accounts.

Daniele Forti

#### **About TREVI GROUP:**

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 TREVI – Finanziaria Industriale Spa has been listed on the Milan stock exchange since July 1999. The key financial figures for 2012 are: Total revenues of €1,115.3 million, EBITDA of €112.3 million (margin of 10.1%), EBIT of €47.5 million (margin of 4.3%), and NET PROFIT of €10.8 million. More information can be found on the website: [www.trevifin.com](http://www.trevifin.com).

#### **For further information:**

Investor Relations:	Stefano Campana	0547 319 411	<a href="mailto:scampana@trevifin.com">scampana@trevifin.com</a>
	Josef Mastragostino	0547 319 448	<a href="mailto:jmastragostino@trevifin.com">jmastragostino@trevifin.com</a>
	Cristina Trevisani	0547 319 528	<a href="mailto:crtrevisani@trevifin.com">crtrevisani@trevifin.com</a>
Group Communication Office:	Franco Cicognani	0547 319 503	<a href="mailto:fcicognani@trevifin.com">fcicognani@trevifin.com</a>
Press office:	Studio Mailander	011 5527 311	

## TREVI GROUP

### Consolidated Statement of Financial Position

(In Thousands of Euro)

ASSETS	31/03/2013	31/12/2012 (*)
<b>Non-current Assets</b>		
Tangible Fixed Assets	353,248	339,471
Intangible Fixed Assets	29,889	28,025
Investments	2,585	4,123
Deferred tax assets	23,865	22,475
Trade receivables and other non –current assets	19,385	20,361
<b>Total Non-current Assets</b>	<b>428,972</b>	<b>414,455</b>
<b>Current Assets</b>		
Inventories	358,863	352,322
Trade receivables and other current assets	572,318	461,743
Current tax receivables	36,557	43,580
Current financial derivative instruments	0	76
Cash and cash equivalents	162,268	189,925
<b>Total Current Assets</b>	<b>1,130,006</b>	<b>1,047,645</b>
<b>TOTAL ASSETS</b>	<b>1,558,978</b>	<b>1,462,100</b>
<b>NET SHAREHOLDERS' FUNDS AND LIABILITIES</b>	<b>31/03/2013</b>	<b>31/12/2012</b>
<b>Share Capital and Reserves</b>		
Share capital	35,033	35,033
Other reserves	116,902	106,196
Accumulated profit included net profit of the period	280,834	278,111
<b>Group Net Shareholders' Funds</b>	<b>432,769</b>	<b>419,339</b>
<b>Minorities</b>	<b>22,290</b>	<b>12,549</b>
<b>Total Net Shareholders' Funds</b>	<b>455,059</b>	<b>431,888</b>
<b>Non-current Liabilities</b>		
Non-current debt	255,625	239,572
Non-current financial derivative instruments	2,124	2,418
Tax liabilities for deferred taxes	29,543	30,362
Post-employment benefits	19,390	19,335
Non-current provisions	11,515	11,494
Other non-current liabilities	20	22
<b>Total Non-current Liabilities</b>	<b>318,217</b>	<b>303,202</b>
<b>Current Liabilities</b>		
Trade payables and other current liabilities	388,980	335,615
Tax liabilities for current taxes	24,270	29,979
Current debt	370,638	361,331
Current provisions	41	38
Current financial derivative instruments	1,773	45
<b>Total Current Liabilities</b>	<b>785,701</b>	<b>727,009</b>
<b>TOTAL LIABILITIES</b>	<b>1,103,919</b>	<b>1,030,211</b>
<b>TOTAL NET SHAREHOLDERS' FUNDS AND LIABILITIES</b>	<b>1,558,978</b>	<b>1,462,100</b>

(\*)2012 amounts reflect the application of IAS 19 revised.

## TREVI GROUP

### Consolidated Income Statement

(In Thousands of Euro)

	31/03/2013	31/03/2012 (*)	Change	%
<b>TOTAL REVENUES</b>	<b>299,662</b>	<b>307,819</b>	<b>(8,158)</b>	<b>-2.7%</b>
Changes in inventories of finished and semi-finished products	7,214	10,755	(3,541)	
Increase in fixed assets for internal use	2,458	7,049	(4,591)	
<b>VALUE OF PRODUCTION</b>	<b>309,334</b>	<b>325,624</b>	<b>(16,290)</b>	<b>-5.0%</b>
Raw materials and external services	214,645	237,836	(23,191)	
Other operating costs	6,333	3,801	2,532	
<b>VALUE ADDED</b>	<b>88,356</b>	<b>83,986</b>	<b>4,369</b>	<b>5.2%</b>
Personnel expenses	55,631	52,338	3,294	
<b>GROSS OPERATING PROFIT</b>	<b>32,724</b>	<b>31,649</b>	<b>1,076</b>	<b>3.4%</b>
<i>% on Total Revenues</i>	10.9%	10.3%		
Depreciation	13,183	10,822	2,360	
Provisions and write-downs	2,139	1,795	344	
<b>OPERATING PROFIT</b>	<b>17,403</b>	<b>19,032</b>	<b>(1,629)</b>	<b>-8.6%</b>
<i>% on Total Revenues</i>	5.8%	6.2%		
Financial revenue/ (expenses)	(6,119)	(4,017)	(2,102)	
Gains/ (losses) on exchange rates	(2,572)	(2,366)	(206)	
<b>PRE-TAX PROFIT</b>	<b>8,713</b>	<b>12,649</b>	<b>(3,936)</b>	<b>-31.1%</b>
Income Taxes	4,393	4,743	(350)	
Minorities	1,596	(314)	1,910	
<b>GROUP NET PROFIT</b>	<b>2,724</b>	<b>8,220</b>	<b>(5,496)</b>	<b>-66.9%</b>
<i>% on Total Revenues</i>	0.9%	2.7%		
<b>Tax rate</b>	<b>50.4%</b>	<b>37.5%</b>		

(\*)2012 amounts reflect the application of IAS 19 revised.

## TREVI GROUP

### Consolidated Statement of Changes in Net Equity

(In Thousands of Euro)

Description	Share Capital	Other Reserves	Retained Profits	Group share of Capital and Reserves	Non-controlling Interest' share of Capital and Reserves	Total Shareholders' Funds
<b>Balance at 01/01/12</b>	<b>35,040</b>	<b>110,301</b>	<b>280,471</b>	<b>425,812</b>	<b>12,076</b>	<b>437,887</b>
Net profit for the period			8,221	8,221	(314)	7,906
Actuarial gain/(loss)		20		20		20
Other comprehensive profit (loss)		(10,824)		(10,824)	(213)	(11,037)
<b>Total comprehensive profit (loss)</b>	<b>0</b>	<b>(10,804)</b>	<b>8,221</b>	<b>(2,583)</b>	<b>(527)</b>	<b>(3,109)</b>
<b>Balance at 31/03/12 (*)</b>	<b>35,040</b>	<b>99,497</b>	<b>288,692</b>	<b>423,229</b>	<b>11,549</b>	<b>434,777</b>
<b>Balance at 01/01/13</b>	<b>35,033</b>	<b>106,195</b>	<b>278,111</b>	<b>419,338</b>	<b>12,549</b>	<b>431,887</b>
Net profit for the period			2,724	2,724	1,596	4,321
Actuarial gain/(loss)		310		310		310
Other comprehensive profit (loss)		10,396		10,396	273	10,670
<b>Total comprehensive profits/ (losses)</b>	<b>0</b>	<b>10,706</b>	<b>2,724</b>	<b>13,431</b>	<b>1,870</b>	<b>15,300</b>
Change in area of consolidation			0	0	7,871	7,871
<b>Balance at 31/03/13</b>	<b>35,033</b>	<b>116,901</b>	<b>280,834</b>	<b>432,769</b>	<b>22,290</b>	<b>455,059</b>

(\*)2012 amounts reflect the application of IAS 19 revised.

### Consolidate Statement of Comprehensive Income

(In Thousands of Euro)

	31/03/2013	31/03/2012 (*)
<b>Profit/ (loss) for the period</b>	<b>4,320</b>	<b>7,906</b>
Cash flow hedge reserve	293	(216)
Tax	(71)	
<b>Change in cash flow hedge reserve</b>	<b>222</b>	<b>(216)</b>
Translation reserve	10,448	(10,820)
Actuarial gain/(loss)	310	20
<b>Comprehensive income net of tax</b>	<b>15,300</b>	<b>(3,111)</b>
Parent Company shareholders	13,430	(2,583)
Non-controlling interests	1,870	(527)

(\*)2012 amounts reflect the application of IAS 19 revised.

## TREVI GROUP

### Consolidated Statement of Cash Flows

(In Thousands of Euro)

	31/03/2013	31/03/2012 (*)
Net income for the Period	4,320	7,906
Income taxes	4,393	4,743
<b>Pre-tax profit</b>	<b>8,713</b>	<b>12,649</b>
Depreciation	13,183	10,822
Financial (income)/ expenses	6,119	4,017
Changes in reserves for risks and costs, and for post-employment benefits	80	497
(Gains) / losses from sale or impairment of fixed assets	68	344
<b>(A) Cash Flow from Operations before Changes in Working Capital</b>	<b>28,162</b>	<b>28,329</b>
(Increase)/Decrease trade receivables	(102,283)	(47,455)
(Increase)/Decrease inventories	(6,538)	(1,437)
(Increase)/Decrease other assets	(1,683)	(3,673)
Increase/(Decrease) trade payables	25,752	(35,272)
Increase/(Decrease) other liabilities	22,174	(3,965)
<b>(B) Changes in Working Capital</b>	<b>(62,579)</b>	<b>(91,801)</b>
<b>(C) Cash out for interest and other expenses</b>	<b>(6,119)</b>	<b>(4,017)</b>
<b>(D) Cash out for taxes</b>	<b>(5,485)</b>	<b>(4,467)</b>
<b>(E) Flusso di cassa generato (assorbito) dall'attività operativa (A+B+C+D)</b>	<b>(46,021)</b>	<b>(71,956)</b>
<b>Attività di investimento</b>		
Operating (investments)	(27,604)	(18,107)
Operating divestments	3,787	5,348
Net change in financial assets	1,539	(731)
<b>(F) Cash Flow generated (absorbed) by investments</b>	<b>(22,278)</b>	<b>(13,489)</b>
<b>Financing activities</b>		
Increase/(Decrease) in share capital for purchase of treasury shares	-	-
Other changes including those in non-controlling interests	13,776	(5,631)
Increase/(Decrease) in debt, financing and derivative instruments	18,967	88,464
Increase/(Decrease) in leasing liabilities	8,278	5,706
<b>(G) Cash Flow generated (absorbed) from financing activities</b>	<b>41,021</b>	<b>88,539</b>
<b>(H) Net Change in Cash Flows (E+F+G)</b>	<b>(27,278)</b>	<b>3,095</b>
<b>Opening Balance of Net Liquid Funds</b>	<b>183,218</b>	<b>161,648</b>
<b>Net Changes in Liquid Funds</b>	<b>(27,278)</b>	<b>3,095</b>
<b>Closing Balance of Net Liquid Funds</b>	<b>155,940</b>	<b>164,743</b>
<b>Description</b>	<b>31/03/2013</b>	<b>31/03/2012 (*)</b>
Cash and cash equivalents	162,268	167,164
Bank overdrafts	(6,328)	(2,421)
<b>Cash and cash equivalents net of bank overdrafts</b>	<b>155,940</b>	<b>164,743</b>

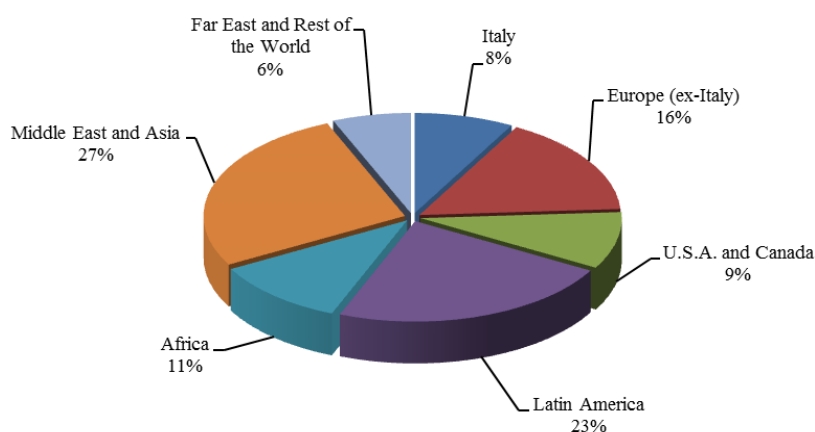
(\*)2012 amounts reflect the application of IAS 19 revised.

## TREVI GROUP

### Revenues by geographical Area

(In Thousands of Euro)

Geographical area	31/03/2013	%	31/03/2012	%	Change	%
Italy	24,004	8.0%	35,995	11.7%	(11,991)	-33.3%
Europe (ex-Italy)	47,998	16.0%	47,111	15.3%	886	1.9%
USA and Canada	27,509	9.2%	55,084	17.9%	(27,575)	-50.1%
Latin America	68,596	22.9%	80,412	26.1%	(11,815)	-14.7%
Africa	32,505	10.8%	15,715	5.1%	16,790	106.8%
Middle East & Asia	80,120	26.7%	54,250	17.6%	25,870	47.7%
Far East and Rest of the World	18,930	6.3%	19,253	6.3%	(324)	-1.7%
<b>TOTAL REVENUES</b>	<b>299,662</b>	<b>100%</b>	<b>307,819</b>	<b>100%</b>	<b>(8,159)</b>	<b>-2.7%</b>



### Revenues by Production Sector

(In Thousands of Euro)

Production sector	31/03/2013	%	31/03/2012	%	Change	Ch. %
Special foundations services	121,675	41%	116,895	38%	4,780	4.1%
Drilling services	27,614	9%	22,758	7%	4,856	21.3%
Interdivisional eliminations and adjustments	(876)		(1,222)		346	
<b>Sub-total of Special Foundations and Drilling Services Division</b>	<b>148,414</b>	<b>50%</b>	<b>138,431</b>	<b>45%</b>	<b>9,982</b>	<b>7.2%</b>
Manufacture of machinery for special foundations work	48,811	16%	49,380	16%	(569)	-1.2%
Manufacture of machinery for oil, gas and water drilling	107,838	36%	125,384	41%	(17,545)	-14.0%
Interdivisional eliminations and adjustments	(208)		(415)		207	
<b>Sub-total of Mechanical Engineering Division</b>	<b>156,441</b>	<b>52%</b>	<b>174,348</b>	<b>57%</b>	<b>(17,908)</b>	<b>-10.3%</b>
<b>Parent Company</b>	<b>3,582</b>		<b>3,392</b>		<b>190</b>	<b>5.6%</b>
Interdivisional and Parent Company eliminations	(8,775)		(8,353)		(422)	
<b>TREVI GROUP</b>	<b>299,662</b>	<b>100%</b>	<b>307,819</b>	<b>100%</b>	<b>(8,159)</b>	<b>-2.7%</b>



## SPECIAL FOUNDATIONS AND DRILLING SERVICES DIVISION (\*\*)

### Summary income statement

(In Thousands of Euro)

	31/03/2013	31/03/2012 (*)	Change	Ch. %
<b>TOTAL REVENUES</b>	<b>148,414</b>	<b>138,431</b>	<b>9,982</b>	<b>7.2%</b>
Changes in inventories of work in progress, semi-finished and finished goods	0	0	0	
Increase in fixed assets for internal use	1,530	3,161	(1,632)	
<b>VALUE OF PRODUCTION</b>	<b>149,943</b>	<b>141,593</b>	<b>8,350</b>	<b>5.9%</b>
Raw materials and external services	80,354	76,344	4,010	5.3%
Other operating expenses	3,587	2,909	678	
<b>VALUE ADDED</b>	<b>66,002</b>	<b>62,340</b>	<b>3,662</b>	<b>5.9%</b>
<i>% of Total revenues</i>	<i>44.5%</i>	<i>45.0%</i>		
Personnel expenses	38,068	36,756	1,312	
<b>GROSS OPERATING PROFIT</b>	<b>27,934</b>	<b>25,584</b>	<b>2,349</b>	<b>9.2%</b>
<i>% of Total revenues</i>	<i>18.8%</i>	<i>18.5%</i>		
Depreciation	9,762	7,774	1,988	
Provisions and impairment	2,139	1,272	867	
<b>OPERATING RESULT</b>	<b>16,033</b>	<b>16,538</b>	<b>(505)</b>	<b>-3.1%</b>
<i>% of Total revenues</i>	<i>10.8%</i>	<i>11.9%</i>		

### Summary statement of financial position

(In Thousands of Euro)

	31/03/2013	31/12/2012	Change
<b>A) Fixed assets</b>	<b>267,432</b>	<b>265,199</b>	<b>2,233</b>
<b>B) Net invested capital</b>			
- Inventories	120,870	107,454	13,416
- Trade receivables	212,806	206,107	6,700
- Trade payables (-)	(126,143)	(119,342)	(6,802)
- Pre-payments (-)	(55,550)	(54,286)	(1,263)
- Other assets (liabilities)	(1,969)	(10,595)	8,626
	<b>150,014</b>	<b>129,338</b>	<b>20,676</b>
<b>C) Invested capital less liabilities for the year (A+B)</b>	<b>417,446</b>	<b>394,537</b>	<b>22,909</b>
<b>D) Post-employment benefits (-)</b>	<b>(13,277)</b>	<b>(13,240)</b>	<b>(37)</b>
<b>E) NET INVESTED CAPITAL (C+D)</b>	<b>404,169</b>	<b>381,297</b>	<b>22,872</b>
<i>Financed by:</i>			
<b>F) Group net equity</b>	<b>259,402</b>	<b>247,328</b>	<b>12,073</b>
G) Share of non-controlling interests	8,738	7,127	1,611
<b>H) Net financial position</b>	<b>136,030</b>	<b>126,841</b>	<b>9,188</b>
<b>I) TOTAL SOURCES OF FINANCING (F+G+H)</b>	<b>404,169</b>	<b>381,297</b>	<b>22,872</b>

## MECHANICAL ENGINEERING DIVISION (\*\*)

### Summary income statement

(In Thousands of Euro)

	31/03/2013	31/03/2012 (*)	Change	Ch. %
<b>TOTAL REVENUES</b>	<b>156,441</b>	<b>174,348</b>	<b>(17,908)</b>	<b>-10.3%</b>
Changes in inventories of work in progress, semi-finished and finished goods	7,214	9,686	(2,472)	
Increase in fixed assets for internal use	527	558	(31)	
<b>VALUE OF PRODUCTION</b>	<b>164,183</b>	<b>184,593</b>	<b>(20,410)</b>	<b>-11.1%</b>
Raw materials and external services	139,969	163,692	(23,722)	-14.5%
Other operating expenses	2,645	713	1,931	
<b>VALUE ADDED</b>	<b>21,569</b>	<b>20,188</b>	<b>1,381</b>	<b>6.8%</b>
<i>% of Total revenues</i>	<i>13.8%</i>	<i>11.6%</i>		
Personnel expenses	16,452	14,323	2,129	
<b>GROSS OPERATING PROFIT</b>	<b>5,117</b>	<b>5,865</b>	<b>(747)</b>	<b>-12.7%</b>
<i>% of Total revenues</i>	<i>3.3%</i>	<i>3.4%</i>		
Depreciation	3,387	3,051	335	
Provisions and impairment	14	526	(512)	
<b>OPERATING RESULT</b>	<b>1,717</b>	<b>2,287</b>	<b>(570)</b>	<b>-24.9%</b>
<i>% of Total revenues</i>	<i>1.1%</i>	<i>1.3%</i>		

### Summary statement of financial position

(In Thousands of Euro)

	31/03/2013	31/12/2012	Change
<b>A) Fixed assets</b>	<b>106,386</b>	<b>96,113</b>	<b>10,273</b>
<b>B) Net invested capital</b>			
- Inventories	428,981	385,862	43,119
- Trade receivables	224,779	177,691	47,087
- Trade payables (-)	(148,561)	(129,427)	(19,134)
- Pre-payments (-)	(126,856)	(96,271)	(30,585)
- Other assets (liabilities)	7,240	5,568	1,672
	<b>385,583</b>	<b>343,424</b>	<b>42,159</b>
<b>C) Invested capital less liabilities for the year (A+B)</b>	<b>491,969</b>	<b>439,537</b>	<b>52,432</b>
<b>D) Post-employment benefits (-)</b>	<b>(5,046)</b>	<b>(5,039)</b>	<b>(7)</b>
<b>E) NET INVESTED CAPITAL (C+D)</b>	<b>486,923</b>	<b>434,498</b>	<b>52,425</b>
<i>Financed by:</i>			
<b>F) Group net equity</b>	<b>146,393</b>	<b>146,528</b>	<b>(135)</b>
G) Share of non-controlling interests	12,109	4,088	8,021
<b>H) Net financial position</b>	<b>328,421</b>	<b>283,882</b>	<b>44,538</b>
<b>I) TOTAL SOURCES OF FINANCING (F+G+H)</b>	<b>486,923</b>	<b>434,498</b>	<b>52,425</b>

(\*) 2012 amounts reflect the application of IAS 19 revised.

(\*\*) Income statements above don't include any Intergroup eliminations. The Parent Company and Trevi Energy S.p.A. are not included