



UPDATE ON THE STATUS OF THE NEGOTIATIONS WITH THE FINANCING BANKS AND WITH BAIN CAPITAL CREDIT

Cesena, 28 June 2018 – Trevi Finanziaria Industriale S.p.A. (the “**Company**” or “**Trevifin**”), hereby informs, also in accordance with Consob’s advise, about the status of the ongoing negotiations for the definition of a debt restructuring transaction and of an equity strengthening of the Trevi Group, and provides an update on the discussions with the banks for the finalization and signing of a standstill agreement (circumstances that have both been mentioned in the previous press releases of the Company made available on its website www.trevifin.com, in the section “Press Releases”)

In connection with the restructuring and equity strengthening of the Trevi Group, the Company hereby confirms that, as already disclosed to the market in the press releases dated 30 May and 11 June 2018, it is currently negotiating with the potential investor Bain Capital Credit (“**BCC**”), to whom the Company has granted an exclusivity until 16 July 2018. The Company hereby specifies that the proposal submitted by BCC entails a super senior financing for an amount of Euro 150,000,000.00 with bullet repayment in four years, to be made available to the Group Companies Trevi S.p.A. and Soilmec S.p.A.. Such new financing, to be made available in the context of a debt restructuring agreement to be entered into pursuant to Article 182 bis of the Italian insolvency law, would be used for the purpose of supporting the business plan and repaying part of the financial indebtedness of the Group. The remaining part of the financial indebtedness would be partially rescheduled in accordance with the plan, and partially waived and/or converted in equity instruments. The super-senior financing would be made available subject to the occurrence of certain conditions, including: the signing of a standstill agreement with the banks and, more in general, an agreement with the financial creditors in relation to the terms of the financial restructuring, the enhancement of the management team and the completion of the due diligence exercise that is being carried out by BCC.

In relation to the signing of the standstill, the Company confirms that negotiations are currently ongoing with the financing banks for the definition of an agreement by no later than the end of July. In such respect, the financial creditors of the Trevi Group, through their advisors – after having acknowledged the exclusivity granted to BCC and the following call of the general shareholders meeting of the Company for the purpose of authorizing the Board of Directors of the Company to carry out a delegated share capital increase of the Company pursuant to Article 2443 of the Italian Civil Code (the “**Delegated Capital Increase**”) - transaction that is better illustrated in the press release dated 11 June 2018 - have communicated to the Company their intention to include certain conditions precedent to which the standstill agreement will be subject, including the undertaking by Trevi Holding SE (“**Trevi Holding**”) of a commitment to vote in favour of the Delegated Capital Increase and, more in general, of all the actions to be taken in relation to the capital strengthening of the Company, as well as the implementation of the actions relating to the enhancement of the management team mentioned above.

The shareholder Trevi Holding, upon formal request by the Company, on the date hereof has informed the Company about its undertaking to: “*(i) vote in favour of the shareholders’ resolutions required to implement the investment by Bain Capital in accordance with the terms and conditions that such transaction will have in light of the outcome of the discussions with the Company and its financial*

creditors; and (ii) vote in favour of the authorization to the Board of Directors of the Company to carry out a delegated share capital increase of the Company pursuant to Article 2443 of the Italian Civil Code in accordance with the terms proposed by the board, provided that the new shares of such capital increase shall be offered in pre-emption to the existing shareholders and, in case the banks are willing to carry out a debt-equity swap, such new equity is issued in the form of participating financial instruments, pursuant to article 2346 of the Italian Civil Code and not in the form of new shares, unless the conversion of the banks' debts in new shares is necessary in order to ensure a positive outcome of the portion of the capital increase to be paid in cash”.

The Company, also on the basis of preliminary informal discussions with the advisors of the banks, deems that the undertaking by Trevi Holding, as described above, should reasonably satisfy the relevant condition precedent set out by the banks in the draft of the standstill agreement and that, therefore, the negotiations for the signing of the latter within the month of July may continue. The Company reminds in such respect that the signing of the standstill agreement is essential not only for the continuation and favourable conclusion of the negotiations with BCC, but also to ensure the required financial support and the going concern of the Trevi Group during the period required to define the debt restructuring and equity strengthening transaction that is being negotiated.

Upon request by Consob, with respect to the above, the Company hereby specifies that it has prepared cash-flow projections of the Group until the end of the current financial year. On the basis of such projections, which assume the signing of the standstill, as indicated, within the next month of July, the Company deems that the liquidity available at the level of Trevifin and of the Group will allow the continuation of the business in the ordinary course.

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.

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