BOD APPROVES THE CONSOLIDATED RESULTS AT SEPTEMBER 30, 2019

BOD CONFIRMS THAT THE FILING OF THE APPEAL BEFORE THE BOLOGNA COURT OF APPEAL TO OBTAIN THE APPROVAL OF THE RESTRUCTURING AGREEMENTS IS IMMINENT

FSII INVESTMENTS S.P.A., POLARIS CAPITAL MANAGEMENT LLC AND MEIL CONFIRM THE VALIDITY OF THE COMMITMENTS UNDERTAKEN WITH TREVI FINANZIARIA INDUSTRIALE S.P.A.

Cesena, November 28, 2019 – Trevi - Finanziaria Industriale S.p.A. ("**Trevifin**" or the "**Company**") informs that today the Board of Directors of the Company has approved the consolidated results at September 30, 2019. The key consolidated financial figures presented were drawn up in compliance with the international accounting standards in force at September 30, 2019 and are not subject to accounting audit.

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The consolidated results have been approved on a going concern assumption. In this regard, following what has already been communicated to the market with the previous press releases of 15 and 18 November 2019 (available on the Company's website at www.trevifin.com, section "*Investors Relation/Press Releases*") in relation to the ongoing activities for the maintenance of the agreements already signed, the Company noted that:

(i) the appeal against the decision adopted by the Court of Forlì is currently being filed before the Bologna Court of Appeal, in order to obtain the approval of the Restructuring Agreement;

(ii) the institutional shareholders FSI Investimenti S.p.A., a company of the CDP Group, and Polaris Capital Management LLC, on behalf of the managed funds **(a)** have acknowledged that the filing for the approval of the Restructuring Agreement has been rejected, and that the filing of the appeal is imminent, and **(b)** have in any case confirmed in writing to the Company that the commitments undertaken by them in relation to the subscription of the expected capital increase must be considered in full force, under the same terms and conditions set forth by the investment agreement executed on August 5, 2019. Reference is made, of course, to the rights offering (for a total of Euro 130 million already approved by the Company's Board of Directors on July 17, 2019), which the two institutional shareholders mentioned above committed to subscribe for a maximum total amount of approx. Euro 77.5 million; and

(iii) the Indian group Megha Engineering & Infrastructures Ltd. (the "**MEIL Group**"), prospective buyer of the Oil&Gas sector, confirmed in writing its undertakings under the share purchase agreement already signed on August 5, 2019, confirming its willingness to implement the transaction following the approval of the Restructuring Agreement.

The communications have arrived following the discussions with the shareholders, the banks and other financial institutions in their quality as parties to the Restructuring Agreement and with the MEIL Group, which were carried out by the Company immediately after the rejection of the approval of the Restructuring Agreement by the Court of Forlì.

Although there are currently uncertainties regarding the outcome of the approval procedure and, consequently, the implementation of the transaction regulated by the Restructuring Agreement and the other agreements executed on August 5, 2019, the Board of Directors – also taking into account the confirmations received and, more generally, the discussions had with the parties of these agreements, none of which (including the financing banks of the Group) has communicated an intention to terminate the undertaken commitments – is still confident about a positive outcome of the recapitalization and restructuring transaction set forth by the Restructuring Agreement and has therefore considered it reasonable to approve the consolidated results at September 30, 2019 on the going concern basis.

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Main consolidated results at September 30, 2019 according to the international accounting standards IAS/IFRS: in line with what was done at June 30, 2019, the Group applied the accounting standard IFRS 5, following the negotiations in progress for the sale of the Oil&Gas sector, as better specified in the interim management report:

- ***Consolidated revenue: Euro 448.5 million;***
- ***Consolidated EBITDA: Euro 25.6 million;***
- ***Consolidated EBIT: Euro -18.8 million;***
- ***Net Result of the Group Relevance Period: Euro -42.3 million;***
- ***Net Financial Position of Euro -740.3 million (Euro -736.2 million at June 30, 2019 and Euro -692.6 million at December 31, 2018). The impact of IFRS 16 on the Group Net Financial Position was approximately Euro -24.6 million;***
- ***Order Backlog of the Foundation Sector was equal to Euro 477.6 million at September 30, 2019.***

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<u>**Business Performance**</u>

The consolidated revenue of the Trevi Division in the first nine months of 2019 amounted to about Euro 309.9 million, with an increase of Euro 100.3 million in the last quarter.

Initiatives were being launched in the new European reference market, mainly in France and Germany along with the growth in volumes in the United States and Chile.

With regard to the markets in the Middle East, there were increases in activity in Oman, while there were decreases in activity in Dubai and Kuwait. In Africa, due to the continuing crisis situation in Nigeria and the demonstrations that took place in Algeria following the elections, there were strong slowdowns in operational activities.

The consolidated revenue of the Soilmec Division in the first nine months of 2019 amounted to about Euro 143.1 million, with an increase of Euro 49.4 million in the last quarter.

In Italy and Europe there were signs of a slowdown, despite the positive results in Great Britain and

with profitability higher than expected. Furthermore, in Italy, a reduction in revenue was noted due to the postponement of the production plan in the second half of the year.
Sales in China, Japan and North America grew during the nine months under review.
A market weakness in Latin America, Middle East and Africa should also be mentioned.

<u>Management Analysis of the Financial Position</u>

The consolidated net invested capital was equal to Euro 562.1 million compared to the value of Euro 545.3 million at December 31, 2018: the increase of Euro 16.8 million was mainly due to the increase in tangible assets.

At September 30, 2019, the Net Financial Position was equal to Euro -740.3 million, compared with the Net Financial Position at December 31, 2018 equal to Euro -692.6 million, worsening by Euro -47.7 million.
This value was affected by the application, as from January 1, 2019 of IFRS 16, adopted with the modified retroactive method. The impact of IFRS 16 on the Group Net Financial Position was approximately Euro 24.6 million.

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The total revenue value in the Oil&Gas sector achieved in the first nine months of 2019 was approximately Euro 132.9 million.
The turnover of the Petreven division in the first nine months of 2019 was equal to approximately Euro 67 million. The Division is currently operating in South America on behalf of the leading oil Majors and national oil companies.
The total revenue value of the Drillmec Division achieved in the first nine months of 2019 was equal to approximately Euro 65.9 million.
The Order Backlog of the Oil&Gas sector amounted to Euro 135.2 million atSeptember 30, 2019.

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Declaration pursuant to Art. 154-bis, second paragraph, T.U.F. (Italian Consolidated Financial Act)

The Manager in charge of preparing the corporate accounting documents, Dr. Massimo Sala, declares - pursuant to Art. 154-bis, second paragraph, of the Italian Legislative Decree No. 58/98 - that the accounting information contained in this press release corresponds to the document results, accounting books and records.

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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; 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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Group Key Financial Highlights

(in thousands of Euro) (*)

	30/09/2019
Order backlog	**612,832**
Foundations	477,632
Oil&Gas (discontinued operations)	135,200
Production revenue	450,495
Total revenue	**448,459**
Value added	152,310
% of Total revenue	*34.00%*
Gross Operating Profit (EBITDA)	**25,560**
% of Total revenue	*5.70%*
Operating Profit/(Loss) (EBIT)	**(18,762)**
% of Total Revenue	*-4.20%*
Net Profit/(Loss) from discontinued operations	**3,882**
Net Profit/(Loss) of the Group	**(42,339)**
Employees (number)	5,709

(*) data shown by applying IFRS 5, unless otherwise specified

	30/09/2019	**31/12/2018**	***Changes***
Net invested capital	562,105	545,304	16,801
Net financial position	**(740,276)**	**(692,640)**	**(47,636)**
Total net equity	(178,171)	(147,335)	(30,836)
Net equity of the Group	(175,754)	(148,075)	(27,679)
Equity attributable to non-controlling interests	(2,417)	740	(3,157)