

Gruppo **TREVI**

TREVI – Finanziaria Industriale S.p.A.

INTERIM MANAGEMENT REPORT

First Quarter 2014

TREVI – Finanziaria Industriale S.p.A.
Registered office Cesena (FC) - Via Larga 201 - Italy
Share capital Euro 35,097,150 fully paid up
Business Register Forlì – Cesena Chamber of Commerce no. 201,271
Tax code, VAT no. Registration no. of the Forlì – Cesena Chamber of Commerce: 01547370401
Website: www.trevifin.com

BOARD OF DIRECTORS

Chairman

Davide Trevisani

Managing Directors

Gianluigi Trevisani

Cesare Trevisani

Stefano Trevisani

Directors

Guglielmo Antonio Claudio Moscato

Cristina Finocchi Mahne

Monica Mondardini

Riccardo Pinza

Cristiano Schena

Board of Statutory Auditors:

Standing Statutory Auditors

Adolfo Leonardi (Chairman)

Roberta De Simone

Giancarlo Poletti

Supplementary Auditors

Silvia Caporali

Stefano Leardini

Internal Audit, Remuneration and Related-party Transaction Committee

Riccardo Pinza (Chairman)

Cristina Finocchi Mahne

Cristiano Schena

Appointments Committee

The entire Board of Directors under the management of the Chairman

Group Chief Financial Officer

Daniele Forti

Appointed manager responsible for the preparation of Company accounts by the Board of Directors on 14 May 2007

Lead Independent Director

Monica Mondardini

Independent Auditors

Reconta Ernst & Young S.p.A.

(Appointed on 29 April 2008 and until the Shareholders' Meeting to approve the Financial Statements at 31 December 2016)

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The Interim Management Report has not been audited.

KEY FINANCIAL DATA

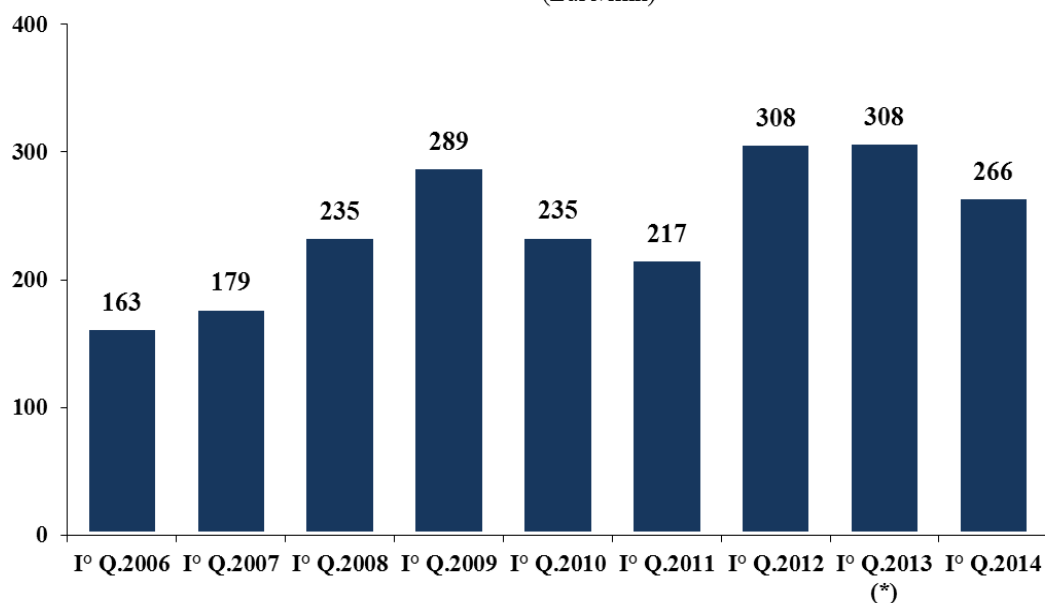
(Euro '000)

31/12/2013		31/03/2014	31/03/2013 Restated (*)	Change
1,310,039	Value of production	267,534	318,164	-15.9%
1,275,836	Total revenues	265,716	308,492	-13.9%
375,002	Value added	86,591	95,264	-9.1%
29.4%	as % of Total revenues	32.6%	30.9%	
143,791	Gross operating profit	31,064	38,689	-19.7%
11.27%	as % of Total revenues	11.69%	12.54%	
80,311	Operating profit	16,994	23,116	-26.5%
6.29%	as % of Total revenues	6.40%	7.49%	
13,764	Group net profit	(252)	3,300	-107.7%
1.1%	as % of Total revenues	-0.1%	1.1%	
84,845	Gross technical investments	14,671	24,328	-39.7%
874,506	Net invested capital	1,004,097	919,435	9.2%
(442,892)	Net debt	(574,138)	(445,455)	-28.9%
430,862	Total net equity	428,915	473,292	-9.4%
405,797	Group net equity	405,193	434,526	-6.8%
25,065	Non-controlling interests	23,722	38,766	-38.8%
7,379	Employees (no.)	7,187	7,549	
877,389	Order portfolio	1,091,852	1,122,040	-2.7%
0.196	Earnings per share (Euro)	n.a.	0.196	
0.196	Diluted earnings per share (Euro)	n.a.	0.196	
9.18%	Net operating profit/Net invested capital (R.O.I.) (1)	6.77%	10.06%	
3.19%	Net profit/ Net equity (R.O.E.) (1)	-0.24%	2.79%	
6.29%	Net operating profit/Total revenues (R.O.S.)	6.40%	7.49%	
3.08	Net debt/EBITDA (2)	4.22	3.27	
5.20	EBITDA/Net financial income (costs)	4.11	6.33	
1.03	Net debt/Total net equity (Net debt/Equity)	1.34	0.94	

(1) The figures for the first quarters to 30 March 2014 and 2013 are calculated on an annual basis.

(2) Ebitda on a rolling basis

Total Revenues at 31/03/2014
(Euro/mln)



MANAGEMENT REPORT FOR THE QUARTER

Profile and business of the Group

TREVI - Finanziaria Industriale S.p.A. (henceforth “the Company”) and the companies it controls (henceforth “TREVI Group” or “the Group”) is active in the following two sectors:

- Foundation engineering services for civil works and infrastructure projects and oil drilling services (henceforth “Special Foundations and Drilling Services Division”);
- Manufacture of equipment for special foundations and drilling rigs for the extraction of hydrocarbons and water exploration (henceforth the “Mechanical Engineering Division”).

These business sectors are organised within the four main operating companies of the Group:

- Trevi S.p.A., which heads the sector of foundation engineering;
- Petreven S.p.A., active in the drilling sector providing oil drilling services;
- Soilmec S.p.A., which heads the relative Division and manufactures and markets plant and equipment for foundation engineering;
- Drillmec S.p.A., which produces and sells drilling equipment for the extraction of hydrocarbons and water exploration.

The Group is also active in the renewable energy sector, primarily wind energy, through the subsidiary Trevi Energy S.p.A.

TREVI – Finanziaria Industriale S.p.A., controlled by Trevi Holding SE, which, in turn, is controlled by I.F.I.T. S.r.l., has been listed on the Milan stock exchange since July 1999.

Information on the business areas in which the Group operates, on related party transactions and on events subsequent to the end of the first quarter 2014 are given in the Management Report below.

Accounting standards and valuation criteria

The Interim Report for the first quarter is prepared on a consolidated basis since the Company is obliged to prepare consolidated accounts.

Pursuant to EC Regulation no. 1606/2002 of 19 July 2002, the Consolidated Financial Statements of the Group for the first quarter 2014 have been prepared and presented in accordance with the International Accounting Standards issued by the I.A.S.B. – International Accounting Standards Board and adopted by the European Commission (henceforth singly IAS or IFRS, together IFRS) and according to SIC/IFRIC interpretive standards, and using the same accounting standards, consolidation methods and translation criteria for items in foreign currencies used to draw up the Financial Statements to 31 December 2013, with some adjustments by the peculiarities of reporting for a portion of the year limited to a period of three months.

The data are not normally significantly influenced by estimates calculated differently from those used in the preparation of the consolidated annual and half-year financial statements.

The income tax charge is the best estimate of the weighted average expected tax charge for the full financial year.

The Interim Report for the First Quarter has not been audited.

Compared to the area of consolidation at 31 December 2013 the area of consolidation at 31 March 2014 has changed as follows:

- Following the acquisition of the residual 30% the company Trevi Galante Panama S.A. is now 100% owned by Trevi Group.

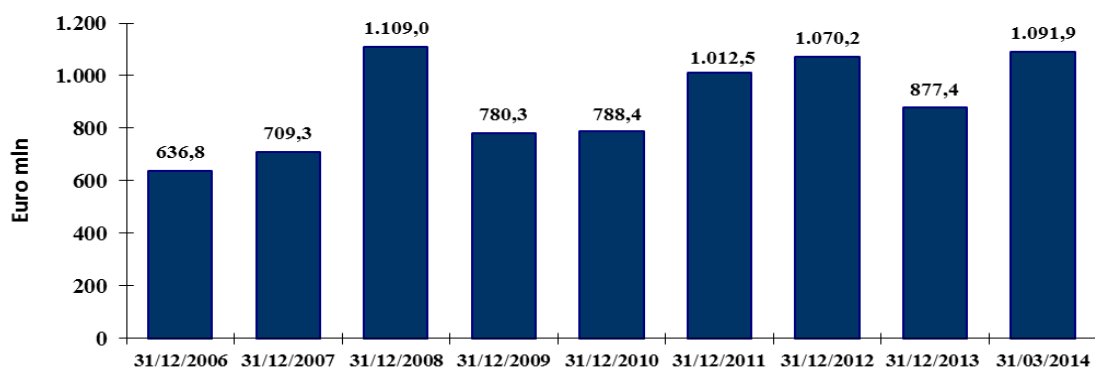
Performance in the first quarter

Total consolidated revenues in the first quarter of the current financial year were Euro 265.7 million; this represents a decline of 13.9% compared to the revenues of Euro 308.5 million reported for the first quarter of the previous year. However, the Group believes that it will generate significant revenues over the next two quarters given its substantial order portfolio of Euro 1.092 million; this growth is due to the acquisition of orders totalling Euro 480 million in the quarter under review.

The general trend in international construction markets, and particularly for infrastructure projects, is positive; new infrastructure demand in emerging markets and in North America is likely to be a source of further growth for the Special Foundations Services division (Trevi). Major new orders totalling USD 270 million have been acquired in this sector in the USA, the Middle East and West Africa.

The global Oil&Gas production markets and demand for on-shore and off-shore production plant show constant growth. Several significant new orders were acquired during the quarter: in the particularly important orders for drilling equipment totalling USD 340 million were acquired by the Oil&Gas division, mainly in Latin America Latina and the Middle East. In the quarter under review, the initial production phase started for many of recently acquired oil drilling plant contracts through an intense stage of project planning, the issue of orders to suppliers and sub-contractors and the production of components; this is particularly reflected in the increase in inventories and in the net debt of Drillmec. A large part of the delivery and payment for these contracts will be concentrated between May and November.

Order Portfolio



Key data from the statement of financial position

Net invested capital was Euro 1,004.1 million, representing an increase compared to the figure at 31 December 2013 (Euro 874.5 million) and Euro 84.7 million higher than in the same period of the previous year. Gross investments in tangible fixed assets for the period were Euro 14.7 million (Euro 24.3 million at 31 March 2013, representing a reduction of 39.7%) and were mainly for machinery and equipment for contracts begun during the quarter or to be carried out in subsequent quarters.

At 31 March 2014, inventories totalled Euro 568.9 million (Euro 520.9 million at 31 December 2013), which was Euro 18.2 million higher than at 31 March 2013. The increase in inventories reflects the planning of production and deliveries in the Mechanical Engineering Division and, in particular, at Drillmec, which should guarantee an increase in sales through the remainder of the year.

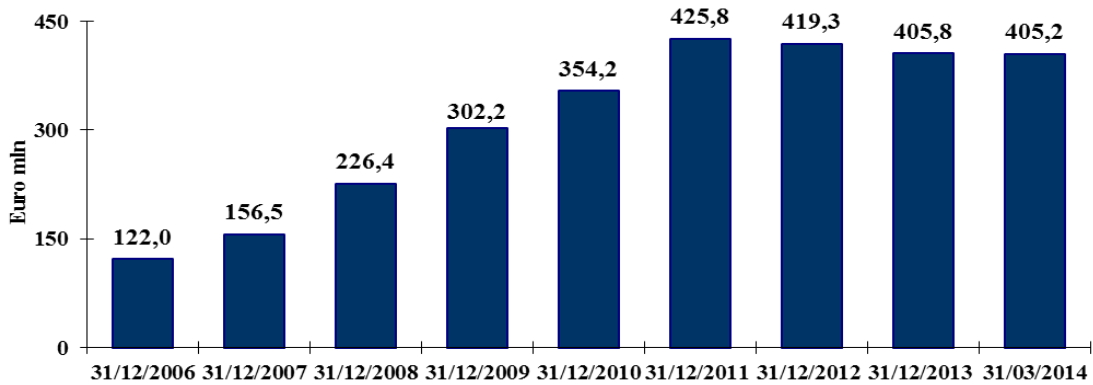
Total net debt was Euro 574.1 million, representing an increase in the net debt position of 28.9% compared to the position at 31 March 2013, and 29.6% higher than at 31 December 2013, primarily due to a delay in the acquisition of orders in the Mechanical Engineering Division. There should be a significant improvement in net debt in the coming quarters as payment is received for several important contracts in the Oil & Gas sector.

Group net equity was Euro 405.2 million, 6.8% lower than in the first quarter of 2013.

The main financial ratios were as follows: Net Debt /Equity of 1.34 (1.03 at 31 December 2013) and Net Debt /EBITDA of 4.22 (3.08 at 31 December 2013).

The table below shows the trend in Group net equity:

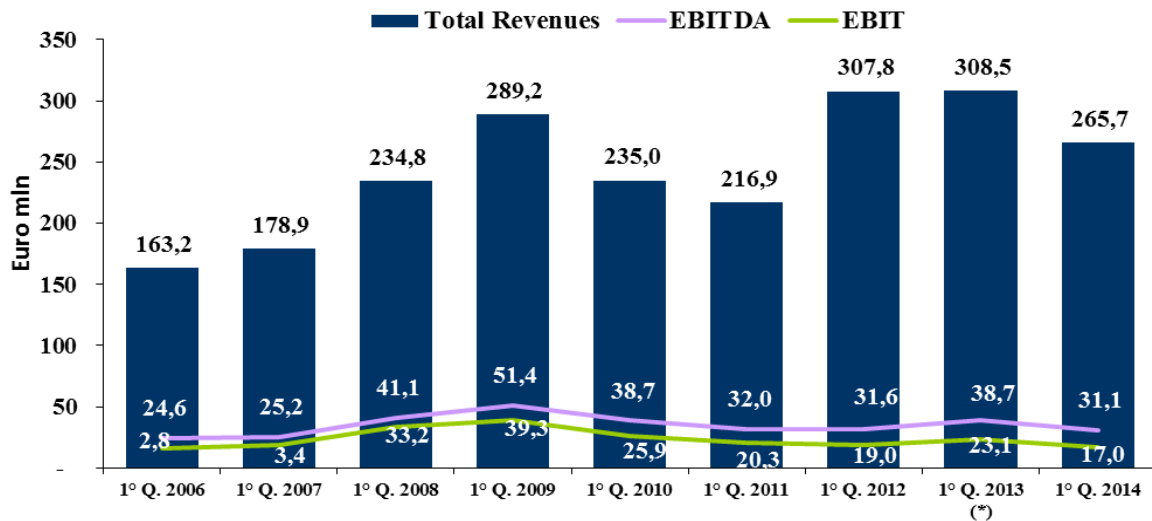
Group Net Equity



Key Income Statement Data

Total consolidated revenues went from Euro 308.5 million in the first quarter of 2013 to Euro 265.7 million in the quarter under review (-13.9%). The gross operating profit was Euro 31.1 million representing a margin of 11.7% on revenues; in the first quarter of 2013, the gross operating profit was Euro 38.7 million, a margin of 12.5%. After depreciation of Euro 13.8 million and risk provisions of Euro 0.2 million, the operating profit was Euro 17 million (6.4% of total revenues); in the first quarter of 2013, the operating profit was Euro 23.1 million (7.5% of total revenues).

Net financial expenses were Euro 7.6 million, and exchange rate losses totalled Euro 3.4 million.

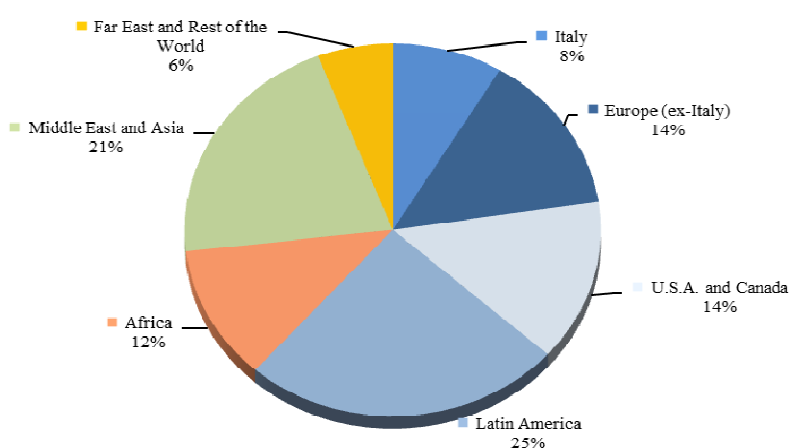


Geographical breakdown of revenues

The international character of the Group is evident in the following table, which gives the breakdown of revenues by geographic area:

(Euro '000)

Geographic area	31/03/2014	%	31/03/2013 (*)	%	Change	%
Italy	22,870	8.6%	24,004	7.8%	(1,134)	-4.7%
Europe (ex-Italy)	37,095	14.0%	47,998	15.6%	(10,902)	-22.7%
U.S.A. and Canada	37,383	14.1%	36,340	11.8%	1,044	2.9%
Latin America	65,994	24.8%	68,596	22.2%	(2,602)	-3.8%
Africa	31,046	11.7%	32,505	10.5%	(1,459)	-4.5%
Middle East and Asia	55,798	21.0%	80,120	26.0%	(24,322)	-30.4%
Far East and Rest of the World	15,531	5.8%	18,930	6.1%	(3,398)	-18.0%
TOTAL REVENUES	265,716	100%	308,492	100%	(42,775)	-13.9%



The decline in the Middle East and Asia is mainly attributable to the completion of several orders by companies in the Mechanical Engineering Division.

The year-on-year decline in revenues in the United States was mainly attributable to the activities of the companies in the Mechanical Engineering Division and in the Special Foundations Division.

The slight deterioration in sales in South America in the first quarter of 2014 compared to the same quarter of the previous year is largely attributable to the performance of companies in the Mechanical Engineering Division and in the Special Foundations Division while sales in the drilling and oil and gas services were slightly higher reflecting more robust market conditions.

There was a slight decline in Far Eastern revenues due to activities in the Special Foundations Division.

Revenues in Europe were lower than for the same quarter of last year due to the completion of some Special Foundations contracts in North Europe and the completion of Mechanical Engineering contracts in Eastern Europe.

Breakdown by segment

The breakdown of revenues by the main Group segments in the first quarter of 2014 was as follows:

(Euro '000)

	31/03/2014	%	31/03/2013 (*)	%	Change	% Change
Special foundations services	115,641	44%	130,505	42%	(14,864)	-11.4%
Drilling services	29,283	11%	27,614	9%	1,669	6.0%
Interdivisional adjustments and eliminations	(1,238)		(874)		(364)	
Sub-Total Special Foundations and Drilling Services Division	143,686	54%	157,245	51%	(13,559)	-8.6%
Machinery for special foundations	44,468	17%	48,811	16%	(4,343)	-8.9%
Oil, gas and water drilling machinery	84,243	32%	107,838	35%	(23,596)	-21.9%
Interdivisional adjustments and eliminations	(2,078)		(208)		(1,870)	
Sub-Total Mechanical Engineering Division	126,633	48%	156,441	51%	(29,808)	-19.1%
Parent Company	4,073		3,582		491	13.7%
Interdivisional eliminations with the Parent Company	(8,676)		(8,776)		100	
TREVI GROUP	265,716	100%	308,492	100%	(42,776)	-13.9%

Significant events subsequent to the end of the reporting period

1. The Shareholders' Meeting of TREVI – Finanziaria Industriale S.p.A. was held in first convocation on 30 April and approved the Financial Statements for the 2013 financial year and also a dividend of Euro 0.13 per share with an ex-dividend date of 7 July 2014 and payment from 10 July 2014. The same Shareholders' Meeting extended the mandate for the buy-back of treasury shares until 30 April 2015.
2. At the end of the first quarter, the Group had an order portfolio of approximately Euro 1,092 million (+24.4% compared to the position at 31 December 2013). The Special Foundations and Drilling Services Division accounted for Euro 769 million of this portfolio and the Mechanical Engineering Division accounted for Euro 323 million. The Group is currently involved in numerous negotiations that are important both in terms of technological profile and/or size and which could have an impact on the results of the current financial year.

For the Board of Directors
Mr Davide Trevisani
(Chairman)

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The CFO, Daniele Forti, as Manager responsible for preparing the Company accounts, declares that, in accordance with paragraph 2 of article 154 *bis* of the Consolidated Finance Act, the accounting information contained in the present Interim Report corresponds to that in the Company accounting documents, books and accounting papers.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TREVI GROUP Consolidated Income Statement

(Euro '000)

	31/03/2014	31/03/2013 (*)	Change	%
TOTAL REVENUES	265,716	308,492	(42,776)	-13.9%
Change in inventories of finished and semi-finished products	(2,333)	7,214	(9,547)	
Increase in fixed assets for internal use	4,151	2,458	1,693	
VALUE OF PRODUCTION	267,534	318,164	(50,631)	-15.9%
Raw materials and external services	177,946	216,567	(38,621)	
Other operating expenses	2,996	6,333	(3,337)	
VALUE ADDED	86,591	95,264	(8,673)	-9.1%
Personnel expenses	55,527	56,575	(1,048)	
GROSS OPERATING PROFIT	31,064	38,689	(7,624)	-19.7%
% on total revenues	11.7%	12.5%		
Depreciation	13,822	13,433	389	
Provisions and write-downs	248	2,139	(1,891)	
OPERATING PROFIT	16,994	23,116	(6,122)	-26.5%
% on total revenues	6.4%	7.5%		
Financial income / (expenses)	(7,565)	(6,115)	(1,450)	
Exchange rate gains / (losses)	(3,403)	(2,542)	(861)	
Adjustments to value of financial assets	594	0	594	
PRE-TAX PROFIT	6,620	14,459	(7,840)	-54.2%
Taxes	1,655	4,393	(2,738)	
Non-controlling interests	5,217	6,767	(1,550)	
NET PROFIT ATTRIBUTABLE TO THE GROUP	(252)	3,300	(3,552)	-107.7%
% on total revenues	-0.1%	1.1%		
Tax rate	25.0%	30.4%		

TREVI GROUP

Consolidated Statement of Financial Position

(Euro '000)

31/12/2013		31/03/2014	31/03/2013 (*)	Change	%
	A) Fixed assets				
359,634	- Tangible fixed assets	352,822	358,567	(5,745)	
48,271	- Intangible fixed assets	49,094	29,897	19,196	
6,001	- Financial fixed assets	5,553	6,937	(1,384)	
413,906		407,469	395,401	12,067	3.1%
	B) Net Working Capital				
520,882	- Inventories	568,971	550,817	18,154	
387,902	- Trade receivables	392,570	408,015	(15,446)	
(303,023)	- Trade payables (-)	(250,341)	(235,448)	(14,892)	
(131,842)	- Pre-payments (-)	(139,383)	(185,174)	45,791	
6,904	- Other assets (liabilities)	45,475	5,214	40,261	
480,823		617,292	543,424	73,869	14%
894,728	C) Invested capital less net working capital (A+B)	1,024,761	938,825	85,936	9.2%
(20,222)	D) Post-employment benefits (-)	(20,664)	(19,390)	(1,274)	7%
874,506	E) NET INVESTED CAPITAL (C+D)	1,004,097	919,435	84,662	9.2%
	<i>Financed by:</i>				
405,797	F) Group Net Equity	405,193	434,526	(29,334)	-6.8%
25,065	G) Equity of non-controlling interests	23,722	38,766	(15,044)	
443,644	H) Net Debt	575,182	446,142	129,040	29%
874,506	I) TOTAL SOURCES OF FINANCING (F+G+H)	1,004,097	919,435	84,662	9.2%

TREVI GROUP

Consolidated Net Financial Position

(Euro '000)

31/12/2013		31/03/2014	31/03/2013 (*)	Change
(371,965)	Current debt	(443,518)	(346,254)	(97,264)
(38,672)	Payables for other current financing	(38,500)	(24,384)	(14,115)
(127)	Current financial derivatives	(85)	(1,773)	1,687
	Tradeable securities at fair value	565	0	565
220,306	Cash and cash equivalents	131,649	184,017	(52,368)
(190,457)	Total current net financial position	(349,889)	(188,394)	(161,495)
(211,588)	Non-current debt	(180,767)	(192,570)	11,803
(40,201)	Payables for other non-current financing	(42,837)	(63,054)	20,218
(1,397)	Non-current financial derivatives	(1,689)	(2,124)	434
(253,187)	Total non-current financing	(225,293)	(257,748)	32,455
(443,644)	Net debt	(575,182)	(446,142)	(129,040)
751	Treasury shares	1,045	687	358
(442,892)	Total net debt	(574,138)	(445,455)	(128,682)

Consolidated Statement of Financial Position

(Euro '000)

ASSETS	31/03/2014	31/12/2013
Non-current assets		
Tangible fixed assets	352,822	359,634
Intangible fixed assets	49,094	48,271
Investments	1,754	1,861
Tax receivables for pre-paid taxes	29,531	27,437
Trade receivables and other non-current assets	28,024	24,316
Total non-current assets	461,225	461,518
Current assets		
Inventories	289,279	323,835
Trade receivables and other current assets	645,635	542,428
Tax receivables for current taxes	34,754	35,281
Financial derivatives and tradeable securities at fair value	565	0
Cash and cash equivalents	131,649	220,306
Total current assets	1,101,881	1,121,851
TOTAL ASSETS	1,563,106	1,583,369

SHAREHOLDERS' FUNDS	31/03/2014	31/12/2013
Share Capital and reserves		
Share capital	35,033	35,033
Other reserves	88,533	88,886
Retained profits including the result for the period	281,626	281,878
Group net equity	405,193	405,797
Non-controlling interests	23,722	25,065
TOTAL NET SHAREHOLDERS' FUNDS	428,915	430,862
Non-current liabilities		
Non-current financing	223,604	251,790
Non-current financial derivatives	1,689	1,397
Tax payables for deferred taxes	31,402	30,946
Post-employment benefits	20,664	20,222
Non-current reserves	6,819	12,835
Other non-current liabilities	1,693	189
Total non-current liabilities	285,871	317,380
Current liabilities		
Trade payables and other current liabilities	344,862	401,647
Tax payables for current taxes	19,811	21,847
Current financing	482,018	410,636
Current provisions	1,543	870
Current financial derivatives	85	127
Total current liabilities	848,320	835,126
TOTAL LIABILITIES	1,134,192	1,152,506
TOTAL NET SHAREHOLDERS' FUNDS AND LIABILITIES	1,563,106	1,583,369

Statement of reconciliation of the reclassified Statement of Financial Position and the Consolidated Statement of Financial Position in accordance with IAS 11:

(Euro '000)

Net working capital	31/12/2013	IAS 11	31/12/2013	31/03/2014	IAS 11	31/03/2014
- Inventories	506,671	(197,046)	309,625	568,971	(279,694)	289,277
- Trade receivables	387,902	107,096	494,998	392,570	186,520	579,090
- Trade payables (-)			(303,023)	(250,341)		(250,341)
- Pre-payments (-)	(131,842)	84,154	(47,688)	(139,383)	92,367	(47,016)
- Other assets (liabilities)		5,796	25,763	45,475	807	46,283
Total	479,675	0	479,675	617,292	0	617,292

Consolidated Statement of Changes in Net Equity

(Euro '000)

Description	Share Capital	Other reserves	Retained profits	Group total	Non-controlling interests	Total Net Equity
Balance at 01/01/13	35,033	104,888	279,337	419,258	28,364	447,622
Net profit for the period			3,301	3,301	6,767	10,067
Actuarial gains/(losses)		310		310		310
Other comprehensive profit/ (loss)		11,658		11,658	523	12,181
Total comprehensive profit/ (loss)	0	11,968	3,301	15,268	7,290	22,558
Allocation of profit for 2012 and dividend distribution					(4,758)	(4,758)
Changes in consolidation area					7,871	7,871
Balance at 31/03/13 (*)	35,033	116,856	282,637	434,526	38,766	473,293
Balance at 01/01/14	35,033	88,885	281,878	405,796	25,065	430,862
Net profit for the period			(252)	(252)	5,217	4,966
Other comprehensive profit/ (loss)		(351)		(351)	(399)	(750)
Total comprehensive profit/ (loss)	0	(351)	(252)	(603)	4,819	4,216
Allocation of profit for 2013 and dividend distribution					(5,340)	(5,340)
Changes in consolidation area					(822)	(822)
Balance at 31/03/14	35,033	88,534	281,626	405,193	23,722	428,915

Consolidated Statement of Comprehensive Income

(Euro '000)

	31/03/2014	31/03/13 (*)
Profit/(loss) for the period	4,965	10,067
Other comprehensive income items that may be reclassified subsequently to profit or loss for the period		
Cash flow hedge reserve	(293)	293
Tax	96	(71)
Change in cash flow hedge reserve	(197)	222
Translation reserve	(553)	11,959
Total of other comprehensive income that may be reclassified subsequently to profit or loss for the period net of tax	(750)	12,181
Other comprehensive income items that will not be reclassified to profit or loss for the period:		
Actuarial gains (losses)	32	333
Tax	(32)	(23)
Total of other comprehensive income that will not be reclassified to profit or loss for the period net of tax	0	310
Comprehensive income net of tax	4,215	22,557
Parent Company shareholders	(604)	15,268
Non-controlling interests	4,819	7,290

(*)Some figures shown in this column differ from those in the previously published Interim Management Report for the first quarter of 2013; they have been restated to reflect the adoption of new accounting standards

Consolidated Statement of Cash Flows

(Euro '000)

	31/03/2014	31/03/2013 (*)
Net income for the period attributable to the Parent Company and non-controlling interests	4,965	10,067
Income taxes	1,655	4,393
Utile ante imposte	6,620	14,459
Depreciation	13,822	13,433
Financial (income)/ expenses	7,565	6,115
Movements in risk provisions and provisions for post-employment benefits	(4,901)	(2,446)
Adjustment to the value of financial assets	(594)	(0)
(Gains) / losses from sale or write-downs of fixed assets	17	68
(A) Cash Flow from Operations before Changes in Working Capital	22,529	31,630
(Increase)/Decrease in trade receivables	(84,092)	(94,810)
(Increase)/Decrease in inventories	34,559	(6,102)
(Increase)/Decrease in other assets	(24,390)	(1,739)
(Increase)/Decrease in trade payables	(52,683)	24,876
(Increase)/Decrease in other payables	(2,879)	21,208
(B) Changes in working capital	(129,485)	(56,568)
(C) Interest payable and other payables	(7,565)	(6,115)
(D) Cash out for taxes	(2,957)	(5,485)
(E) Cash Flow generated (absorbed) by operations (A+B+C+D)	(117,477)	(36,538)
Investments		
Operating (investments)	(17,767)	(24,807)
Operating divestments	9,132	3,787
Net change in financial assets	701	1,539
(F) Cash Flow generated (absorbed) by investments	(7,933)	(19,481)
Financing activities		
Increase/(Decrease) in share capital for purchase of own shares	-	-
Other changes including those in non-controlling interests	(6,128)	10,526
Increase/(Decrease) in debt, financing and derivative instruments	42,605	18,967
Increase/(Decrease) in leasing liabilities	2,464	8,278
(G) Cash Flow generated (absorbed) by investments	38,941	37,771
(H) Net increase/(decrease) in cash flow (E+F+G)	(86,469)	(18,248)
Opening Balance of Net Liquid Funds net of bank overdrafts	211,938	195,937
Net Changes in Liquid Funds	(86,469)	(18,248)
Closing Balance of Net Liquid Funds net of bank overdrafts	125,469	177,688
Description	31/03/2014	31/03/2013 (*)
Cash and cash equivalents	131,649	184,017
Bank overdrafts	(6,181)	(6,328)
Cash and cash equivalents net of bank overdrafts	125,469	177,688

SPECIAL FOUNDATIONS AND DRILLING SERVICES DIVISION (**)

Summary Income Statement

(Euro '000)

	31/03/2014	31/03/2013 (*)	Change	% Change
TOTAL REVENUES	143,686	157,245	(13,559)	-8.6%
Changes in inventories of work in progress, semi-finished and finished goods	1,147	0	1,147	
Increase in fixed assets for internal use	3,053	1,530	1,523	
VALUE OF PRODUCTION	147,886	158,775	(10,889)	-6.9%
Raw materials and external services	81,038	82,276	(1,238)	-1.5%
Other operating expenses	2,535	3,587	(1,052)	
VALUE ADDED	64,313	72,911	(8,598)	-11.8%
<i>% on Total revenues</i>	<i>44.8%</i>	<i>46.4%</i>		
Personnel expenses	36,834	39,012	(2,178)	
GROSS OPERATING PROFIT	27,479	33,899	(6,420)	-18.9%
<i>% on Total revenues</i>	<i>19.1%</i>	<i>21.6%</i>		
Depreciation	10,059	10,013	46	
Provisions and write-downs	6	2,139	(2,133)	
OPERATING RESULT	17,414	21,748	(4,334)	-19.9%
<i>% on Total revenues</i>	<i>12.1%</i>	<i>13.8%</i>		

MECHANICAL ENGINEERING DIVISION (**)

Summary Income Statement

(Euro '000)

	31/03/2014	31/03/2013	Change	% Change
TOTAL REVENUES	126,633	156,441	(29,808)	-19.1%
Changes in inventories of work in progress, semi-finished and finished goods	(3,481)	7,214	(10,696)	
Increase in fixed assets for internal use	656	527	129	
VALUE OF PRODUCTION	123,807	164,183	(40,375)	-24.6%
Raw materials and external services	101,878	139,969	(38,092)	-27.2%
Other operating expenses	729	2,645	(1,916)	
VALUE ADDED	21,201	21,569	(368)	-1.7%
<i>% on Total revenues</i>	<i>16.7%</i>	<i>13.8%</i>		
Personnel expenses	17,203	16,452	752	
GROSS OPERATING PROFIT	3,997	5,117	(1,120)	-21.9%
<i>% on Total revenues</i>	<i>3.2%</i>	<i>3.3%</i>		
Depreciation	3,774	3,387	388	
Provisions and write-downs	240	14	227	
OPERATING RESULT	(17)	1,717	(1,734)	-101.0%
<i>% on Total revenues</i>	<i>-0.0%</i>	<i>1.1%</i>		

(**)The individual Income Statements above have not been adjusted for inter-divisional transactions; they do not include the Parent Company or Trevi Energy S.p.A.

SPECIAL FOUNDATIONS AND DRILLING SERVICES DIVISION

Summary Statement of Financial Position

(Euro '000)

	31/03/2014	31/12/2013	Change
A) Fixed assets	261,218	269,597	(8,380)
B) Net working capital			
- Inventories	120,115	106,304	13,811
- Trade receivables	213,953	209,886	4,067
- Trade payables (-)	(127,178)	(137,931)	10,753
- Pre-payments (-)	(41,448)	(40,886)	(562)
- Other assets (liabilities)	985	(14,881)	15,866
	166,428	122,492	43,935
C) Invested capital less liabilities for the period (A+B)	427,646	392,090	35,556
D) Post-employment benefits (-)	(14,382)	(13,869)	(513)
E) NET INVESTED CAPITAL (C+D)	413,264	378,220	35,043
<i>Financed by:</i>			
F) Group net equity	245,598	242,564	3,035
G) Non-controlling interests	11,368	12,161	(793)
H) Net debt	156,297	123,496	32,802
I) TOTAL SOURCES OF FINANCING (F+G+H)	413,264	378,220	35,043

MECHANICAL ENGINEERING DIVISION

Summary Statement of Financial Position

(Euro '000)

	31/03/2014	31/12/2013	Change
A) Fixed assets	129,462	127,299	2,163
B) Net working capital			
- Inventories	448,231	413,953	34,277
- Trade receivables	228,138	223,354	4,784
- Trade payables (-)	(177,461)	(216,367)	38,906
- Pre-payments (-)	(95,385)	(88,408)	(6,977)
- Other assets (liabilities)	30,474	7,146	23,327
	433,997	339,679	94,318
C) Invested capital less liabilities for the period (A+B)	563,459	466,978	96,481
D) Post-employment benefits (-)	(5,122)	(5,169)	47
E) NET INVESTED CAPITAL (C+D)	558,337	461,809	96,528
<i>Financed by:</i>			
F) Group net equity	133,671	138,428	(4,757)
G) Non-controlling interests	10,886	11,468	(582)
H) Net debt	413,780	311,913	101,867
I) TOTAL SOURCES OF FINANCING (F+G+H)	558,337	461,809	96,528

TREVI-Finanziaria Industriale S.p.A.

Trevi Energy

Petreven do Brasil (Brazil) 15%

Perforazioni Trevi Energie B.V. (The Netherlands)

Petreven SpA 21,62%

Trevi SpA 99,70%

Soilmec SpA 99,92%

Drillmec SpA 1,75%

Swissboring & CO LLC (Oman)

Petreven S.A. (Argentina) 10%

Petreven CA (Venezuela) 84,07%

Petreven Perù SA (Perù) 78,30%

Trevi Orascom Skikda (U.A.E.) 50%

IDT FZCO (U.A.E.) 10%

Soilmec WuJiang Co Ltd (China) 51%

Soilmec do Brasil SA (Brasil) 38,25%

Drillmec OOC (Russia) 98,25%

Drillmec INC (U.S.A.) 2%

Swissboring LLC Qatar (Qatar)

Pilotes Trevi S.A. (Argentina) 42%

Trevi Insaat Ve M. (Turkey)

Petreven U.T.E. (Argentina) 5%

RCT S.r.L. (Italy) 99,93%

RCT Explore Colombia SAS (Colombia)

Trevi Asasat (Libya) 65%

PSM S.r.L. (Italy) 30%

OJSC Seimotekhnika (Belarus) 51%

Drillmec INC Mexico Branch (Mexico) 98%

Drillmec INC Colombia Branch (Colombia)

Swissboring Overseas CO LTD Branch (U.A.E.)

Swissboring Overseas Piling CO (Switzerland) 57%

Trevi Foundations Denmark AS (Denmark)

Trevi Contractors BV (The Netherlands) 94%

Trevi Foundations Kuwait (Kuwait) 80,32%

Trevi Cimentaciones CA (Venezuela) 87,47%

Hercules Trevi Found. AB (Sweden) 50%

Soilmec Japan (Japan) 70%

Soilmec Colombia SAS (Colombia) 93%

Soilmec France SAS (France) 51%

Drillmec INC Colombia Branch (Colombia)

Trevi Philippines INC (Philippines)

Trevi Foundation Nigeria LTD (Nigeria) 60%

Profuro LDA (Mozambique)

Galante Found. S.A. (Republica de Panamá)

Trevi Panamericana SA (Republica de Panamá)

Trevi Austria GesMbh (Austria) 12,53%

Trevi Spezialtiefbau Gmbh (Germany) 50%

Soilmec North America (U.S.A.) 80%

Soilmec France SAS (France) 90%

Soilmec Investments Pty Ltd (Australia) 80%

Soilmec Australia Pty Ltd (Australia)

Trevi Australia Pty (Australia)

Trevi Construction Co LTD (Hong Kong)

Trevi ICOS Corp (U.S.A.)

Galante S.A. (Colombia) 1%

Trevi Galante SA (Republica de Panamá)

Arabian Soil Contractor (Saudi Arabia) 85%

OOO Trevi Stroy (Russia)

Watson INC (U.S.A.) 80%

Soilmec France SAS (France) 90%

Soilmec Investments Pty Ltd (Australia) 80%

Soilmec Australia Pty Ltd (Australia)

Trevi-ITT J.V. (Thailand) 95%

Trevi Foundation INC. (Canada)

Trevi ICOS South (U.S.A.)

Trevi ICOS Soletanche J.V. (U.S.A.) 69%

Galante Cimentaciones SA (Perù) 99,95%

Trevi Algeria (Algeria)

Trevigoes Fundacoes Especiais (Brasil) 51%

Soilmec UK LTD (U.K.) 80%

Soilmec Hong Kong LTD (Hong Kong)

Soilmec Foundation Equipment LTD (India) 80%

Soilmec Foundation Equipment LTD (India)

Trevi-ITT J.V. (Thailand) 95%

Trevi Foundation INC. (Canada)

Trevi ICOS South (U.S.A.)

Trevi ICOS Soletanche J.V. (U.S.A.) 50%

Galante Cimentaciones SA (Perù) 99,95%

Trevi Algeria (Algeria)

Trevi Drilling Services (Saudi Arabia) 51%

Soilmec Singapore (Singapore)

Soilmec Hong Kong LTD (Hong Kong)

Soilmec Foundation Equipment LTD (India) 80%

Soilmec Foundation Equipment LTD (India)

