



TREVI – Finanziaria Industriale S.p.A.

INTERIM MANAGEMENT REPORT

First Quarter 2016

TREVI – Finanziaria Industriale S.p.A.
Registered Office Cesena (Forlì-Cesena) – Via Larga 201 – Italy
Share capital Euro 82,391,632.50 fully paid-up
Forlì – Cesena Chamber of Commerce Business Register no. 201,271
Tax code, VAT no. and Forlì – Cesena Business Registry: 01547370401
Website: www.trevifin.com

MEMBERS OF THE CORPORATE BODIES

CHAIRMAN

Davide Trevisani

EXECUTIVE DEPUTY CHAIRMAN

Gianluigi Trevisani

DEPUTY CHAIRMAN

Cesare Trevisani

CHIEF EXECUTIVE OFFICER

Stefano Trevisani

DIRECTORS

Marta Dassù (Non-executive and independent director)

Umberto della Sala (Non-executive and independent director)

Cristina Finocchi Mahne (Non-executive and independent director)

Monica Mondardini (Non-executive and independent director)

Guido Rivolta (Non-executive)

Rita Rolli (Non-executive and independent director)

Simone Trevisani (Executive)

BOARD OF STATUTORY AUDITORS

Standing Statutory Auditors

Milena Motta (Chairperson)

Adolfo Leonardi

Giancarlo Poletti

Supplementary Statutory Auditors

Marta Maggi

Stefano Leardini

OTHER CORPORATE BODIES

Director responsible for the internal control system and risk management

Gianluigi Trevisani

Committee for the Appointment and Remuneration of Directors

Rita Rolli (Chairperson)

Umberto della Sala

Cristina Finocchi Mahne

Committee for Related-party Transactions

Rita Rolli (Chairperson)

Cristina Finocchi Mahne

Monica Mondardini

Risk Management Committee

Monica Mondardini (Chairperson)

Cristina Finocchi Mahne

Rita Rolli

Committee to oversee the Organisational Model

Luca Moretti (Chairperson and Internal member)

Floriana Francesconi

Enzo Spisni

Director of Administration, Finance and Control

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

Audit Firm

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.

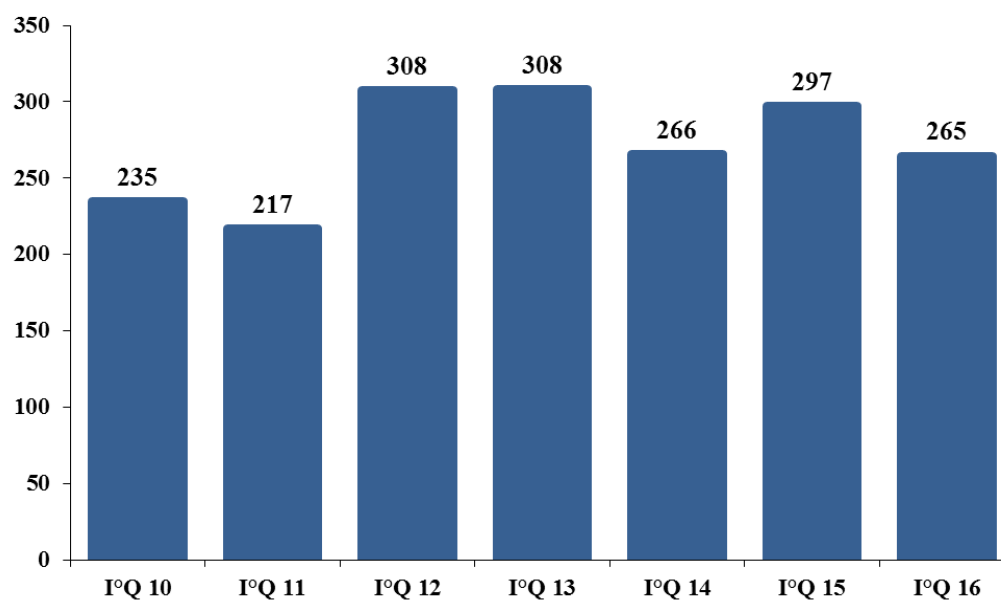
KEY FINANCIAL DATA

(Euro '000)

	31/03/2016	31/03/2015	Change
Value of production	286,081	309,704	-7.6%
Total revenues	264,636	297,009	-10.9%
Value added	95,938	84,106	14.1%
as % of Total revenues	36.3%	28.3%	
Gross operating profit	35,694	21,336	67.3%
as % of Total revenues	13.5%	7.2%	
Operating profit	18,601	5,008	271.4%
as % of Total revenues	7.03%	1.69%	
Group net profit	(8,369)	1,883	n/a
as % of Total revenues	-3.2%	0.6%	
Gross technical investments	9,476	18,777	-49.5%
Net invested capital	1,086,139	1,216,264	-10.7%
Net debt	(533,144)	(499,732)	-6.7%
Shareholders' equity	552,689	716,161	-22.8%
Shareholders' equity attributable to the owners of the Parent Company	538,804	699,705	-23.0%
Net equity attributable to non-controlling interests	13,885	16,456	-15.6%
Employees (no.)	7,447	7,653	
Order portfolio	1,080,316	1,121,129	-3.6%
Basic earnings per share (Euro)	(0.051)	0.011	
Diluted earnings per share (Euro)	(0.051)	0.011	
Net operating profit/ Net invested capital (ROI) (1)	6.85%	1.65%	
Net profit/ Net equity (ROE) (1)	-6.06%	1.05%	
Net operating profit/ Total revenues (ROS)	7.03%	1.69%	
Net debt/EBITDA	n/a	4.3	
EBITDA /Net financial income (costs)	5.5	3.8	
Net debt/ Total net equity (Debt/Equity)	1.0	0.7	

(1) The figures for the first quarters to 30 March 2015 and 2014 are calculated on an annual basis.

Total Revenues at 31/03/2016 (Euro/mln)



MANAGEMENT REPORT FOR THE QUARTER

Profile and business of the Group

TREVI - Finanziaria Industriale S.p.A. (the “Company”) and its subsidiaries (the “TREVI Group” or “the Group”) operates in the two following sectors:

- Foundation engineering services for civil works and infrastructure projects and construction of equipment for special foundations (“Special Foundations – (the Core Business)”);
- Construction of drill rigs for the extraction of hydrocarbons and water exploration and oil drilling services (“Oil&Gas”).

These businesses are organised within the four main companies of the Group:

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

TREVI – Finanziaria Industriale S.p.A is controlled by Trevi Holding SE which, in turn, is controlled by I.F.I.T. S.r.l.. TREVI – Finanziaria Industriale S.p.A. 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 2016 are given in the Management Report below.

General presentation criteria

The Interim Report for the first quarter is prepared on a consolidated basis since the Company is required 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 2016 have been prepared and presented in accordance with the International Accounting Standards issued by the IASB – 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 at 31 December 2015, with some adjustments for 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. The consolidation area at 31 March 2016 is unchanged on that at 31 December 2015.

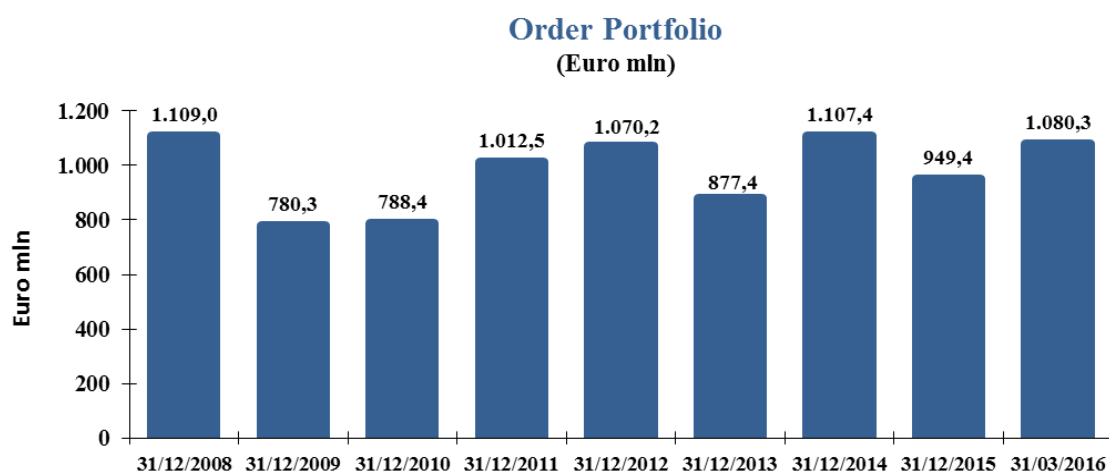
First quarter performance

Total consolidated revenues in the first quarter of the current financial year were Euro 264.6 million; the Gross operating profit was Euro 35.7 million; the Operating profit was Euro 18.6 million. Net debt was Euro 533 million.

The Group believes that it will generate significant revenues over the next three quarters given its substantial order portfolio of Euro 1,080 million (representing a net increase of Euro 130 million compared to the position at 31 December 2015) and the important negotiations for new contracts that are expected to be agreed in the near future. Order inflow in the quarter was characterised by the signing by Trevi S.p.A. on 22 March of a contract for the maintenance and securing of the Mosul dam in Iraq. The preparation and signing of the contract, worth Euro 273 million in total, took place under the supervision of the Iraqi Ministry of Water Resources (MWR). The contract was awarded following an international competitive tender issued in October 2015, subsequent to emergency procedures instigated as a result of the critical situation of the dam. This contract confirms the high degree of respect achieved by TREVI Group in the global marketplace due to its extensive experience gained in carrying out this type of specialist work and its experience in the Middle East. This particular project will involve an intensive programme of drilling an injection of cement compounds to consolidate the foundations of the dam, as well as repair and maintenance work on the sluice discharge channels which are currently damaged. The initial stages of the contract will also involve specialist courses and training programmes for local engineers and personnel in the utilisation of drilling equipment produced by SoilMec (TREVI Group). The presence of an Italian military garrison and local security forces will guarantee the security of more than 450 Trevi engineers and personnel.

The general trend in international construction markets, and particularly for infrastructure projects, is positive; demand for new infrastructure in emerging markets augmented by investment in commercial and residential property in several geographical regions was the source of satisfying revenue growth in the Special Foundations division (Trevi) accompanied by a significant improvement in profitability. This division also experienced strong growth in its Order Portfolio which rose from Euro 541 million to Euro 803 million over a twelve month period with orders inflow concentrated in the Middle East and North Africa (Maghreb). Soilmec also benefited from This positive trend in core markets in the first quarter of 2016 also benefited Soilmec, whose revenues were stable but whose profitability improved significantly. The Special Foundations division (Core Business) delivered an increase in Revenues of about 3.4%, while the Gross operating profit of the division was Euro 33.5 million (17.2%).

The global Oil & Gas production markets and demand for on-shore and off-shore production plant has stalled due to the low oil price, which rallied from a low of US\$ 28 in January to a peak of US\$ 48 in April, +71% in little more than three months; following a partial retracement it currently stands at more than US\$ 46. It is expected that the market could continue to fluctuate between these highs and lows until Brent crude prices establish a new base above US\$ 53 for at least a three month period and a recovery in investment in the sector is likely to be delayed until until this trend has been confirmed. The order portfolios of Drillmec and Petreven have declined by almost Euro 55 million compared to the position at end-December. During the quarter there was further progress in the order to construct oil sector equipment for export to Algeria being carried out at the Piacenza production plant; significant restructuring of the Group's production facilities continued at the plants in the United States and Bielorusia. Four drill rigs belonging to Petreven were inactive for part of the period under review. However, two recently signed contracts will allow work to continue on two rigs in Argentina. Revenues in the Oil & Gas segment fell by almost 30% quarter-on-quarter and the Gross operating profit for the quarter fell to Euro 1.4 million (1.8%).



Key data from the statement of financial position

Net invested capital was Euro 1.086 million, an increase compared to the figure at 31 December 2015 (Euro 999.8 million) but a reduction of Euro 130 million compared to the same period of the previous year. Gross investments in property, plant and equipment were Euro 9.5 million for the period (Euro 18.8 million at 31 March 2015, -49.5%) and were mainly for machinery and equipment for contracts begun during the quarter or to be carried out in subsequent quarters.

At 31 March 2016 inventories totalled Euro 505.3 million (of which Euro 177 million was for contract work in progress) representing a reduction of Euro 304.1 million compared to 31 March 2015.

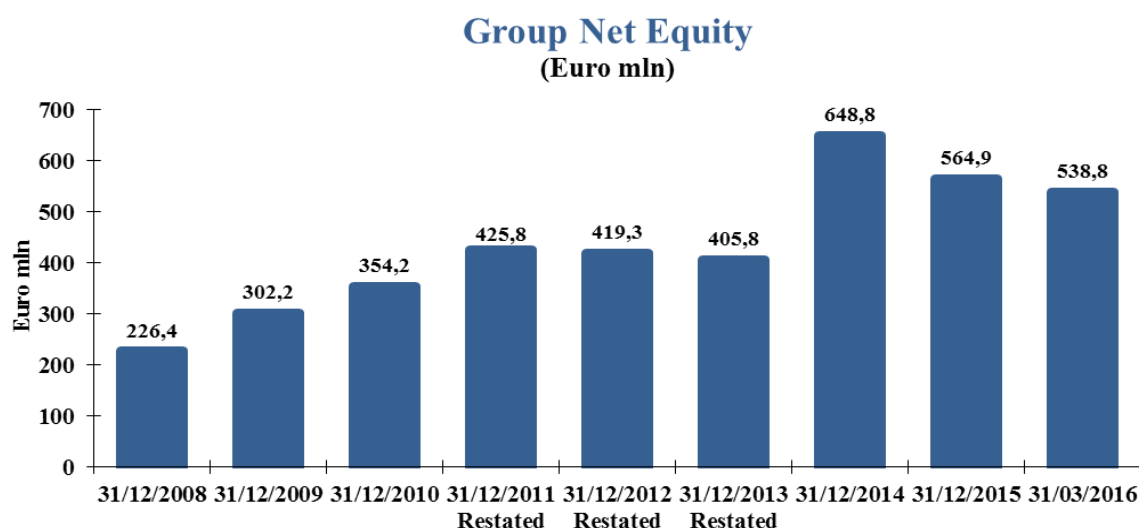
Total net debt was Euro 533 million, an increase of Euro 33 million compared to the position at 31 March 2015 and Euro 113 million higher than at 31 December 2015. The increase was principally due to seasonality.

An improvement in Net Debt is expected in the second half of the year following the commencement of operations at the Mosul site.

Group net equity was Euro 538.8 million (Euro 699.7 million in the same period of the previous year). Group net equity was affected in the period by a Euro 17.6 million reduction in the Translation Reserve and losses on translation of foreign currency.

The Net Debt /Equity ratio was 1.0 at period end (0.7 at 31 December 2015).

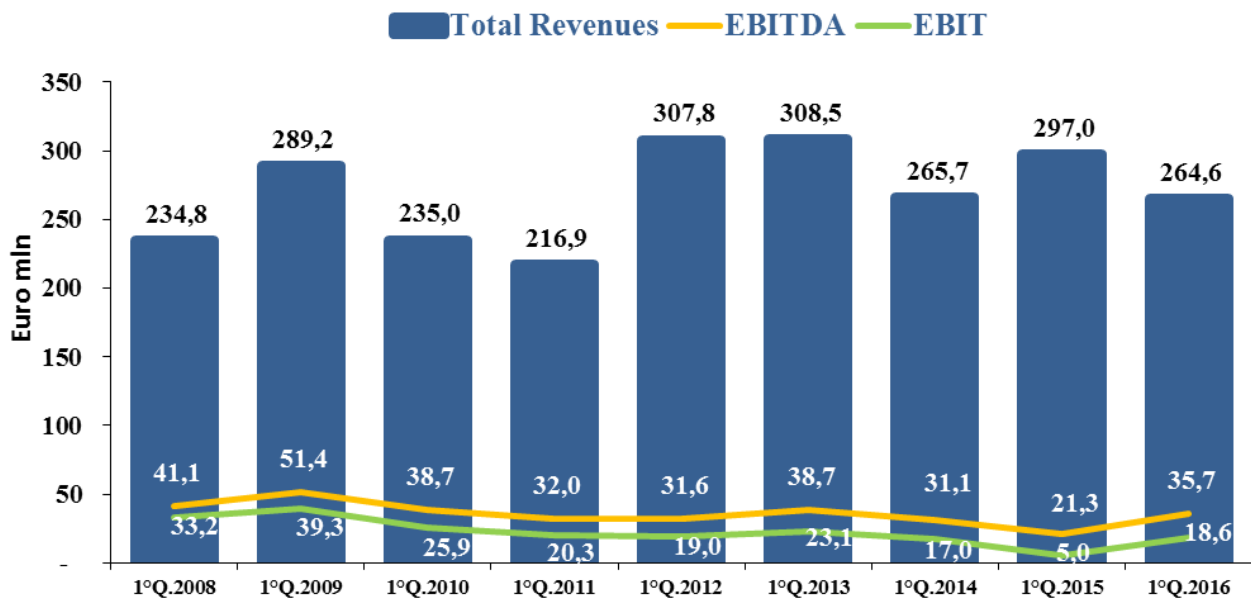
The table below shows the trend in Group net equity:



Key Income Statement data

Total consolidated revenues went from Euro 297 million in the first quarter of 2015 to Euro 264.6 million in the quarter under review (-10.9%). The gross operating profit was Euro 35.7 million representing a margin of 13.5% on revenues, an increase of 67.3% compared to the first quarter of 2015 (Euro 21.3 million, a margin of 7.2%). After depreciation and amortisation of Euro 16.2 million and risk provisions of Euro 0.87 million, the operating profit was Euro 18.6 million (a margin of 7% of total revenues); in the first quarter of 2014, the operating profit was Euro 5 million (a margin of 1.7% of total revenues).

Net financial expenses were Euro 6.5 million while net exchange rate losses totalled Euro 17.8 million, almost half of which were attributable to the devaluation of the Bolivar during the month of March.

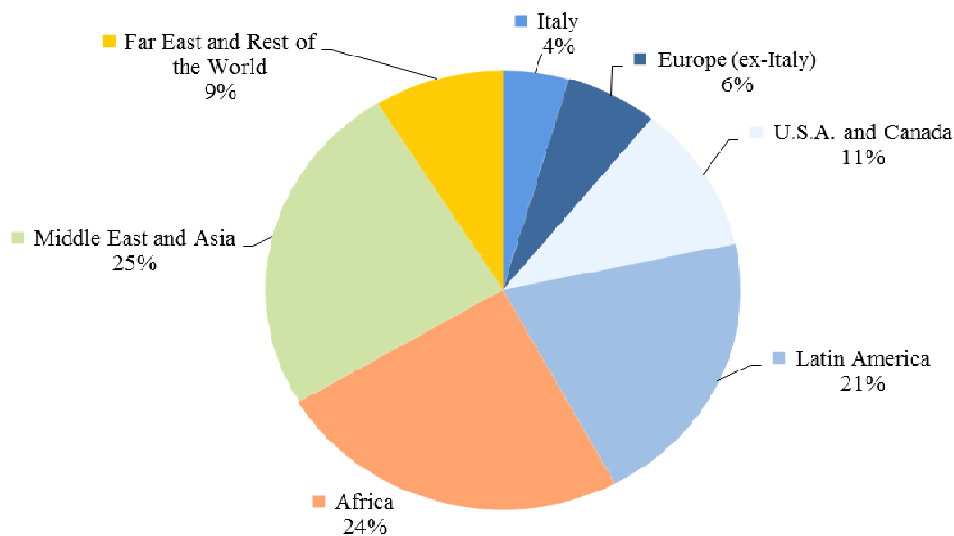


Geographical breakdown of revenues

The international character of the Group is evident in the following table that shows the breakdown of revenues by geographic area:

(Euro '000)

Geographic area	31/03/2016	%	31/03/2015	%	Change	%
Italy	11,894	4.5%	21,748	7.3%	(9,855)	-45.3%
Europe (ex- Italy)	16,709	6.3%	19,072	6.4%	(2,363)	-12.4%
U.S.A. and Canada	28,694	10.8%	35,353	11.9%	(6,658)	-18.8%
Latin America	54,331	20.5%	78,251	26.3%	(23,919)	-30.6%
Africa	64,257	24.3%	37,092	12.5%	27,165	73.2%
Middle East and Asia	65,387	24.7%	92,118	31.0%	(26,731)	-29.0%
Far East and Rest of the World	23,364	8.8%	13,375	4.5%	9,988	74.7%
TOTAL REVENUES	264,636	100%	297,009	100%	(32,373)	-10.9%



The decline in the Middle East and Asia is mainly attributable to the results of subsidiaries in the Special Foundations Division present in this geographic area and to the completion of some contracts in the Oil&Gas segment.

The decline in revenues in the United States compared with the same period of the previous year is largely attributable to the completion of some contracts in the Oil&Gas segment.

While the results in South America revealed an improvement in activities forming part of the Core Business, the overall decline in revenues in this region was attributable to the Oil&Gas sector.

Revenues in Africa rose compared with the same period of the previous year and reflect an improvement in activities relating both to the Oil&Gas sector and to the Core Business.

There was also an increase in revenues in the Far East and Australasia compared with the same period of 2015.

Breakdown by segment

The breakdown of revenues by the main Group segments in the first quarter of 2016 was as follows:

(Euro '000)

	31/03/2016	%	31/03/2015	%	Change	% change
Manufacture of machinery for oil, gas and water drilling	54,420	21%	79,753	27%	(25,333)	-31.8%
Drilling services	26,296	10%	34,330	12%	(8,034)	-23.4%
Interdivisional eliminations and adjustments	(393)		(499)		106	
Sub-total Oil & Gas Division	80,323	30%	113,584	38%	(33,261)	-29.3%
Special foundations services	144,211	54%	137,165	46%	7,046	5.1%
Manufacture of machinery for special foundations work	53,256	20%	55,115	19%	(1,859)	-3.4%
Interdivisional eliminations and adjustments	(2,757)		(3,963)		1,206	
Sub-total Special Foundations Division (Core Business)	194,710	74%	188,317	63%	6,393	3.4%
Parent Company	6,743		6,032		711	11.8%
Interdivisional and Parent Company eliminations	(17,140)		(10,924)		(6,216)	
TREVI GROUP	264,636	100%	297,009	100%	(32,373)	-10.9%

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 13 May and approved the Financial Statements for the 2015 financial year.
2. At the end of the first quarter, the Group's order portfolio was approximately Euro 1,080.3 million (+13.8% compared to 31 December 2015); The Special Foundations Division accounted for Euro 842 million of this portfolio and the Oil & Gas Division accounted for Euro 238.3 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.

On behalf of the Board of Directors

Mr Davide Trevisani

(Chairman)

.....

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)

	31/03/2016	31/03/2015	change
TOTAL REVENUES	264,636	297,009	(32,373)
Change in inventories of finished and semi-finished products	19,407	7,385	12,023
Increase in property, plant and equipment for internal use	2,037	5,311	(3,273)
VALUE OF PRODUCTION	286,081	309,704	(23,624)
Raw materials and cost of services	186,544	222,484	(35,941)
Other operating costs	3,599	3,114	486
VALUE ADDED	95,938	84,106	11,831
Personnel expenses	60,244	62,771	(2,526)
GROSS OPERATING PROFIT	35,694	21,336	14,358
% on total revenues	13.5%	7.2%	
Depreciation and amortisation	16,222	15,205	1,016
Provisions for risks and charges and write-downs	871	1,122	(251)
OPERATING PROFIT	18,601	5,008	13,593
% on total revenues	7.0%	1.7%	
Financial income / (expenses)	(6,479)	(5,638)	(841)
Gains/ (losses) on exchange rates	(17,827)	3,567	(21,394)
Impairment of financial assets	-	-	-
PROFIT BEFORE TAXES	(5,705)	2,937	(8,643)
Income taxes	181	734	(553)
Result attributable to non-controlling interests	2,482	320	2,162
GROUP NET PROFIT	(8,369)	1,883	(10,252)
% on total revenues	-3.2%	0.6%	
Tax rate	-3.2%	25.0%	

TREVI GROUP

Consolidated Statement of Financial Position

(Euro '000)

31/12/2015		31/03/2016	31/03/2015	change	%
	A) Non-current assets				
399,877	- Property, plant and equipment	379,122	406,533	(27,412)	
87,150	- Intangible assets	82,952	86,116	(3,164)	
5,709	- Financial assets	5,729	9,157	(3,429)	
492,736		467,803	501,807	(34,004)	-6.8%
	B) Net working capital				
522,736	- Inventories	505,326	809,424	(304,098)	
447,976	- Trade receivables	479,538	458,906	20,632	
(360,541)	- Trade payables (-)	(289,332)	(289,937)	605	
(169,413)	- Advance payments (-)	(138,881)	(309,827)	170,946	
87,485	- Other assets (liabilities)	81,379	67,163	14,216	
528,242		638,030	735,728	(97,699)	-13%
1,020,978	C) Invested capital less liabilities (A+B)	1,105,833	1,237,535	(131,703)	-10.6%
(21,225)	D) Post-employment benefits (-)	(19,693)	(21,271)	1,578	-7%
999,754	E) NET INVESTED CAPITAL (C+D)	1,086,139	1,216,264	(130,125)	-10.7%
	<i>Financed by:</i>				
564,914	F) Group shareholders' equity	538,804	699,705	(160,901)	-23.0%
14,659	G) Non-controlling interests	13,885	16,456	(2,571)	
420,180	H) Net debt	533,450	500,103	33,347	7%
999,754	I) TOTAL SOURCES OF FINANCING (F+G+H)	1,086,139	1,216,264	(130,125)	-10.7%

TREVI GROUP

Consolidated Net Financial Position

(Euro '000)

31/12/2015		31/03/2016	31/03/2015	change
(295,118)	Current financing	(330,369)	(374,408)	44,039
(34,111)	Payables for other current financing	(32,426)	(20,553)	(11,874)
471	Current financial derivative instruments	107	(9,793)	9,900
1,824	Tradable securities at fair value	0	0	0
296,861	Cash and cash equivalents	218,297	200,476	17,821
(30,074)	Total current liabilities	(144,392)	(204,278)	59,886
(338,240)	Non-current financing	(339,212)	(251,385)	(87,827)
(50,362)	Payables for other non-current financing	(48,288)	(42,506)	(5,782)
(1,504)	Non-current financial derivative instruments	(1,558)	(1,935)	377
(390,106)	Total non-current liabilities	(389,058)	(295,825)	(93,232)
(420,180)	Net debt	(533,450)	(500,103)	(33,347)
373	Treasury shares	306	371	(65)
(419,806)	Total net debt	(533,144)	(499,732)	(33,412)

Consolidated Statement of Financial Position

(Euro '000)

ASSETS	31/03/2016	31/12/2015
Non-current Assets		
Property, plant and equipment	379,122	399,877
Intangible assets	82,952	87,150
Investments	2,215	1,800
Deferred tax assets	95,914	95,101
Trade receivables and other non-current assets	25,582	30,764
Total non-current Assets	585,785	614,693
Current Assets		
Inventories	328,787	301,082
Trade receivables and other current assets	657,642	674,723
Current tax receivables	45,860	47,606
Current financial derivatives	155	471
Financial assets held for trading at fair value	0	1,824
Cash and cash equivalents	218,297	296,861
Total Current Assets	1,250,741	1,322,567
TOTAL ASSETS	1,836,526	1,937,260
SHAREHOLDERS' EQUITY	31/03/2016	31/12/2015
Share Capital and Reserves		
Share capital	82,289	82,289
Other reserves	297,580	315,323
Retained earnings	158,934	167,302
Shareholders' equity attributable to owners of the Parent Company	538,804	564,914
Non-controlling interests	13,885	14,659
TOTAL SHAREHOLDERS' EQUITY	552,689	579,573
Non-current liabilities		
Non-current financing	387,500	388,602
Non-current financial derivative instruments	1,558	1,504
Deferred taxes	62,180	62,748
Post-employment benefits	19,693	21,225
Non-current provisions for risks and charges	5,882	6,952
Other non-current liabilities	306	324
Total Non-current Liabilities	477,119	481,355
Current Liabilities		
Trade payables and other current liabilities	417,530	515,933
Tax liabilities for current taxes	24,763	29,198
Current financing	362,795	329,230
Current provisions for risks and charges	1,581	1,970
Current financial derivative instruments	48	0
Total Current Liabilities	806,718	876,332
TOTAL LIABILITIES	1,283,837	1,357,687
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,836,526	1,937,260

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	31/12/2015	IAS 11	31/12/2015	31/03/2016	IAS 11	31/03/2016
- Inventories	522,736	(221,653)	301,083	505,326	(176,539)	328,787
- Trade receivables	447,976	154,277	602,253	479,538	118,337	597,875
- Trade payables (-)	(360,541)	-	(360,541)	(289,332)		(289,332)
- Pre-payments (-)	(169,413)	96,063	(73,350)	(138,881)	77,905	(60,976)
- Other assets (liabilities)	87,485	(28,688)	58,797	81,379	(19,703)	61,676
Total	528,242	0	528,241	638,030	0	638,030

Consolidated Statement of Changes in Net Equity

(Euro '000)

Description	Share Capital	Other reserves	Retained earnings	Group share of capital and reserves	Non-controlling interests	Total Shareholders' equity
Balance at 01/01/15	82,328	272,091	294,386	648,804	17,942	666,746
Profit for the period			1,882	1,882	320	2,202
Actuarial gains/ (losses)						
Other comprehensive income/ (loss)		49,027		49,027	(1,806)	47,221
Total comprehensive income/ (loss)	0	49,027	1,882	50,909	(1,486)	49,423
Allocation of profit for 2014 and dividend distribution			(8)	(8)		(8)
Other changes						
Acquisition of non-controlling interests						
Sales/(Acquisition) of treasury shares						
Balance at 31/03/15	82,328	321,117	296,260	699,705	16,457	716,162
Balance at 01/01/16	82,289	315,322	167,302	564,914	14,658	579,572
Profit for the period			(8,368)	(8,368)	2,482	(5,885)
Actuarial gains/ (losses)						
Other comprehensive income/ (loss)		(17,741)		(17,741)	(3,256)	(20,997)
Total comprehensive income/ (loss)	0	(17,741)	(8,368)	(26,109)	(773)	(26,882)
Allocation of profit for 2015 and dividend distribution				0		0
Other changes				0		0
Acquisition of non-controlling interests				0		0
Sales/(Acquisition) of treasury shares				0		0
Balance at 31/03/16	82,289	297,581	158,934	538,804	13,885	552,689

Consolidated Statement of Comprehensive Income

(Euro '000)

	31/03/2016	31/03/2015
Net Profit/ (loss) for the period	(5,886)	2,203
Other items of comprehensive income subsequently recycled to profit or loss for the period		
Cash flow hedge reserve	(110)	(37)
Tax	18	7
Change in cash flow hedge reserve	(92)	(30)
Translation reserve	(20,904)	47,251
Total of other comprehensive income that may subsequently be recycled to profit or loss net of tax	(20,997)	47,221
Other items of comprehensive income that will not subsequently be recycled to profit or loss for the period:		
Actuarial gains/(losses)	0	0
Tax	0	0
Total of other items of comprehensive income that will not subsequently be recycled to profit/(loss) for the period net of tax	0	0
Comprehensive income net of tax	(26,883)	49,424
Parent Company shareholders	(26,110)	50,909
Non-controlling interests	(773)	(1,486)

Consolidated Statement of Cash Flows

(Euro '000)

	31/03/2016	31/03/2015
Net income for the year	(5,886)	2,203
Income taxes for the year	181	734
Profit before taxes	(5,705)	2,937
Depreciation and amortization	16,222	15,205
Net financial expenses	6,479	5,638
Changes in reserves for risks and costs, and for post-employment benefits	(2,991)	(2,930)
Impairment of financial assets	0	0
(Gains) / losses from sale or impairment of fixed asset	270	82
(A) Cash Flow from Operations before changes in net working capital	14,274	20,933
(Increase)/Decrease trade receivables	4,379	(41,363)
(Increase)/Decrease inventories	(27,704)	(19,928)
Increase)/Decrease other current assets	18,817	(38,062)
Increase/(Decrease) trade payables	(71,209)	(14,921)
Increase/(Decrease) other current payables	(32,100)	(24,505)
(B) Changes in net working capital	(107,817)	(138,778)
(C) Interest payable and other payables	(6,479)	(5,638)
(D) Cash out for taxes	(297)	(2,565)
(E) Cash Flow generated (absorbed) by operations (A+B+C+D)	(100,319)	(126,049)
Investments		
Operational (investments)	(9,726)	(18,858)
Operational divestments	5,491	8,130
Net change in financial assets	(415)	(573)
(F) Cash Flow generated (absorbed) by investments	(4,650)	(11,302)
Financing activities		
Increase/(Decrease) in share capital for purchase of treasury shares	-	-
Other changes including those in non-controlling interests	(8,301)	16,876
Increase/(Decrease) in debt, financing and derivative instruments	37,637	93,183
Increase/(Decrease) in leasing liabilities	(3,759)	(17,889)
(G) Cash Flow generated (absorbed) from financing activities	25,578	92,170
(H) Net Change in Cash Flows (E+F+G)	(79,391)	(45,181)
Opening Balance of Net Liquid Funds	290,490	236,328
Net Changes in Liquid Funds	(79,391)	(45,181)
Closing Balance of Net Liquid Funds	211,099	191,147
Description	31/03/2016	31/03/2015
Cash and cash equivalents	218,297	200,476
Bank overdrafts	(7,198)	(9,329)
Cash and cash equivalents net of bank overdrafts	211,099	191,147

SPECIAL FOUNDATIONS DIVISION (CORE BUSINESS) (*)

Summary Income Statement

(Euro '000)

	31/03/2016	31/03/2015	change
TOTAL REVENUES	194,710	188,317	6,393
Changes in inventories of work in progress, semi-finished and finished goods	8,637	1,392	7,244
Increase in plant, machinery and equipment for internal use	2,009	4,448	(2,439)
VALUE OF PRODUCTION	205,356	194,157	11,199
Raw materials and cost of services	129,037	136,593	(7,556)
Other operating expenses	1,898	1,719	178
VALUE ADDED	74,421	55,844	18,577
<i>% of Total revenues</i>	38.2%	29.7%	
Personnel expenses	40,906	38,393	2,513
GROSS OPERATING PROFIT	33,515	17,452	16,063
<i>% of Total revenues</i>	17.2%	9.3%	
Depreciation and amortisation	11,169	11,236	(67)
Provisions for risks and charges and write-downs	885	1,131	(246)
OPERATING RESULT	21,462	5,085	16,377
<i>% of Total revenues</i>	11.0%	2.7%	

OIL & GAS DIVISION (*)

Summary income statement

(Euro '000)

	31/03/2016	31/03/2015	change
TOTAL REVENUES	80,323	113,584	(33,261)
Changes in inventories of work in progress, semi-finished and finished goods	9,841	3,453	6,389
Increase in plant, machinery and equipment for internal use	28	853	(825)
VALUE OF PRODUCTION	90,193	117,890	(27,697)
Raw materials and cost of services	69,287	88,998	(19,711)
Other operating expenses	1,124	1,400	(276)
VALUE ADDED	19,783	27,492	(7,710)
<i>% of Total revenues</i>	24.6%	24.2%	
Personnel expenses	18,349	23,142	(4,793)
GROSS OPERATING PROFIT	1,434	4,351	(2,917)
<i>% of Total revenues</i>	1.8%	3.8%	
Depreciation and amortisation	5,123	4,035	1,088
Provisions for risks and charges and write-downs	10	0	10
OPERATING RESULT	(3,699)	316	(4,016)
<i>% of Total revenues</i>	-4.6%	0.3%	

(*) 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 DIVISION (CORE BUSINESS)

Summary Statement of Financial Position

(Euro '000)

	31/03/2016	31/12/2015	change
A) Fixed assets	311,711	327,469	(15,758)
B) Net working capital			
- Inventories	275,674	263,629	12,044
- Trade receivables	348,968	325,672	23,296
- Trade payables (-)	(202,103)	(222,107)	20,004
- Advance payments (-)	(65,519)	(77,655)	12,136
- Other assets (liabilities)	3,142	6,546	(3,404)
	360,161	296,084	64,077
C) Invested capital less liabilities for the period (A+B)	671,872	623,553	48,319
D) Post-employment benefits (-)	(16,501)	(17,409)	908
E) NET INVESTED CAPITAL (C+D)	655,371	606,144	49,227
<i>Financed by:</i>			
F) Shareholders' equity attributable to owners of the Parent Company	371,247	385,270	(14,022)
G) Shareholders' equity attributable to non-controlling interests	14,109	13,971	138
H) Net financial debt	270,014	206,903	63,111
I) TOTAL SOURCES OF FINANCING (F+G+H)	655,371	606,144	49,227

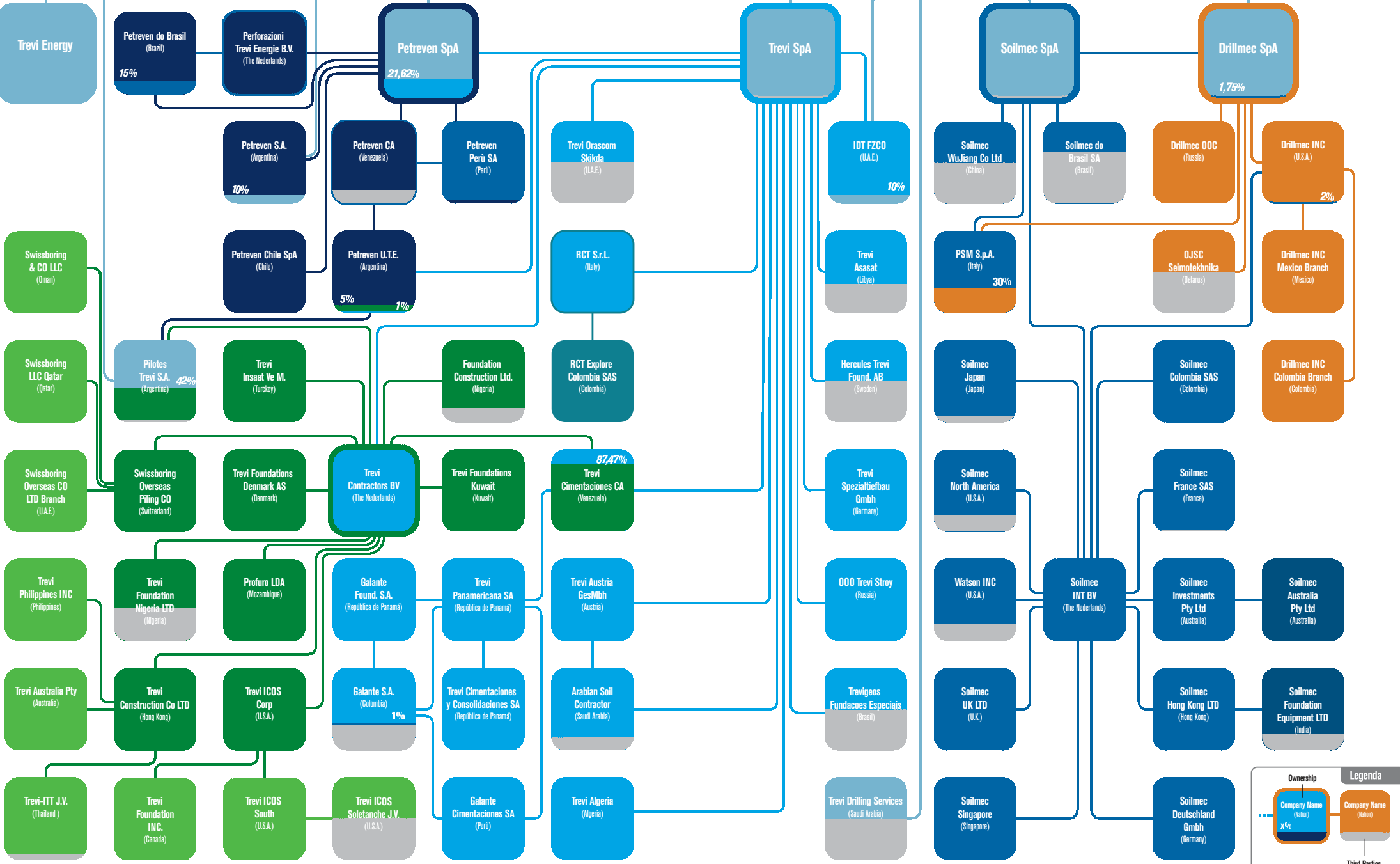
OIL & GAS DIVISION

Summary Statement of Financial Position

(Euro '000)

	31/03/2016	31/12/2015	change
A) Fixed assets	132,943	141,651	(8,708)
B) Net working capital			
- Inventories	239,414	267,907	(28,493)
- Trade receivables	205,481	193,962	11,519
- Trade payables (-)	(165,594)	(212,216)	46,623
- Advance payments (-)	(70,627)	(88,406)	17,779
- Other assets (liabilities)	38,828	44,085	(5,257)
	247,502	205,332	42,171
C) Invested capital less liabilities for the period (A+B)	380,446	346,982	33,463
D) Post-employment benefits (-)	(2,168)	(2,770)	602
E) NET INVESTED CAPITAL (C+D)	378,278	344,212	34,065
<i>Financed by:</i>			
F) Shareholders' equity attributable to owners of the Parent Company	68,748	83,224	(14,476)
G) Shareholders' equity attributable to non-controlling interests	1,362	2,488	(1,126)
H) Net financial debt	308,167	258,500	49,668
I) TOTAL SOURCES OF FINANCING (F+G+H)	378,278	344,212	34,065

TREVI-Finanziaria Industriale S.p.A.



Ownership

Company Name (Nation) x%

Legenda

Company Name (Nation)

Third Parties