



TREVI – Finanziaria Industriale S.p.A.

## **Interim Management Report**

**Third Quarter 2015**

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](http://www.trevifin.com)

# CONTENTS

	<i>Page</i>
<b>1 Key Financial Data</b>	<b>4</b>
<b>2 Management Report for the Quarter</b>	<b>5</b>
Description of the Group	
Third quarter performance	
Comments on key data from the Statement of Financial Position	
Comments on the Income Statement	
General presentation criteria	
Significant events subsequent to the end of the reporting period	
<b>3 Summary Group Consolidated Financial Statements</b>	<b>13</b>
Consolidated Income Statement	
Consolidated Statement of Financial Position	
Consolidated Statement of Comprehensive Income	
Consolidated Statement of Changes in Net Equity	
Consolidated Statement of Cash Flows	
Appendices	

The Interim Management Report has not been audited.

## **MEMBERS OF THE CORPORATE BODIES**

### **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

Davide Trevisani

### **EXECUTIVE DEPUTY CHAIRMAN**

Gianluigi Trevisani

### **DEPUTY CHAIRMAN**

Cesare 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 director)

Rita Rolli (Non-executive and independent director)

Stefano Trevisani (Executive director)

Simone Trevisani (Executive director)

### **BOARD OF STATUTORY AUDITORS**

#### **Standing Statutory Auditors**

Adolfo Leonardi (Chairperson)

Milena Motta

Giancarlo Poletti

#### **Supplementary Statutory Auditors**

Stefano Leardini

Valeria Vegni

### **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.

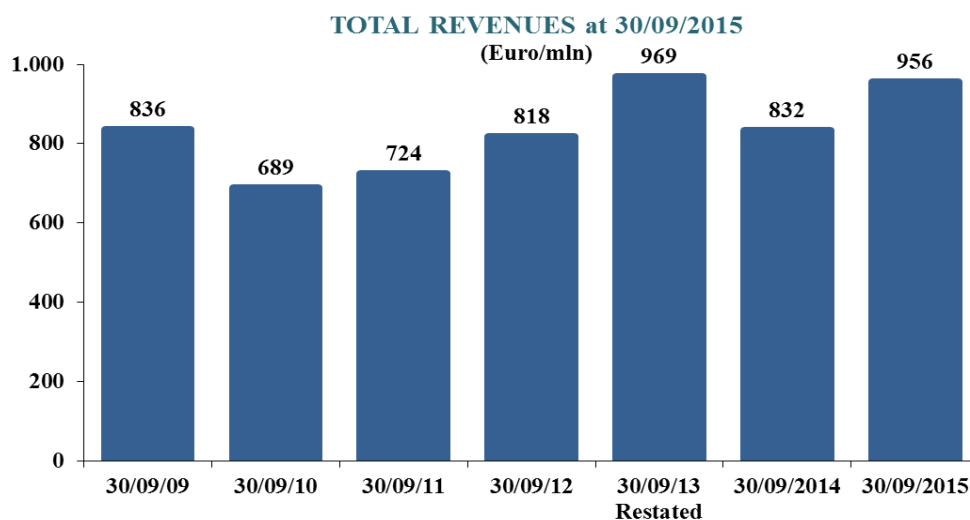
(Appointed on 29 April 2008 and until the Shareholders' Meeting to approve the Financial Statements at 31 December 2016)

## KEY FINANCIAL DATA

(Euro '000)

	30/09/2015	30/09/2014	change	3Q 2015	3Q 2014
Value of production	990,981	845,256	17.2%	363,493	278,346
<b>Total revenues</b>	<b>956,336</b>	<b>832,230</b>	<b>14.9%</b>	<b>355,222</b>	<b>274,273</b>
Value added	180,105	267,477	-32.7%	97,437	90,307
<i>as % of Total revenues</i>	18.8%	32.1%		27.4%	32.9%
<b>Gross operating profit</b>	<b>(15,916)</b>	<b>96,945</b>	<b>n/a</b>	<b>32,843</b>	<b>32,317</b>
<i>as % of Total revenues</i>	-1.66%	11.65%		9.25%	11.78%
<b>Operating profit</b>	<b>(88,568)</b>	<b>52,697</b>	<b>n/a</b>	<b>15,903</b>	<b>17,015</b>
<i>as % of Total revenues</i>	-9.26%	6.33%		4.48%	6.20%
<b>Group net profit</b>	<b>(131,429)</b>	<b>13,366</b>	<b>n/a</b>	<b>(3,339)</b>	<b>8,801</b>
<i>as % of Total revenues</i>	-13.7%	1.6%		-0.9%	3.2%
Gross technical investments	85,657	80,532	6.4%		
Net invested capital	1,083,631	1,041,766	4.0%		
<b>Net debt</b>	<b>(532,844)</b>	<b>(582,979)</b>	<b>8.6%</b>		
Shareholders' equity	550,595	458,067	20.2%		
Shareholders' equity attributable to the owners of the Parent Company	537,727	435,576	23.5%		
Net equity attributable to non-controlling interests	12,868	22,491	-42.8%		
Employees (no.)	7,887	7,613			
Order portfolio	1,117,159	1,060,573	5.3%		
Basic earnings per share (Euro)	(0.798)	0.191			
Diluted earnings per share (Euro)	(0.798)	0.191			
Net operating profit/ Net invested capital (ROI) (1)	-10.90%	6.74%			
Net profit/ Net equity (ROE) (1)	-31.83%	3.89%			
Net operating profit/ Total revenues (ROS)	-9.26%	6.33%			
Net debt/EBITDA (2)	n/a	4.51			
EBITDA /Net financial income (costs)	n/a	4.1			
Net debt/ Total net equity (Debt/Equity)	1.0	1.3			

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



# MANAGEMENT REPORT FOR THE QUARTER

## Description 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.

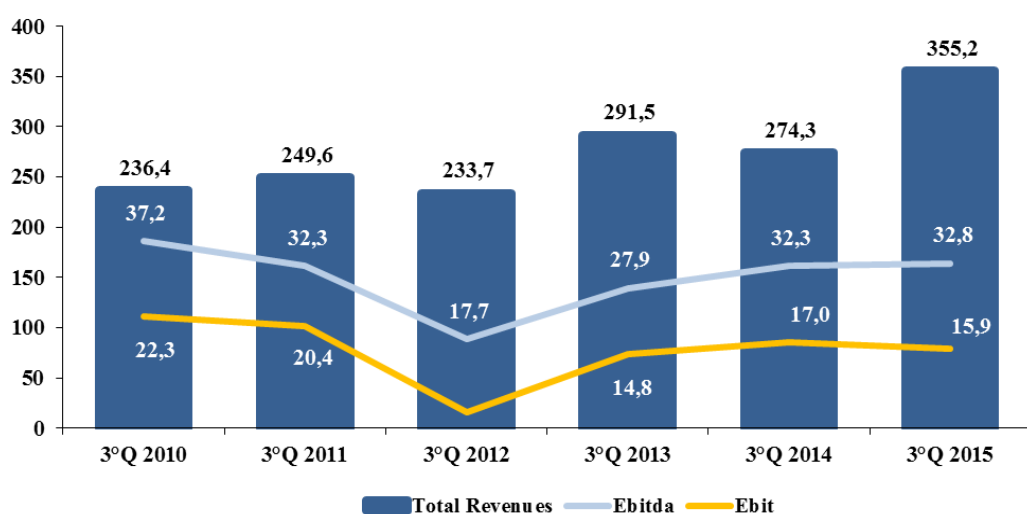
## Third quarter performance

After the significant losses generated by the transport and installation of an off-shore drilling platform in the second quarter of 2015, the activities of the TREVI Group returned to normal. This is demonstrated by the figure of Euro 355 million for total revenues in the third quarter and also by the gross operating profit of Euro 32.8 million and the net operating profit of almost Euro 16 million. These figures are in line with those of the third quarter of the previous financial year. The Group had forecast even higher profitability for the quarter but this proved unachievable due to the ongoing pricing pressure in the Oil & Gas sector and the postponement of some new contracts. The performance of the Special Foundations Division remained positive with good volumes and strong profitability despite the problems in some of the countries in which it won orders.

The forecast for the final quarter of the current financial year is for a strong increase in revenues compared to previous quarters: revenues should exceed Euro 400 million. The forecast is supported by the order portfolio which, at 30 September 2015, was approximately Euro 1,117.2 million, a year-on-year increase of 5.3% (+1% compared to 31 December 2014).

In the third quarter 2015, total revenues were Euro 355.2 million, whilst in the same quarter of the previous financial year they were Euro 274.3 million (+29.5%). The gross operating profit was Euro 32.8 million, a margin of 9.2% on revenues; in the third quarter of the previous financial year, the gross operating profit was Euro 32.3 million and the gross operating margin 11.8%. After depreciation, amortisation and provisions for risks and charges totalling Euro 16.9 million, the operating result was Euro 15.9 million (a margin of 4.5% on total revenues); in the third quarter of the previous financial year, the operating result was Euro 17 million (a margin of 6.2% on total revenues). Net financial expenses in the quarter were Euro 8.3 million (Euro 7.6 million in third quarter 2014) and net exchange rate losses were Euro 7.6 million.

The figure attributable to the shareholders of the Parent Company net of income taxes and non-controlling interests was a loss of Euro 3.3 million.



### Overview of the first nine months

In the first nine months of the financial year, TREVI Group had total revenues of Euro 956.3 million (Euro 832.2 million at 30 September 2014), an operating loss of Euro 88.6 million (an operating profit of Euro 52.7 million at 30 September 2014) and a consolidated net loss of Euro 131.4 million (net profit of Euro 13.4 million at 30 September 2014).

At 30 September 2015, net debt was approximately Euro 533 million.

The Special Foundations Division, comprising Trevi S.p.A. and Soilmec S.p.A., their subsidiaries and associates, had total revenues of Euro 608.1 million, an increase of Euro 112 million compared to the same figure for the previous financial year (+22.6%). Value added was 29.8% of revenues. The gross operating profit was Euro 58.8 million. After depreciation and amortisation of Euro 33.4 million and provisions of Euro 5.7 million, the operating result was Euro 19.7 million, a margin of approximately 3.2% on total revenues.

During the quarter under review, contracts were acquired for the special foundations of an 11.9 kilometre stretch of the Algiers Metro network. These contracts form part of a larger project to expand the city's metro on which

Trevi has worked in the past. The new extension to the Algiers Metro will connect the El Harrach international airport with the capital and ensure greater use by the public of the existing parts of the network that have been operational since 2011. Trevi will construct the diaphragm walls and anchors using specialised equipment provided by the Soilmec Division. Work will begin before the end of the current year. These important contracts have a total value of Euro 100 million and confirm the Group's active participation in major infrastructure projects in the Algerian market.

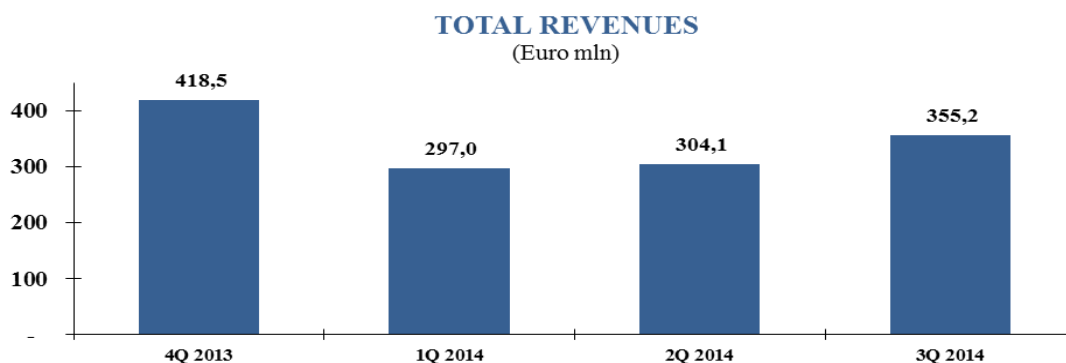
The Trevi Division also won a contract in the Philippines for the special foundations of a 14 kilometre six-lane motorway viaduct in Metro Manila. Trevi will also be involved in the Empire East Kasara residential project in the Philippines. This project includes residential high rises with luxury apartments that represent a symbiosis of modern architecture and nature.

At 30 September 2015, total revenues in the Oil & Gas sector were Euro 374.3 million compared to Euro 345.5 million in the same period of the previous financial year (+8.3%). The gross operating loss was Euro 75.6 million. The operating loss was Euro 108.9 million.

Drillmec signed a USD 60 million with a leading drilling contractor to supply specialised equipment for two semi-submersible 3,000 HP rigs. The equipment will be manufactured in the Group's Piacenza facility and assembled in Batam (Indonesia), where it will be delivered towards the end of 2016. The Drillmec equipment will have the most advanced automated and safety features for offshore workover rigs.

Petreven signed a new contract in Chile with a leading Italian multi-national specialised in renewable energy and geothermal plant; the contract is for the supply of drilling services in the geothermal energy plant.

The revenues of the last four quarters are shown in the following chart:



The value of production went from Euro 845.3 million to Euro 991 million. This item includes Euro 18.2 million of increases in property, plant and equipment for internal use, which was drilling and special foundations plant and equipment to be used by the service companies and for development costs for new products and operating systems. There was a Euro 16.4 million increase in finished products for sale.

Value added fell from Euro 267.5 million to Euro 180.1 million and was 18.8% of total revenues.

## TREVI GROUP

### Quarterly breakdown at 30 September 2015

(Euro '000)

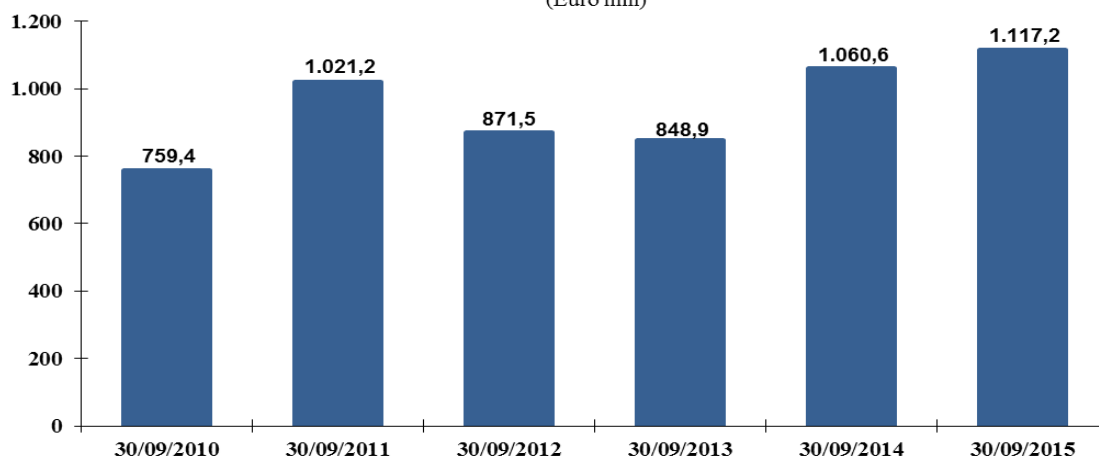
	1Q 2015	2Q 2015	3Q 2015	30/09/2015
<b>TOTAL REVENUES</b>	<b>297,009</b>	<b>304,105</b>	<b>355,222</b>	<b>956,336</b>
Change in inventories of finished products and work in progress	7,385	5,748	3,301	16,434
Increases in property, plant and equipment for internal use	5,311	7,931	4,970	18,212
<b>VALUE OF PRODUCTION</b>	<b>309,704</b>	<b>317,785</b>	<b>363,493</b>	<b>990,981</b>
Raw materials and external services	222,484	313,769	261,898	798,151
Other operating expenses	3,114	5,453	4,158	12,725
<b>VALUE ADDED</b>	<b>84,106</b>	<b>(1,438)</b>	<b>97,437</b>	<b>180,105</b>
Personnel expenses	62,771	68,657	64,594	196,021
<b>GROSS OPERATING RESULT</b>	<b>21,336</b>	<b>(70,096)</b>	<b>32,843</b>	<b>(15,916)</b>
<i>% on total revenues</i>	<i>7.2%</i>	<i>-23.0%</i>	<i>9.2%</i>	<i>-1.7%</i>
Depreciation and amortisation	15,205	14,954	15,544	45,703
Provisions for risks and charges and write-downs	1,122	24,430	1,396	26,949
<b>OPERATING RESULT</b>	<b>5,008</b>	<b>(109,480)</b>	<b>15,903</b>	<b>(88,568)</b>
<i>% on total revenues</i>	<i>1.7%</i>	<i>-36.0%</i>	<i>4.5%</i>	<i>-9.3%</i>

The gross operating loss for the first nine months of 2015 was Euro 15.9 million; in the same period of the preceding financial year, the gross operating profit was Euro 96.9 million. After depreciation and amortisation of Euro 45.7 million and provisions of Euro 26.9 million, the net operating loss was Euro 88.6 million; at 30 September 2014 the operating profit was Euro 52.7 million. Net financial expenses were Euro 21.3 million, a decrease of Euro 2.5 million compared to the figure at 30 September 2014 (Euro 23.8 million). Net exchange rate losses were Euro 14.6 million and were mainly due to the devaluation of the Venezuelan bolivar and the Russian rouble.

The loss before taxes was Euro 124.4 million, whilst the loss after taxes and non-controlling interests was Euro 131.4 million.

### ORDER PORTFOLIO

(Euro mln)



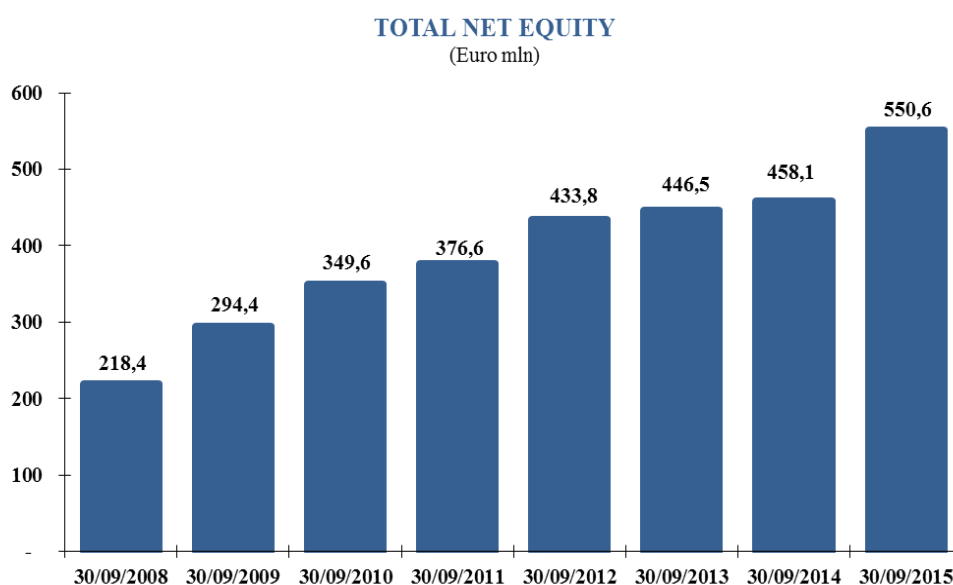


At 30 September 2015, the order portfolio was approximately Euro 1,117.2 million (+5.3% compared to the figure at 30 September 2014).

### Key data from the Statement of Financial Position

At 30 September 2015, net invested capital was Euro 1,083.6 million and had increased Euro 41.9 million compared to the figure at 30 September 2014. Gross investments in property, plant and equipment in the first nine months of the financial year totalled approximately Euro 73.6 million (Euro 59.7 million at 30 September 2014), and were for machinery and equipment for contracts begun or to be carried out during the quarter.

At 30 September 2015, inventories totalled Euro 609 million (in line with the figure of Euro 608 million at 30 June 2015). Compared to the figure at 30 September 2014, the figure had fallen Euro 84 million.



The strength of the US Dollar and of the currencies linked to it resulted in an increase in the translation reserve of approximately Euro 31.7 million. Total net debt of Euro 532.8 million was Euro 50 million lower than the figure at 30 September 2014 (and includes the proceeds of Euro 192.2 million from the share capital increase). Net debt was higher than the figure of Euro 464 million at 30 June 2015 due to the increase in working capital in the Drillmec and Trevi Divisions caused by higher business volumes. The forecast cash-in from clients in the fourth quarter should bring net debt to the level it was at the end of June 2015. At 30 September 2014, current financial indebtedness had decreased by approximately Euro 243 million compared to the figure at the same date of the previous financial year, whilst non-current financial indebtedness had increased by approximately Euro 192.6 million ensuring a more solid financial position for the Group. The Group had a Net Debt /Equity ratio of 1x at 30 September 2015 (1.3x at 30 September 2014). The Group has adequate unused credit lines to cover its future projects.

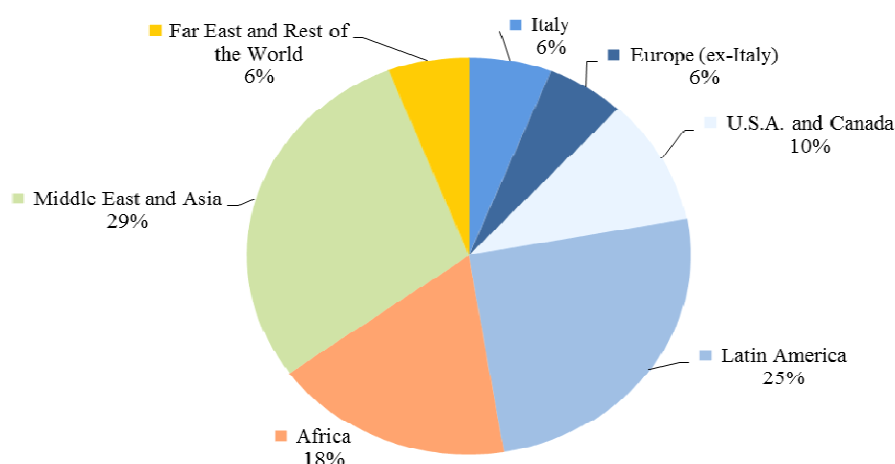
## Geographical breakdown of revenues

Total revenues were Euro 956.336 million compared to Euro 832.230 million at 30 September 2014, an increase of Euro 124.1 million (+14.9%).

The Group operates in various business sectors and in different geographic areas. The breakdown of sales and services and other revenues by geographic area is given in the following table:

(Euro'000)

Geographic area	Nine months ended 30 September 2015	%	Nine months ended 30 September 2014	%	change	%
Italy	58,060	6.1%	75,017	9.0%	(16,956)	-22.6%
Europe (ex-Italy)	54,870	5.7%	80,070	9.6%	(25,200)	-31.5%
USA and Canada	98,354	10.3%	89,572	10.8%	8,782	9.8%
Latin America	242,637	25.4%	237,996	28.6%	4,641	1.9%
Africa	167,072	17.5%	98,705	11.9%	68,367	69.3%
Middle East & Asia	279,373	29.2%	208,919	25.1%	70,454	33.7%
Far East and Rest of the World	55,970	5.9%	41,951	5.0%	14,019	33.4%
<b>TOTAL REVENUES</b>	<b>956,336</b>	<b>100%</b>	<b>832,230</b>	<b>100%</b>	<b>124,106</b>	<b>14.9%</b>



The increase in revenues from the Middle East and Asia compared to the figure at 30 September 2014 was due to the performance of the Special Foundations subsidiaries operating in these areas.

Revenues in the United States increased by Euro 9 million compared to the same period of the previous financial year reflecting the activities of the Special Foundations Division.

The improvement in revenues from South America reflected the activities of companies in both the Oil & Gas and the Special Foundations Divisions.

The decrease in revenues in Europe compared to the same period of the previous year was due to the completion in Northern Europe of several special foundations contracts.

The improvement in revenues from Africa was mainly due to contracts in the Oil & Gas sector, the strong performance of the Special Foundations Division in sub-Saharan Africa, and the start-up of a new contract in the Maghreb region – the results of which will be evident in future periods.

## Breakdown by segment

The breakdown of revenues by the main Group segments at 30 September 2015 was as follows:

<i>(Euro'000)</i>	Nine months ended 30 September 2015	%	Nine months ended 30 September 2014	%	change	% change
Oil, gas and water drilling machinery	261,811	27%	249,167	30%	12,644	5.1%
Drilling services	114,018	12%	99,106	12%	14,912	15.0%
Interdivisional adjustments and eliminations	(1,546)		(2,769)		1,223	
<b>Sub-total Oil &amp; Gas Division</b>	<b>374,283</b>	<b>39%</b>	<b>345,503</b>	<b>42%</b>	<b>28,779</b>	<b>8.3%</b>
Special foundation services	431,070	45%	351,947	42%	79,123	22.5%
Machinery for special foundations	188,518	20%	155,454	19%	33,064	21.3%
Interdivisional adjustments and eliminations	(11,445)		(11,299)		(146)	
<b>Sub-Total Special Foundations Division (Core Business)</b>	<b>608,144</b>	<b>64%</b>	<b>496,102</b>	<b>60%</b>	<b>112,042</b>	<b>22.6%</b>
<b>Parent Company</b>	20,161		13,522		6,639	49.1%
Interdivisional eliminations with the Parent Company	(46,251)		(22,897)		(23,354)	
<b>TOTAL REVENUES</b>	<b>956,336</b>	<b>100%</b>	<b>832,230</b>	<b>100%</b>	<b>124,107</b>	<b>14.9%</b>

## Accounting policies and valuation criteria

The Interim Report for the third 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 Interim Consolidated Financial Statements of the Group for the third quarter 2015 have been prepared and presented in accordance with the International Accounting Standards issued by the IASB – International Accounting Standards Board - and endorsed by the European Commission (henceforth singly IAS or IFRS, together IFRSs) and according to SIC/IFRIC interpretive standards and using the same accounting policies, consolidation methods and translation criteria for items in foreign currencies used to prepare the Financial Statements for the year ended 31 December 2014, with some adjustments necessitated by the peculiarities of a part of the year limited to a period of nine months. The figures given have not been 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 tax charge expected for the full financial year. The Interim Report for the Third Quarter has not been audited.

The consolidation area at 30 September 2015 has changed compared to the consolidation area at 31 December 2014: Trevi Arabco J.V., with its registered office in Egypt, was set up and is 51% held by the TREVI Group.

## **Significant events subsequent to the end of the reporting period**

During the visit to Indonesia this November of the President of the Republic, Sergio Mattarella , several contracts were signed of which three between Drillmec and PT Citra Tubindo Engineering are particularly noteworthy:

- a MOU (Memorandum of Understanding) between Drillmec and CTE for onshore and offshore drill rigs: the top-end components representing 40% of the value of the rigs will be exported from Italy and assembled in Indonesia in the facilities of CTE in Batam. Drillmec will supply engineering support. Ten rigs will be built in the next five years for a total value of USD 150 million
- a letter of intent between Drillmec and CTE for the construction of two DES substructures and their relative rig up in Batam for a total value of approximately USD 8 million
- a contract awarded by CTE to Drillmec for the supply of components for a 1500 HP drill rig with a total value of approximately USD 9 million. The rig will be completed in Batam.

The three agreements form the basis for a future permanent alliance between the two companies.

Cesena, 13 November 2015

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)

	3Q 2015	3Q 2014	First nine months 2015	First nine months 2014	change
<b>TOTAL REVENUES</b>	<b>355,222</b>	<b>274,273</b>	<b>956,336</b>	<b>832,230</b>	<b>124,107</b>
Change in inventories of finished and semi-finished products	3,301	(10,001)	16,434	(11,107)	27,541
Increase in property, plant and equipment for internal use	4,970	14,075	18,212	24,133	(5,922)
<b>VALUE OF PRODUCTION</b>	<b>363,493</b>	<b>278,346</b>	<b>990,981</b>	<b>845,256</b>	<b>145,725</b>
Raw materials and cost of services	261,898	182,843	798,151	564,733	233,418
Other operating costs	4,158	5,196	12,725	13,046	(321)
<b>VALUE ADDED</b>	<b>97,437</b>	<b>90,307</b>	<b>180,105</b>	<b>267,477</b>	<b>(87,372)</b>
Personnel expenses	64,594	57,990	196,021	170,532	25,490
<b>GROSS OPERATING PROFIT</b>	<b>32,843</b>	<b>32,317</b>	<b>(15,916)</b>	<b>96,945</b>	<b>(112,862)</b>
% on total revenues	9.2%	11.8%	-1.7%	11.6%	
Depreciation and amortisation	15,544	14,594	45,703	42,140	3,563
Provisions for risks and charges and write-downs	1,396	708	26,949	2,108	24,841
<b>OPERATING RESULT</b>	<b>15,903</b>	<b>17,015</b>	<b>(88,568)</b>	<b>52,697</b>	<b>(141,265)</b>
% on total revenues	4.5%	6.2%	-9.3%	6.3%	
Financial income / (expenses)	(8,331)	(7,646)	(21,285)	(23,826)	2,541
Gains/ (losses) on exchange rates	(7,586)	3,151	(14,592)	(843)	(13,750)
Impairment of financial assets	(2)	22	(2)	1,665	(1,667)
<b>PROFIT BEFORE TAXES</b>	<b>(16)</b>	<b>12,542</b>	<b>(124,447)</b>	<b>29,694</b>	<b>(154,141)</b>
Income taxes	3,807	3,722	8,643	8,133	510
Result attributable to non-controlling interests	(483)	19	(1,661)	8,195	(9,856)
<b>NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	<b>(3,339)</b>	<b>8,801</b>	<b>(131,429)</b>	<b>13,366</b>	<b>(144,795)</b>
% on total revenues	-0.9%	3.2%	-13.7%	1.6%	

**TREVI GROUP**  
**RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Euro '000)

31/12/2014		30/09/2015	30/09/2014	change
	<b>A) Non-current assets</b>			
386,861	- Property, plant and equipment	415,638	374,159	41,479
80,010	- Intangible assets	88,691	62,232	26,459
6,562	- Financial assets	6,565	7,345	(780)
<b>473,434</b>		<b>510,894</b>	<b>443,736</b>	<b>67,157</b>
	<b>B) Net working capital</b>			
709,173	- Inventories	609,018	693,091	(84,073)
428,196	- Trade receivables	488,755	405,845	82,910
(304,858)	- Trade payables (-)	(310,209)	(306,032)	(4,177)
(256,355)	- Advance payments (-)	(244,970)	(257,502)	12,532
20,791	- Other assets (liabilities)	52,443	86,724	(34,281)
<b>596,946</b>		<b>595,037</b>	<b>622,126</b>	<b>(27,089)</b>
<b>1,070,380</b>	<b>C) Invested capital less liabilities (A+B)</b>	<b>1,105,930</b>	<b>1,065,862</b>	<b>40,068</b>
<b>(24,005)</b>	<b>D) Post-employment benefits (-)</b>	<b>(22,299)</b>	<b>(24,096)</b>	<b>1,797</b>
<b>1,046,374</b>	<b>E) NET INVESTED CAPITAL (C+D)</b>	<b>1,083,631</b>	<b>1,041,766</b>	<b>41,865</b>
	<i>Financed by:</i>			
<b>648,802</b>	<b>F) Group shareholders' equity</b>	<b>537,727</b>	<b>435,576</b>	<b>102,150</b>
17,944	G) Non-controlling interests	12,868	22,491	(9,623)
<b>379,629</b>	<b>H) Net debt</b>	<b>533,038</b>	<b>583,700</b>	<b>(50,662)</b>
<b>1,046,374</b>	<b>I) TOTAL SOURCES OF FINANCING (F+G+H)</b>	<b>1,083,632</b>	<b>1,041,767</b>	<b>41,866</b>

**TREVI GROUP**  
**CONSOLIDATED NET FINANCIAL POSITION**

(Euro'000)

31/12/2014		30/09/2015	30/09/2014	change
(319,320)	Current bank financing	(378,360)	(502,981)	124,622
(37,756)	Payables for other current financing	(17,407)	(36,129)	18,722
(12)	Current financial derivative instruments	(774)	(637)	(137)
244,468	Cash and cash equivalents	289,831	189,806	100,025
<b>(112,619)</b>	<b>Total current liabilities</b>	<b>(106,710)</b>	<b>(349,942)</b>	<b>243,232</b>
(221,904)	Non-current bank financing	(373,352)	(190,157)	(183,195)
(43,192)	Payables for other non-current financing	(51,339)	(41,594)	(9,745)
(1,914)	Non-current financial derivative instruments	(1,636)	(2,007)	371
<b>(267,009)</b>	<b>Total non-current liabilities</b>	<b>(426,327)</b>	<b>(233,758)</b>	<b>(192,570)</b>
<b>(379,629)</b>	<b>Net debt</b>	<b>(533,038)</b>	<b>(583,700)</b>	<b>50,662</b>
<b>363</b>	<b>Treasury shares</b>	<b>194</b>	<b>721</b>	<b>(527)</b>
<b>(379,265)</b>	<b>Total net debt</b>	<b>(532,844)</b>	<b>(582,979)</b>	<b>50,135</b>

**TREVI GROUP**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Euro '000)

<b>ASSETS</b>	<b>30/09/2015</b>	<b>31/12/2014</b>
<b>Non-current Assets</b>		
Property, plant and equipment	415,638	386,861
Intangible assets	88,691	80,010
Investments	1,489	1,287
Deferred tax assets	50,932	38,221
Financial derivative instruments	1	0
Trade receivables and other non-current assets	32,842	26,345
<b>Total non-current Assets</b>	<b>589,593</b>	<b>532,724</b>
<b>Current Assets</b>		
Inventories	312,695	310,539
Trade receivables and other current assets	742,365	714,764
Current tax receivables	49,087	50,341
Financial derivative instruments	151	0
Cash and cash equivalents	289,831	244,468
<b>Total Current Assets</b>	<b>1,394,128</b>	<b>1,320,112</b>
<b>TOTAL ASSETS</b>	<b>1,983,722</b>	<b>1,852,837</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>30/09/2015</b>	<b>31/12/2014</b>
<b>Share Capital and Reserves</b>		
Share capital	82,306	82,328
Other reserves	304,361	272,088
Retained earnings	151,060	294,386
<b>Shareholders' equity attributable to owners of the Parent Company</b>	<b>537,727</b>	<b>648,802</b>
<b>Non-controlling interests</b>	<b>12,868</b>	<b>17,944</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>550,595</b>	<b>666,746</b>
<b>Non-current liabilities</b>		
Non-current financing	424,691	265,096
Non-current financial derivative instruments	1,637	1,914
Deferred taxes	45,329	36,096
Post-employment benefits	22,299	24,005
Non-current provisions for risks and charges	3,949	4,135
Other non-current liabilities	117	103
<b>Total Non-current Liabilities</b>	<b>498,023</b>	<b>331,348</b>
<b>Current Liabilities</b>		
Trade payables and other current liabilities	505,610	464,249
Tax liabilities for current taxes	28,632	31,100
Current financing	395,767	357,076
Current provisions for risks and charges	4,170	2,306
Current financial derivative instruments	925	12
<b>Total Current Liabilities</b>	<b>935,104</b>	<b>854,743</b>
<b>TOTAL LIABILITIES</b>	<b>1,433,128</b>	<b>1,186,091</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,983,722</b>	<b>1,852,837</b>

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

*(Euro '000)*

<b>Net working capital</b>	<b>30/09/2015</b>	<b>IAS 11</b>	<b>30/09/2015</b>
- Inventories	609,018	(296,323)	312,695
- Trade receivables	488,755	168,571	657,326
- Trade payables (-)	(310,209)	0	(310,209)
- Pre-payments (-)	(244,970)	153,303	(91,667)
- Other assets (liabilities)	52,443	(25,551)	26,892
<b>Total</b>	<b>595,037</b>	<b>0</b>	<b>595,037</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*(Euro '000)*

	<b>30/09/2015</b>	<b>30/09/2014</b>
Net Profit/ (loss) for the period	<b>(133,090)</b>	<b>21,561</b>
<b>Other items of comprehensive income subsequently recycled to profit or loss for the period:</b>		
Cash flow hedge reserve	248	(606)
Tax	(92)	200
<b>Change in cash flow hedge reserve</b>	<b>157</b>	<b>(405)</b>
Translation reserve	30,743	30,895
<b>Total of other comprehensive income that may subsequently be recycled to profit or loss net of tax</b>	<b>30,900</b>	<b>30,489</b>
<b>Comprehensive income net of tax</b>	<b>(102,190)</b>	<b>52,050</b>
Parent Company shareholders	(99,520)	41,780
Non-controlling interests	(2,670)	10,271



## 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
<b>Balance at 01/01/14</b>	<b>35,033</b>	<b>88,885</b>	<b>281,878</b>	<b>405,796</b>	<b>25,065</b>	<b>430,861</b>
Profit for the period			13,365	13,365	8,196	21,561
Actuarial gains/ (losses)		0		0		0
Other comprehensive income/ (loss)		28,414		28,414	2,075	30,489
<b>Total comprehensive income/ (loss)</b>	<b>0</b>	<b>28,414</b>	<b>13,365</b>	<b>41,779</b>	<b>10,271</b>	<b>52,050</b>
Allocation of profit for 2013 and dividend distribution		588	(9,712)	(9,125)	(9,307)	(18,431)
Change in area of consolidation		0	(3,469)	(3,469)	(3,539)	(7,008)
Acquisition of non-controlling interests		0	595	595	0	595
<b>Balance at 30/09/14</b>	<b>35,033</b>	<b>117,887</b>	<b>282,656</b>	<b>435,576</b>	<b>22,491</b>	<b>458,067</b>
<b>Balance at 01/01/15</b>	<b>82,327</b>	<b>272,091</b>	<b>294,386</b>	<b>648,804</b>	<b>17,942</b>	<b>666,747</b>
Profit for the period			(131,430)	(131,430)	(1,662)	(133,091)
Actuarial gains/(losses)		0		0		0
Other comprehensive income/ (loss)		31,909		31,909	(1,009)	30,900
<b>Total comprehensive income/ (loss)</b>	<b>0</b>	<b>31,909</b>	<b>(131,430)</b>	<b>(99,521)</b>	<b>(2,670)</b>	<b>(102,191)</b>
Allocation of profit for 2014 and dividend distribution		362	(11,896)	(11,534)	(2,404)	(13,938)
Sales/(acquisition) of treasury shares	(21)	0		(21)		(21)
<b>Balance at 30/09/15</b>	<b>82,306</b>	<b>304,361</b>	<b>151,060</b>	<b>537,727</b>	<b>12,868</b>	<b>550,595</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

(Euro'000)

	30/09/15	30/09/14
Net income	(133,090)	21,561
Income taxes	8,643	8,133
<b>Profit before taxes</b>	<b>(124,447)</b>	<b>29,694</b>
Depreciation and amortisation	45,703	42,140
Financial (income)/expenses	21,285	23,826
Changes in reserves for risks and costs, and for post-employment benefits	(29)	(4,614)
Impairment of financial assets	2	(1,665)
(Gains) / losses from sale or impairment of fixed asset	(6,498)	(100)
<b>(A) Cash Flow from Operations before changes in net working capital</b>	<b>(63,985)</b>	<b>89,280</b>
(Increase)/Decrease trade receivables	(14,472)	(99,847)
(Increase)/Decrease inventories	(2,155)	(11,487)
(Increase)/Decrease other current assets	(31,084)	(73,978)
Increase/(Decrease) trade payables	5,351	3,009
Increase/(Decrease) other current payables	41,022	49,233
<b>(B) Changes in net working capital</b>	<b>(1,336)</b>	<b>(133,071)</b>
(C) Interest payable and other payables	(21,285)	(23,826)
(D) Cash out for taxes	(6,877)	(8,954)
<b>(E) Cash Flow generated (absorbed) by operations (A+B+C+D)</b>	<b>(93,483)</b>	<b>(76,571)</b>
<b>Investments</b>		
Operational (investments)	(79,202)	(80,320)
Operational divestments	18,771	28,006
Net change in financial assets	(204)	1,395
<b>(F) Cash Flow generated (absorbed) by investments</b>	<b>(60,635)</b>	<b>(50,919)</b>
<b>Financing activities</b>		
Increase/(Decrease) in share capital for purchase of treasury shares	(22)	0
Other changes including those in non-controlling interests	14,668	5,865
Increase/(Decrease) in debt, financing and derivative instruments	212,966	107,380
Increase/(Decrease) in leasing liabilities	(12,201)	(1,149)
Dividend distribution to Parent Company shareholders and non-controlling interests	(13,938)	(18,432)
<b>(G) Cash Flow generated (absorbed) from financing activities</b>	<b>201,473</b>	<b>93,663</b>
<b>(H) Net Change in Cash Flows (E+F+G)</b>	<b>47,356</b>	<b>(33,827)</b>
<b>Opening Balance of Net Liquid Funds</b>	<b>236,328</b>	<b>211,938</b>
<b>Net Changes in Liquid Funds</b>	<b>47,356</b>	<b>(33,827)</b>
<b>Closing Balance of Net Liquid Funds</b>	<b>283,683</b>	<b>178,112</b>
<b>Description</b>	<b>30/09/2015</b>	<b>30/09/2014</b>
Cash and cash equivalents	289,831	189,806
Bank overdrafts	(6,148)	(11,693)
<b>Cash and cash equivalents net of bank overdrafts</b>	<b>283,683</b>	<b>178,112</b>

## Special Foundations Division (Core Business) Summary Income Statement

(Euro '000)

	30/09/2015	30/09/2014	change
<b>TOTAL REVENUES</b>	<b>608,144</b>	<b>496,102</b>	<b>112,042</b>
Changes in inventories of work in progress, semi-finished and finished goods	4,797	(6,181)	10,978
Increase in plant, machinery and equipment for internal use	13,610	13,962	(352)
<b>VALUE OF PRODUCTION</b>	<b>626,551</b>	<b>503,883</b>	<b>122,668</b>
Raw materials and cost of services	439,162	323,995	115,167
Other operating expenses	6,441	6,260	181
<b>VALUE ADDED</b>	<b>180,948</b>	<b>173,628</b>	<b>7,320</b>
<i>% of Total revenues</i>	<i>29.8%</i>	<i>35.0%</i>	
Personnel expenses	122,176	109,800	12,377
<b>GROSS OPERATING PROFIT</b>	<b>58,772</b>	<b>63,828</b>	<b>(5,056)</b>
<i>% of Total revenues</i>	<i>9.7%</i>	<i>12.9%</i>	
Depreciation and amortisation	33,387	31,661	1,726
Provisions for risks and charges and write-downs	5,688	1,970	3,718
<b>OPERATING RESULT</b>	<b>19,697</b>	<b>30,197</b>	<b>(10,500)</b>
<i>% of Total revenues</i>	<i>3.2%</i>	<i>6.1%</i>	

## Oil & Gas Division Summary Income Statement

(Euro '000)

	30/09/2015	30/09/2014	change
<b>TOTAL REVENUES</b>	<b>374,283</b>	<b>345,503</b>	<b>28,779</b>
Changes in inventories of work in progress, semi-finished and finished goods	8,246	(6,066)	14,312
Increase in plant, machinery and equipment for internal use	3,762	9,979	(6,217)
<b>VALUE OF PRODUCTION</b>	<b>386,291</b>	<b>349,417</b>	<b>36,874</b>
Raw materials and cost of services	386,323	250,477	135,847
Other operating expenses	5,434	8,589	(3,155)
<b>VALUE ADDED</b>	<b>(5,466)</b>	<b>90,351</b>	<b>(95,817)</b>
<i>% of Total revenues</i>	<i>-1.5%</i>	<i>26.2%</i>	
Personnel expenses	70,180	56,488	13,693
<b>GROSS OPERATING PROFIT</b>	<b>(75,647)</b>	<b>33,863</b>	<b>(109,510)</b>
<i>% of Total revenues</i>	<i>-20.2%</i>	<i>9.8%</i>	
Depreciation and amortisation	12,105	10,573	1,533
Provisions for risks and charges and write-downs	21,171	108	21,063
<b>OPERATING RESULT</b>	<b>(108,923)</b>	<b>23,183</b>	<b>(132,106)</b>
<i>% of Total revenues</i>	<i>-29.1%</i>	<i>6.7%</i>	

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

## Special Foundations Division (Core Business) Summary Statement of Financial Position

(Euro '000)

	30/09/15	31/12/14	change
A) Fixed assets	326,086	325,691	394
<b>B) Net working capital</b>			
- Inventories	270,191	263,713	6,477
- Trade receivables	338,708	295,783	42,925
- Trade payables (-)	(210,273)	(199,831)	(10,442)
- Advance payments (-)	(69,846)	(65,773)	(4,073)
- Other assets (liabilities)	13,384	7,530	5,854
	<b>342,164</b>	<b>301,422</b>	<b>40,742</b>
C) Invested capital less liabilities for the period (A+B)	668,250	627,114	41,136
D) Post-employment benefits (-)	(18,513)	(18,282)	(231)
<b>E) NET INVESTED CAPITAL (C+D)</b>	<b>649,737</b>	<b>608,832</b>	<b>40,905</b>
<i>Financed by:</i>			
F) Shareholders' equity attributable to shareholders of the Parent Company	370,461	350,238	20,223
G) Shareholders' equity attributable to non-controlling interests	11,645	13,036	(1,391)
H) Net financial debt	267,631	245,557	22,073
<b>I) TOTAL SOURCES OF FINANCING (F+G+H)</b>	<b>649,737</b>	<b>608,832</b>	<b>40,905</b>

## Oil & Gas Division Summary Statement of Financial Position

(Euro '000)

	30/09/15	31/12/14	change
A) Fixed assets	157,743	134,100	23,643
<b>B) Net working capital</b>			
- Inventories	354,139	456,152	(102,013)
- Trade receivables	221,754	204,187	17,566
- Trade payables (-)	(190,818)	(184,479)	(6,339)
- Advance payments (-)	(175,124)	(187,621)	12,496
- Other assets (liabilities)	8,489	(15,586)	24,076
	<b>218,440</b>	<b>272,654</b>	<b>(54,214)</b>
C) Invested capital less liabilities for the period (A+B)	376,183	406,753	(30,570)
D) Post-employment benefits (-)	(2,682)	(4,510)	1,828
<b>E) NET INVESTED CAPITAL (C+D)</b>	<b>373,501</b>	<b>402,243</b>	<b>(28,742)</b>
<i>Financed by:</i>			
F) Shareholders' equity attributable to shareholders of the Parent Company	50,441	105,597	(55,156)
G) Shareholders' equity attributable to non-controlling interests	2,963	6,845	(3,882)
H) Net financial debt	320,098	289,801	30,298
<b>I) TOTAL SOURCES OF FINANCING (F+G+H)</b>	<b>373,501</b>	<b>402,243</b>	<b>(28,742)</b>

TREVI-Finanziaria Industriale S.p.A.

Trevi Energy

Swissboring & CO LLC (Oman)

Swissboring LLC Qatar (Qatar)

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

Trevi Philippines INC (Philippines)

Trevi Australia Pty (Australia)

Trevi Arabco JV (Egypt)

Trevi-ITT J.V. (Thailand)

Petreven do Brasil (Brazil) 15%

Perforazioni Trevi Energie B.V. (The Netherlands)

Petreven SpA 21,62%

Petreven S.A. (Argentina) 10%

Petreven CA (Venezuela) 84,07%

Petreven Peru SA (Peru) 78,38%

Petreven Chile SpA (Chile)

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

Petreven U.T.E. (Argentina) 1%

Pilotes Trevi S.A. (Argentina) 42%

Trevi Insaat Ve M. (Turkey)

Foundation Construction Ltd. (Nigeria) 80,32%

Swissboring Overseas Piling CO (Switzerland) 57%

Trevi Foundations Denmark AS (Denmark)

Trevi Contractors BV (The Netherlands) 94%

Trevi Foundations Kuwait (Kuwait)

Trevi Cimentaciones CA (Venezuela) 87,47%

Trevi Foundation Nigeria LTD (Nigeria) 60%

Profuro LDA (Mozambique)

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

Trevi Panamericana SA (República de Panamá)

Trevi Austria GesMbh (Austria) 12,53%

Trevi Construction Co LTD (Hong Kong) 51%

Trevi ICOS Corp (U.S.A.)

Galante S.A. (Colombia) 69%

Trevi Cimentaciones y Consolidaciones SA (República de Panamá)

Arabian Soil Contractor (Saudi Arabia) 85%

Trevi Foundation INC. (Canada) 95%

Trevi ICOS South (U.S.A.)

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

Galante Cimentaciones SA (Peru) 99,95%

Trevi Algeria (Algeria)

Trevi SpA 99,78%

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

Trevi Asasat (Libya) 65%

Hercules Trevi Found. AB (Sweden) 50%

Trevi Spezialtiefbau GmbH (Germany)

OOO Trevi Stroy (Russia)

Trevigeos Fundacoes Especiais (Brasil) 51%

Trevi Drilling Services (Saudi Arabia) 51%

Soilmec SpA

Soilmec WuJiang Co Ltd (China) 51%

Soilmec do Brasil SA (Brasil) 99,92%

PSM S.p.A. (Italy) 30%

Soilmec Japan (Japan) 93%

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

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

Soilmec UK LTD (U.K.)

Soilmec Singapore (Singapore)

Drillmec SpA 1,75%

Drillmec OOC (Russia)

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

OJSC Seimotekhnika (Belarus) 51%

Drillmec INC Mexico Branch (Mexico) 98%

Soilmec Colombia SAS (Colombia)

Drillmec INC Colombia Branch (Colombia) 98,25%

Soilmec France SAS (France) 98%

Soilmec Investments Pty Ltd (Australia)

Soilmec Australia Pty Ltd (Australia)

Soilmec Hong Kong LTD (Hong Kong)

Soilmec Foundation Equipment LTD (India) 80%

Soilmec Deutschland GmbH (Germany)

