



# TREVI Group

## Outlook 2014 & 2013 Annual Results

*Ended 31<sup>st</sup> December 2013*

Presentation to the  
Financial Community

Milan  
16th April 2014





## **1. TREVI Group**

## **2. FY 2013 Financial Results**

## **3. Foundation Engineering**

## **4. Oil & Gas Focus**

## **5. Appendix**

*(ITALY) World Record at 250 meters (820ft) depth Soilmec Hydromill*



## TREVI-Finanziaria Industriale S.p.A.

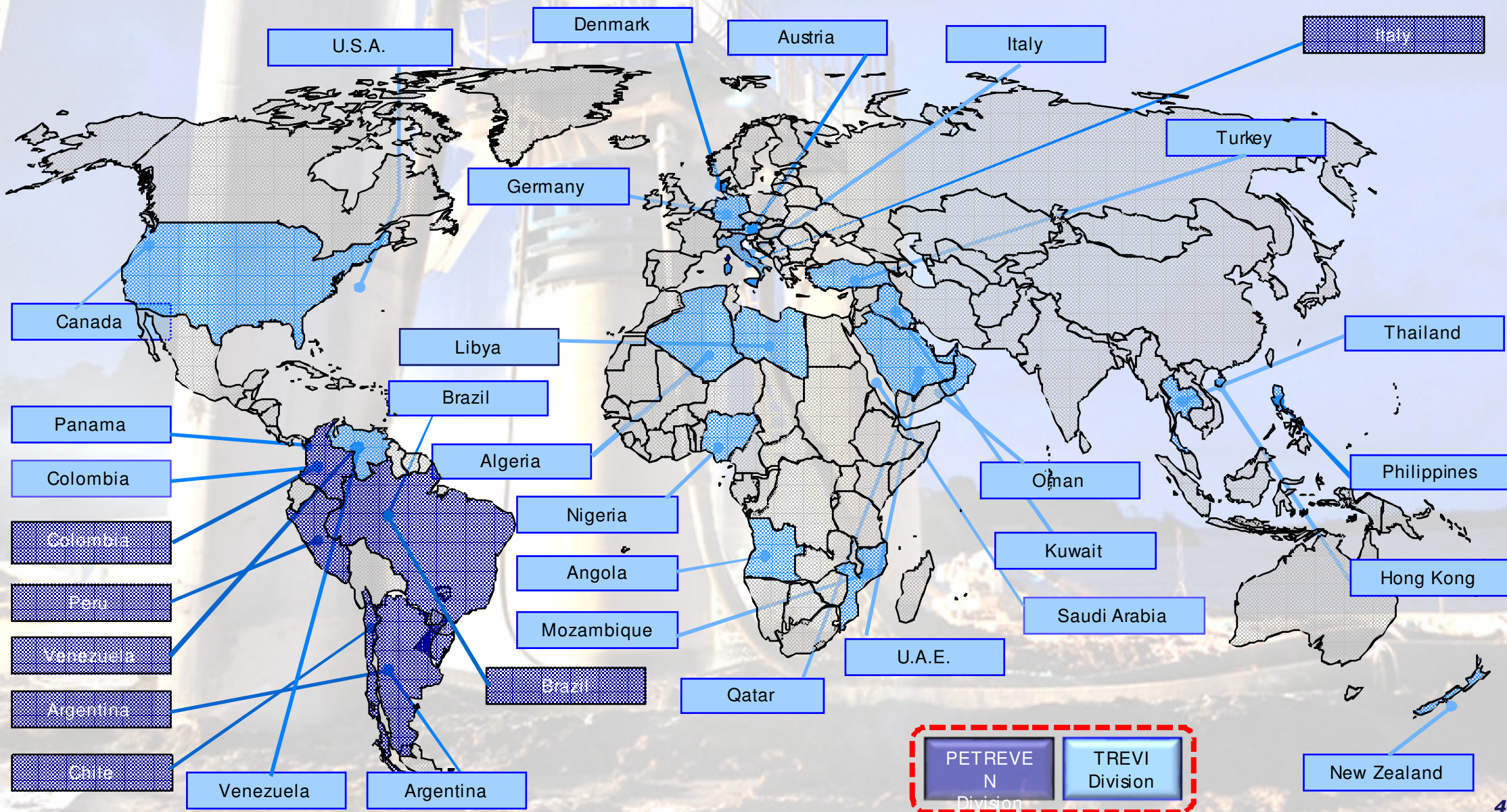


## STRENGTHENING MARKET LEADERSHIP



# TREVI Group: Services Sector Presence

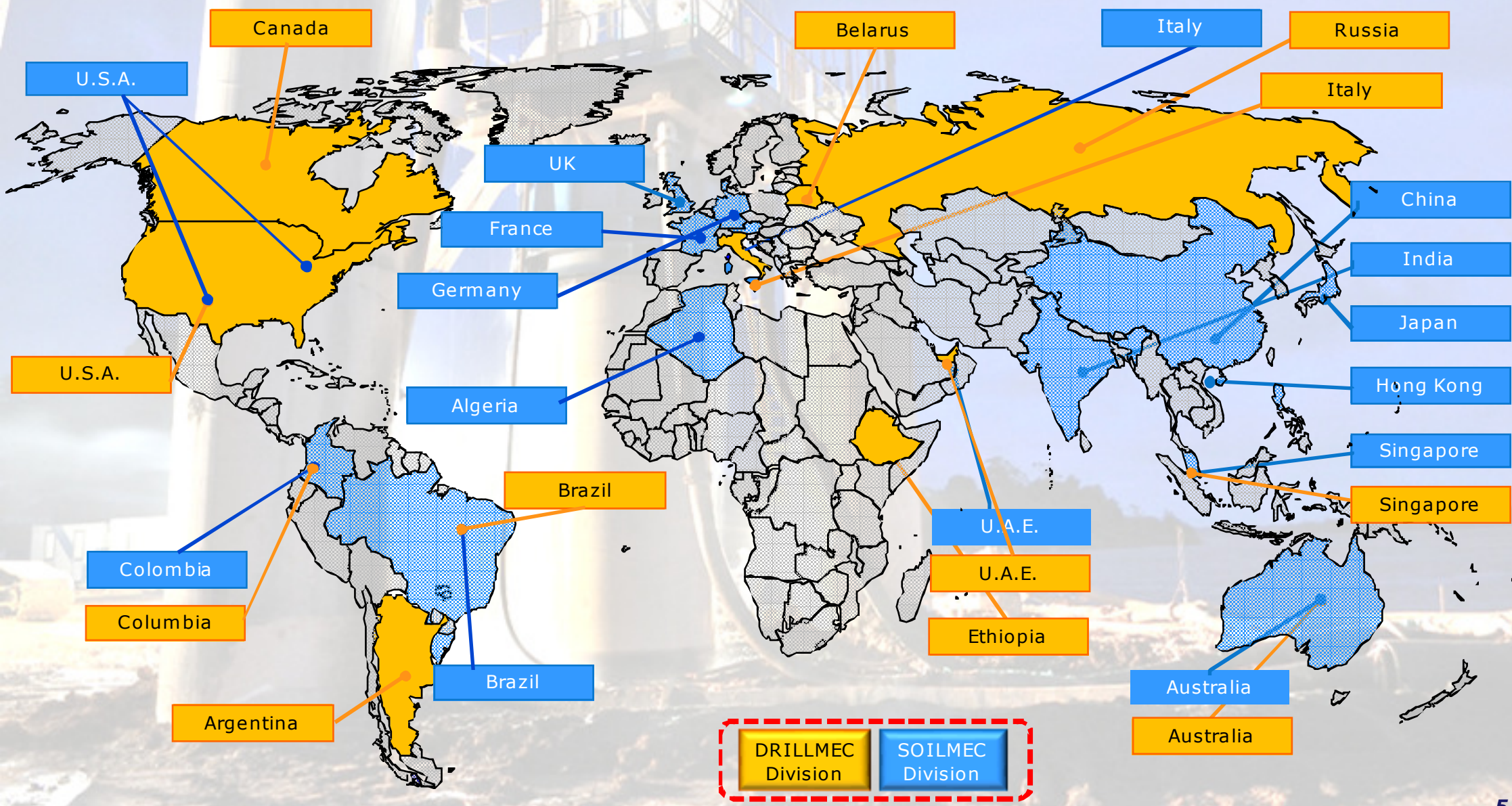
34 Operating Companies in 25 Countries – 48 Business Units





# TREVI Group: Mechanical Sector Presence

18 Operating Companies in 13 Countries – 21 Business Units





## 2013: A year of Growth

- **Strong set of results**

*Ongoing business improvement with sound business growth*

- **Consolidation of Group's companies JVs**

*Consolidated the majority stake of JVs considering the wider perimeter consolidation*

- **Marginality raised**

➤ <b>EBITDA</b>	11,3%	(2012*: 11,4%)
➤ <b>EBIT</b>	6,3%	(2012*: 5,2%)

- **Stable financial ratios**





- ✓ **Expanded operations in Oil & Gas, resiliency shown in Core Business**

- ✓ **Key contracts awarded provide security & positive outlook**

- *New & strategic contracts have been awarded in the Foundation Engineering Division in different geographies confirming a gradual improvement in key markets (see US Corps of Engineers + Middle East + Africa contracts)*
- *Recently announced new contracts in the Oil & Gas sector*
- *Momentum in the Offshore market expanding in new key geographies with HH technology*

- ✓ **Focus on efficient cost improvement**

*Actions have been taken forward at a Group level to enact efficient cost savings initiatives by assessing areas of major interests. Overall reduction of inventories at the Soilmec level have been taken accomplished.*

- ✓ **Delivery and growth**

*At all business levels actions have been taken to improve profitability with worthy prospects for growth*

- ✓ **Total proposed dividend at 0,13 Euro per share in line with last year's**



## 2013 KPI Achieved

✓ **Exceeded Expectations**

- ✓ *Improved Revenue Guidance*
- ✓ *Registered a better than expected margin*
- ✓ *NFP improved in last quarter*
- ✓ *We expect to gradually improve our financial position in the long term*

### **Expected\***

**REVENUES** ↑ +5/10%

**EBITDA** ↑ +5/10%

**NFP** Targeting  
9M13 levels

### **Actual\***

**Exceeded @ +14%**

**Exceeded @ +28%**

**Improved by 12%**

\* vs FY 2012 Reported Results



# Group's Divisions Overlook



## SPECIAL FOUNDATIONS SERVICES

- Solid order backlog
- Long term visibility
- Strong performance in terms of profitability
- Order intake significantly improved
- Key geographies such as US, Middle East, Africa performed well. Europe remains slow. Strong opportunities in Latin America
- Infrastructure sector stable & construction sector pressured



## OIL & GAS SERVICES

- High single digit growth on sound business strategy
- Marginality hindered by late execution of contracts
- Renewed contracts in South America providing a long term outlook
- Overall clear operations outlook & organic growth



## OIL & GAS RIGS

- Astonishing +41% growth
- Marginality improving & entered new key markets
- HH series application Offshore
- Newly awarded contracts Onshore+ Offshore
- Full execution of Offshore projects
- Further strong negotiations of contracts in due course



## SPECIAL FOUNDATIONS RIGS

- Actions in progress of reduction of inventories maintaining volume of sales
- Marginality improving
- Mature markets are showing signs of recovery
- Higher competition hindering pricing and marginality
- Construction market still showing mixed signs of recovery

# 1. TREVI Group

## 2. *FY 2013 Financial Results*

### 3. Foundation Engineering

### 4. Oil & Gas Focus

### 5. Appendix

*Copenhagen (DENMARK) CITYRINGEN work site*





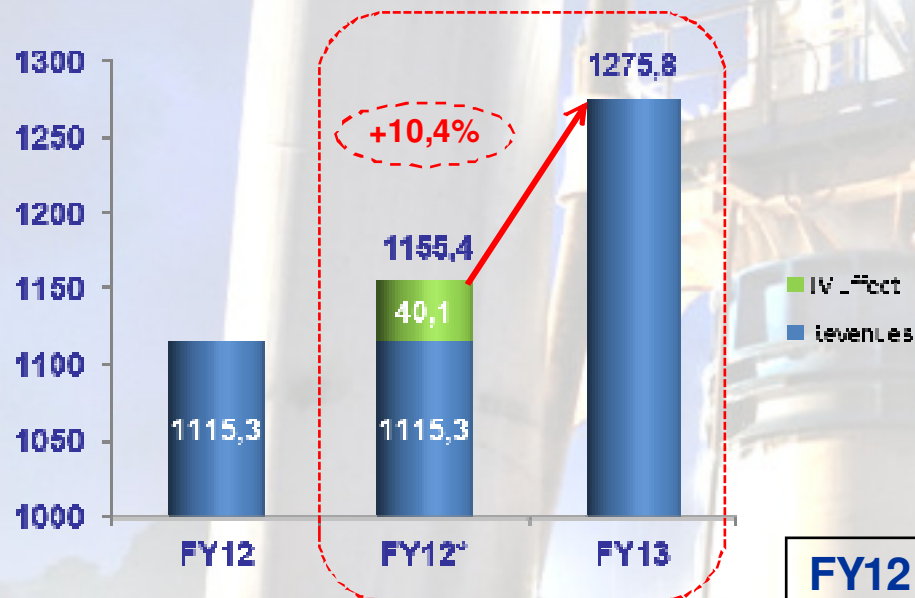
# 2013 Annual Results

- **Revenues:** €1,276m      €1,155m vs FY12\*
- **EBITDA:** €144m      €132m vs FY12\*
- **EBIT:** €80m      €60m vs FY12\*
- **PBT:** €44m      €34m vs FY12\*
- **Backlog:** €877m      €1,090m vs FY12\*
- **NFP:** €443m      €400m vs FY12\*
- **Increase in consolidated revenues +10%**  
*Strong volume of sales*
- **Marginality improved by 9%**  
*EBITDA significantly improved overall in the business*
- **Significant Profit Before Taxes**

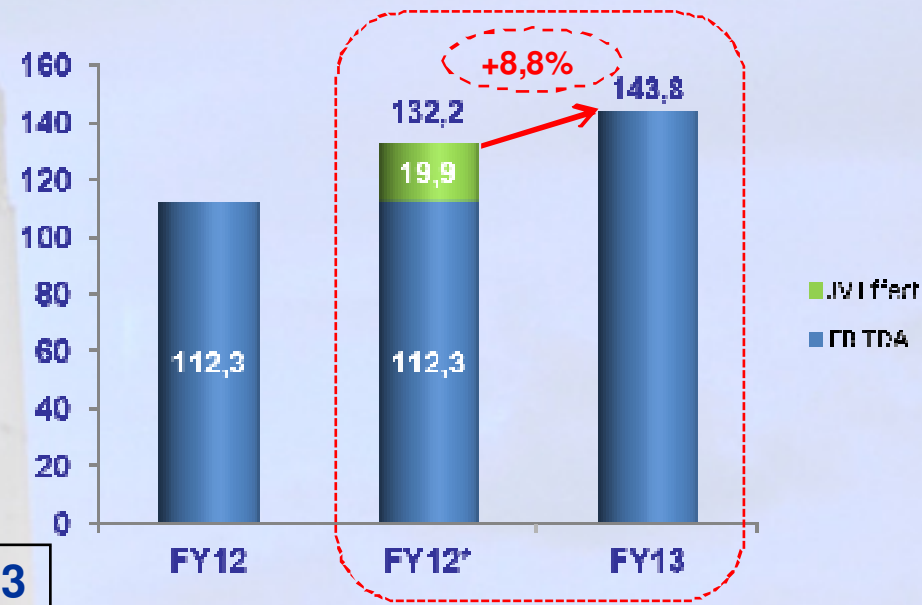
# TREVI Group: (KPI) Key Performance Indicators

\* Applied accounting principles and changes that require the restatement of previous financial statements.

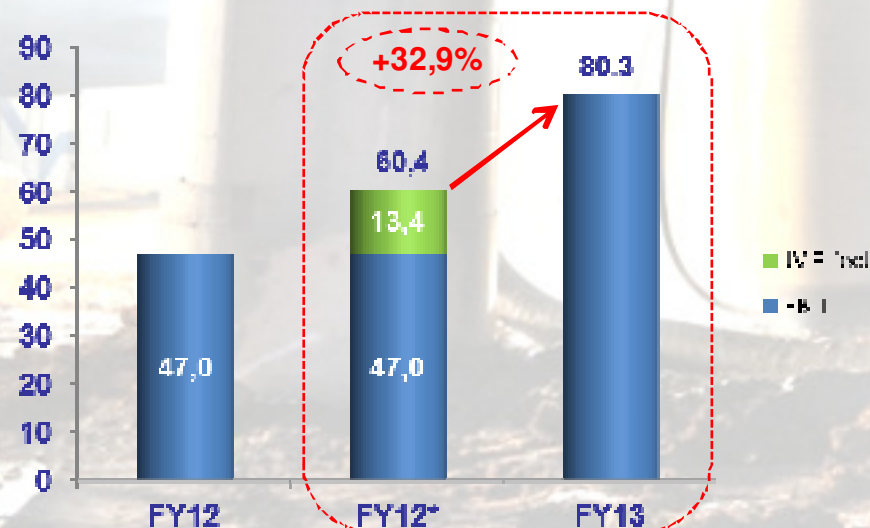
## REVENUES



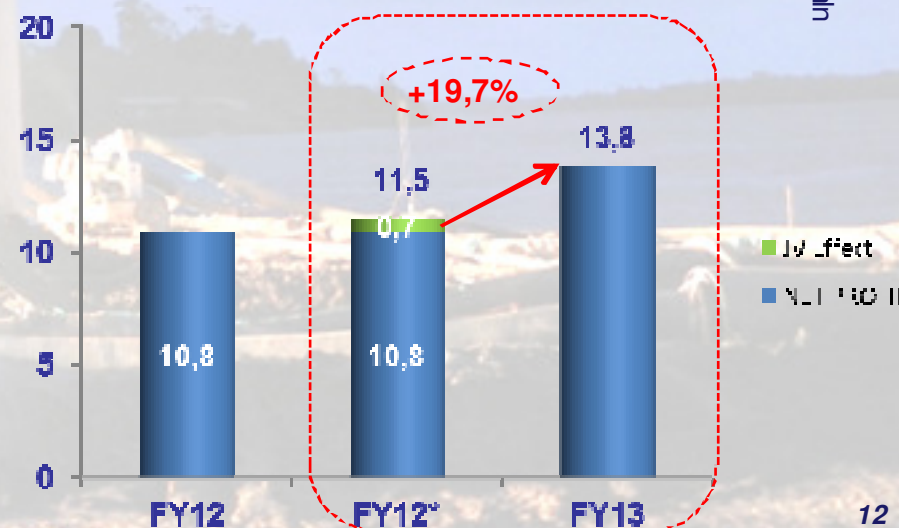
## EBITDA



## EBIT



## NET INCOME



Eur mln



# Financial Highlights FY13 yoy

		Restated					
Eur mln	FY13	%	FY12*	%	FY12	%	Δ%*
VALUE OF PRODUCTION	1.310,0		1.197,7		1.157,6		9,4%
REVENUES	1.275,8	100,0%	1.155,4	100,0%	1.115,3	100,0%	10,4%
EBITDA	143,8	11,3%	132,2	11,4%	112,3	10,1%	8,8%
EBIT	80,3	6,3%	60,4	5,2%	47,5	4,3%	32,9%
FINANCIAL COSTS	(27,6)	-2,2%	(21,6)	-1,9%	(21,6)	-1,9%	28,0%
TAXES	14,9	1,2%	8,0	0,7%	9,5	0,9%	-87,2%
NET PROFIT	13,8	1,1%	11,5	1,0%	10,8	1,0%	19,7%
Eur mln	FY13		FY12*		FY12		Δ%*
NET CAPITAL EMPLOYED	874,5		848,3		845,3		3,1%
EQUITY	430,9		447,6		431,9		-3,7%
NET FINANCIAL POSITION	442,9		400,1		412,8		-10,7%
BACKLOG	877,4		1.089,5		1.070,2		-19,5%
	FY13		FY12*		FY12		
NFP / EBITDA	3,08X		3,03X		3,68X		
NFP / EQUITY	1,03X		0,89X		0,96X		
	FY13		FY12*		FY12		
EMPLOYEES	7.379		6.689		6.689		

\*Applied accounting principles and changes that require the restatement of previous financial statements. Variation is based on Restated figures.

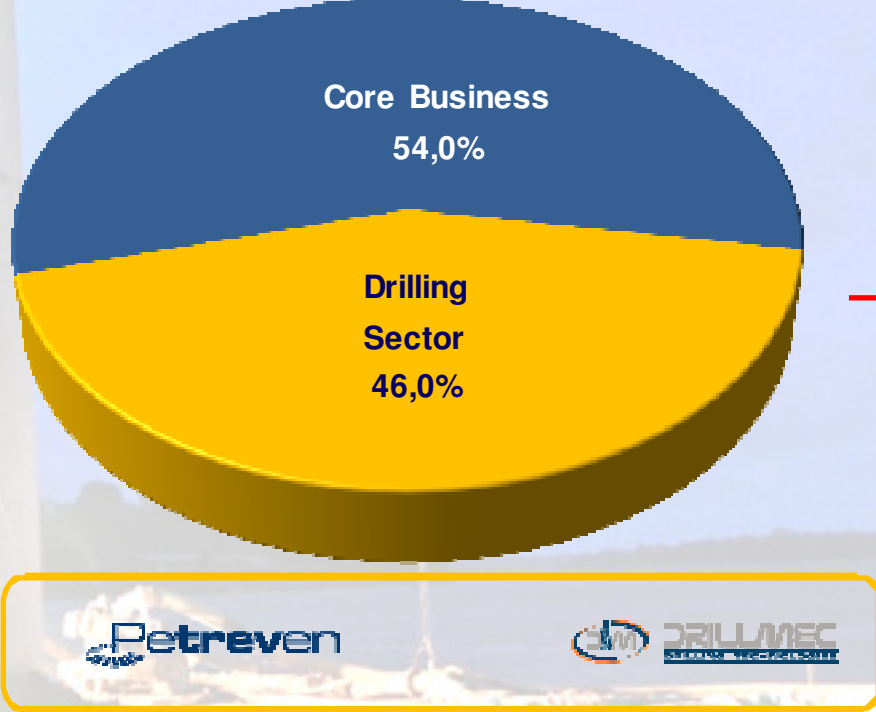
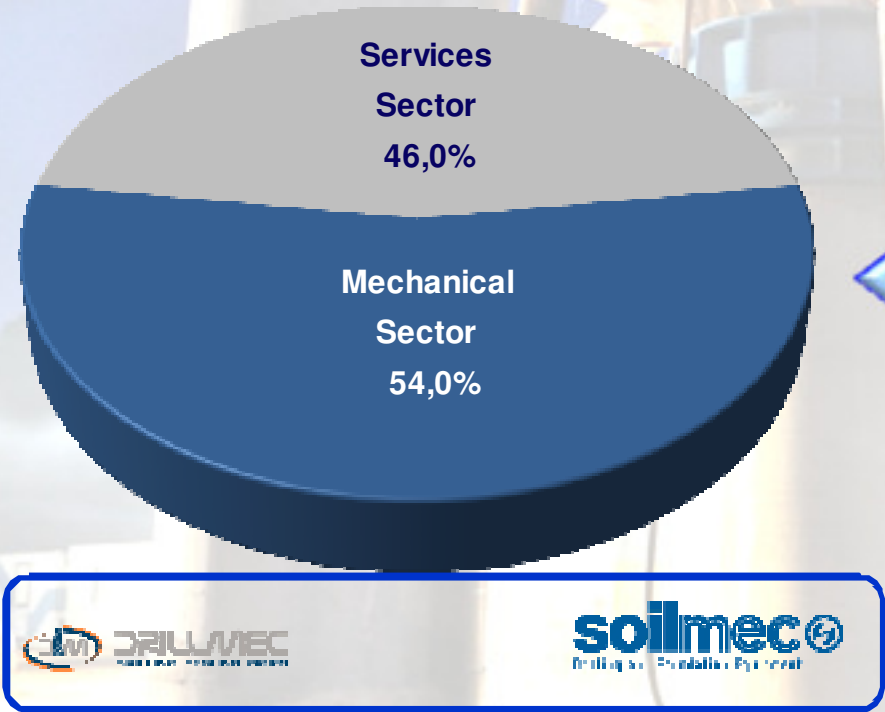
# One Group: Two Points of view

TREVI

Petreven

soilmeco

TREVI



Total Revenues FY13:  
Eur 1,275.8 mln

Based on non Consolidated data

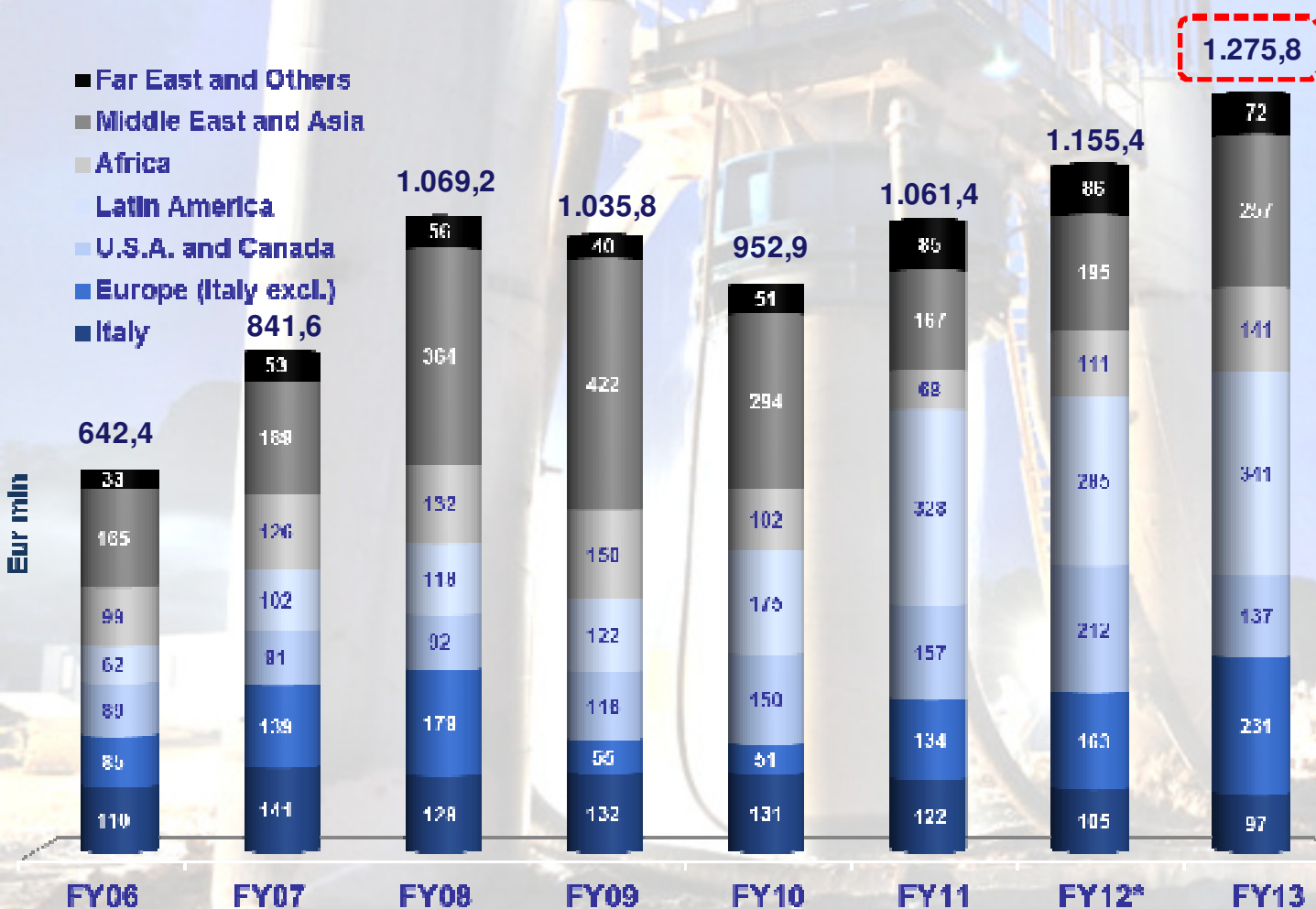


# Revenues Before and After Consolidation

Eur mln	Restated		FY12	Δ %*
	FY13	FY12*		
Special Foundation Services (TREVI)	482,4	493,6	453,4	-2,3%
Drilling Services (PETREVEN)	119,9	109,1	109,1	9,9%
Interdivisional Adjustments and Eliminations	(4,2)	(4,4)	(4,4)	
<b>Sub-Total Foundations and Drilling Services Sector</b>	<b>598,2</b>	<b>598,3</b>	<b>558,1</b>	<b>0,0%</b>
Machines for Special Foundations (SOILMEC)	220,9	236,3	236,3	-6,5%
Drilling Rigs (DRILLMEC)	491,9	348,9	348,9	41,0%
Interdivisional Adjustments and Eliminations	(1,1)	(2,0)	(2,0)	
<b>Sub-Total Mechanical Sector</b>	<b>711,7</b>	<b>583,2</b>	<b>583,2</b>	<b>22,0%</b>
Parent Company	14,5	13,5	13,5	
Interdivisional Eliminations	(48,5)	(39,6)	(39,5)	
<b>TOTAL CONSOLIDATED REVENUES</b>	<b>1.275,8</b>	<b>1.155,4</b>	<b>1.115,3</b>	<b>10,4%</b>

\*Applied accounting principles and changes that require the restatement of previous financial statements. Variation is based on Restated figures.

# Breakdown per Geographical Area



**Middle East:** Contribution from this area has somewhat improved with respect to the previous quarters. Infrastructural & Residential projects are key and drive the growth

**USA:** Tendering activities appear to be picking up and greater demand for infrastructure works is shown. Primary construction & economic indicators improving

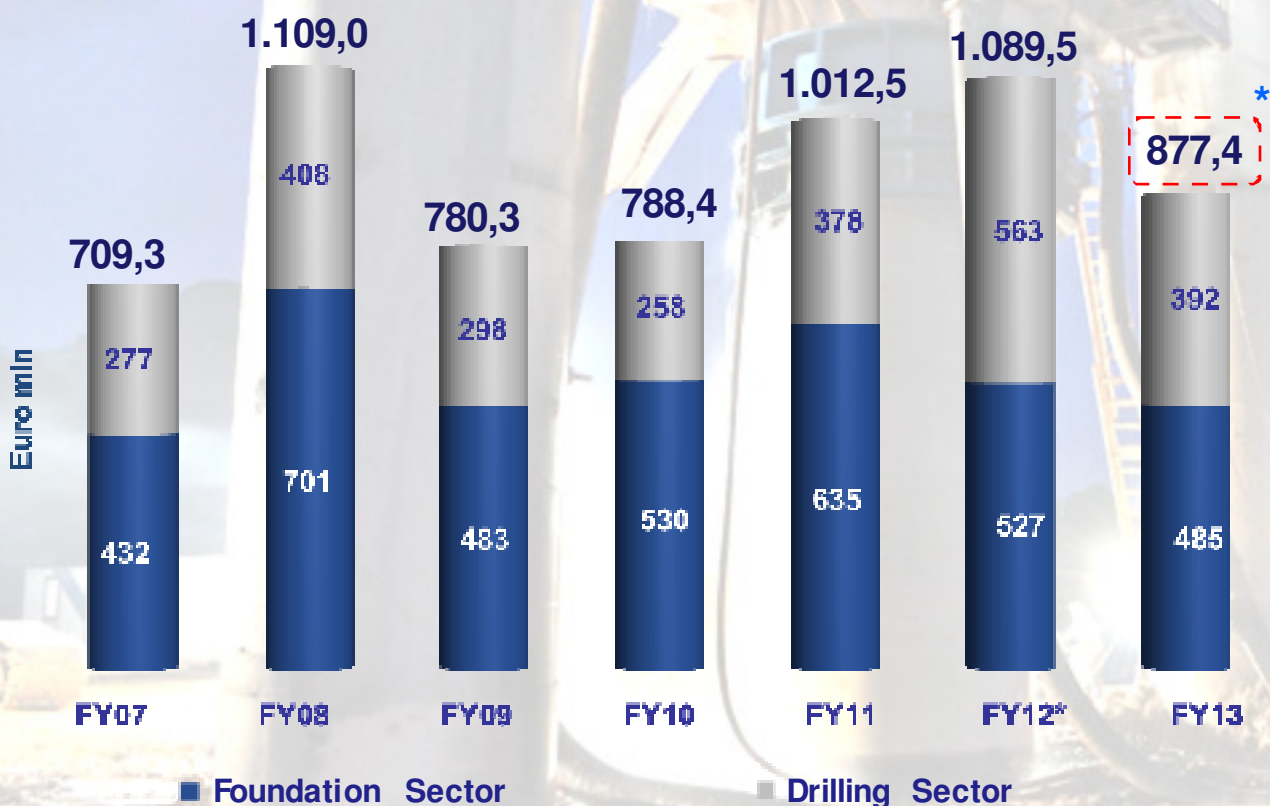
**Latin America:** High degree of business is being brought forward both in the construction and oil & gas fields

\*Applied accounting principles and changes that require the restatement of previous financial statements.

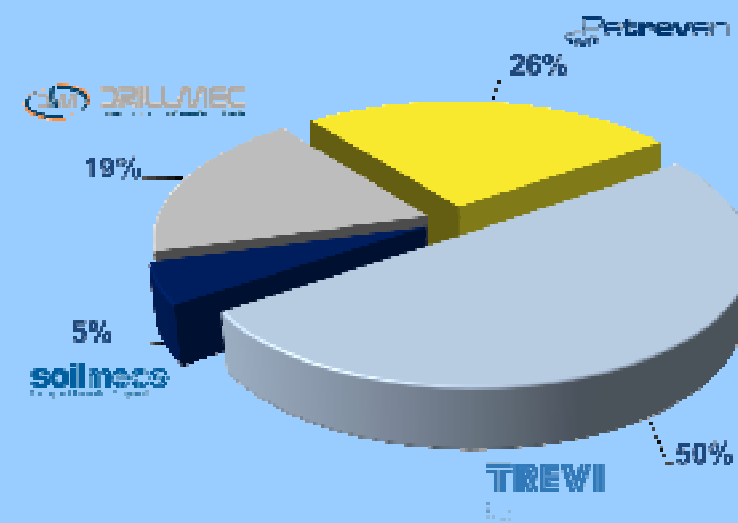


# Backlog

CAGR FY07 – FY13 = +3,6%

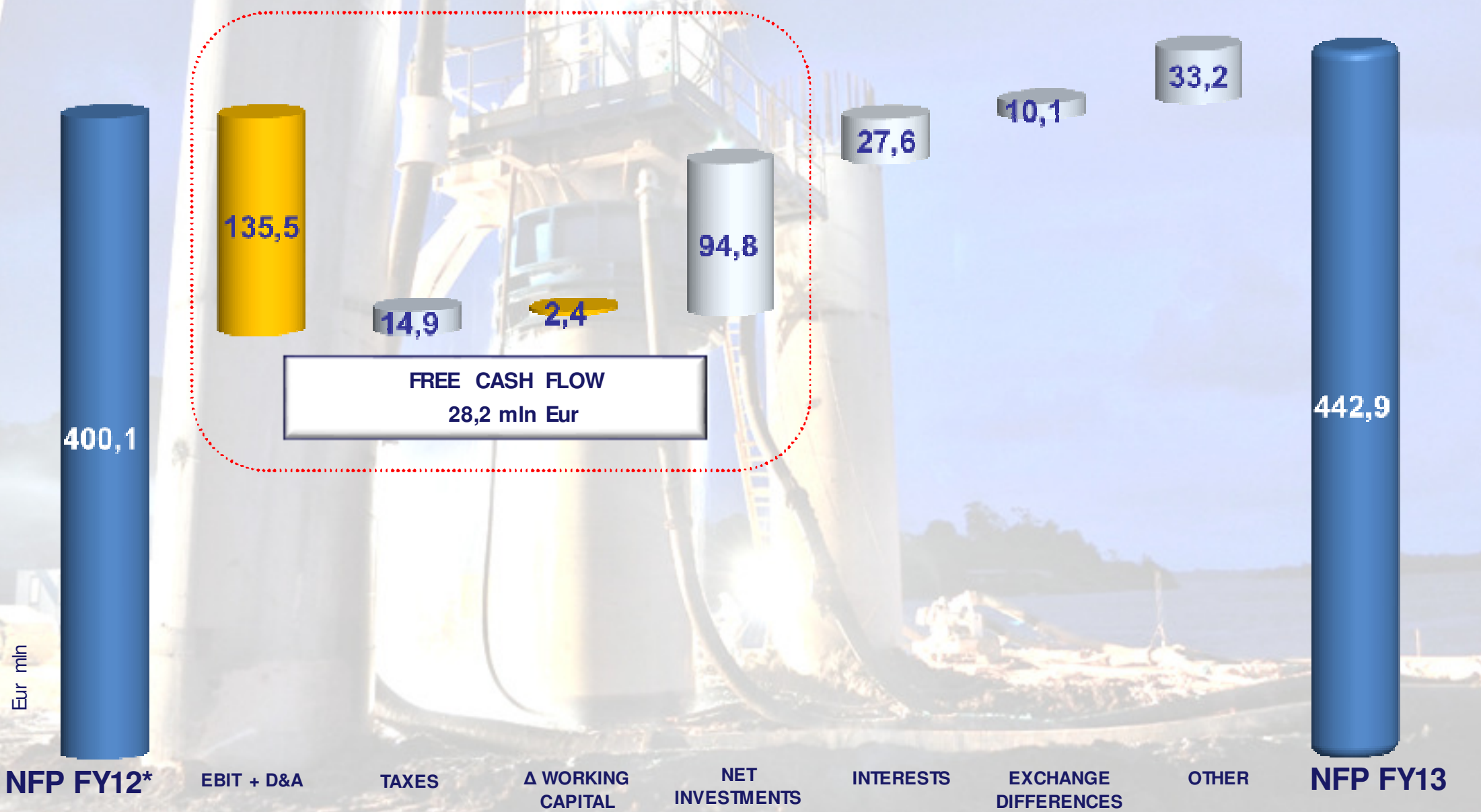


GEOGRAPHICAL AREA (EUR mln)	FY13	%
Italy	158,9	18,1%
Europe (Italy excl.)	40,3	5,6%
U.S.A. and Canada	84,1	9,6%
Latin America	309,1	35,2%
Africa	95,9	10,9%
Middle East and Asia	159,7	18,2%
Far East and RoW	20,4	2,3%
<b>TOTAL</b>	<b>877,4</b>	<b>100,0%</b>



\*Announced over €380 million in the first months of 2014

# Net Financial Position

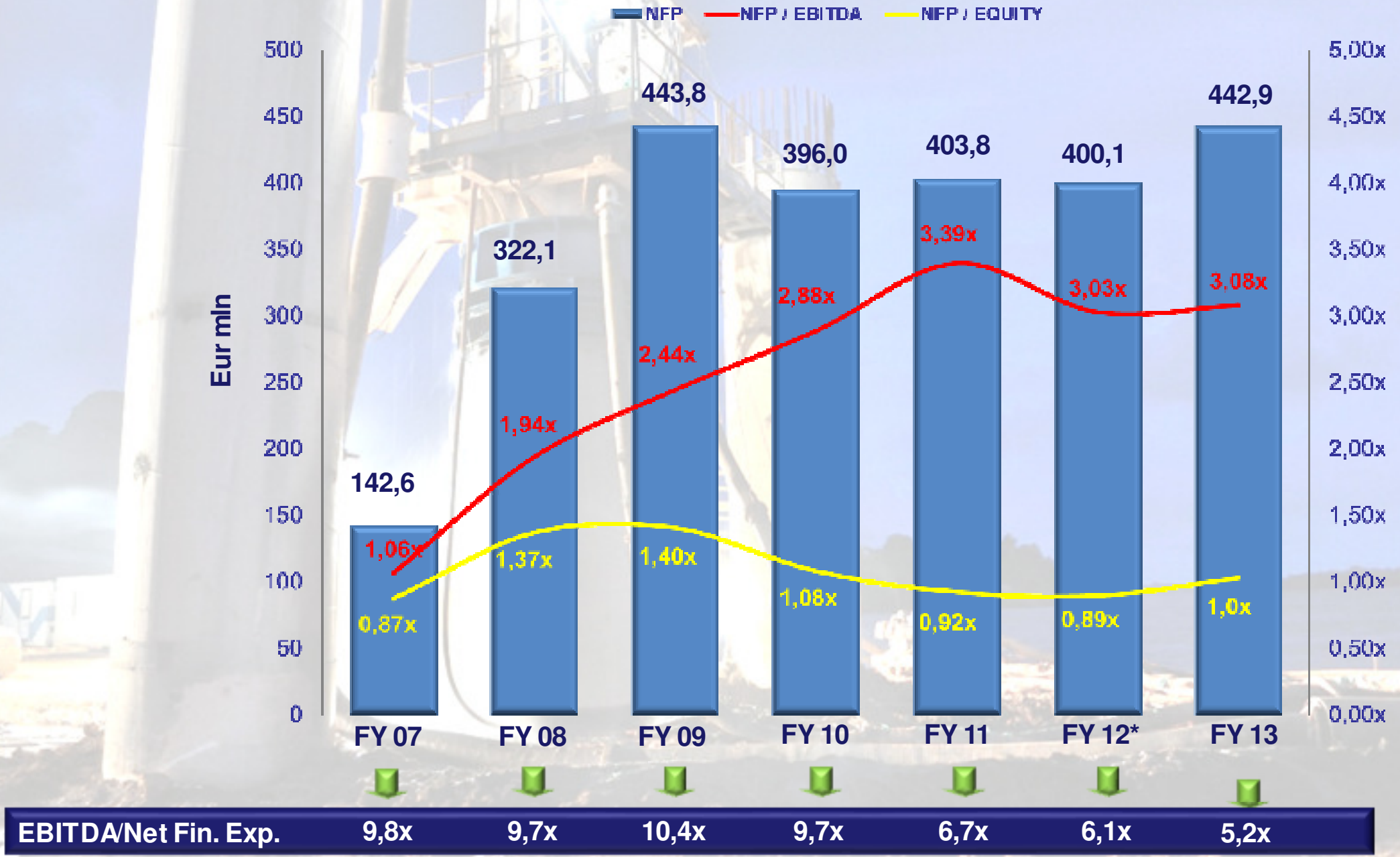


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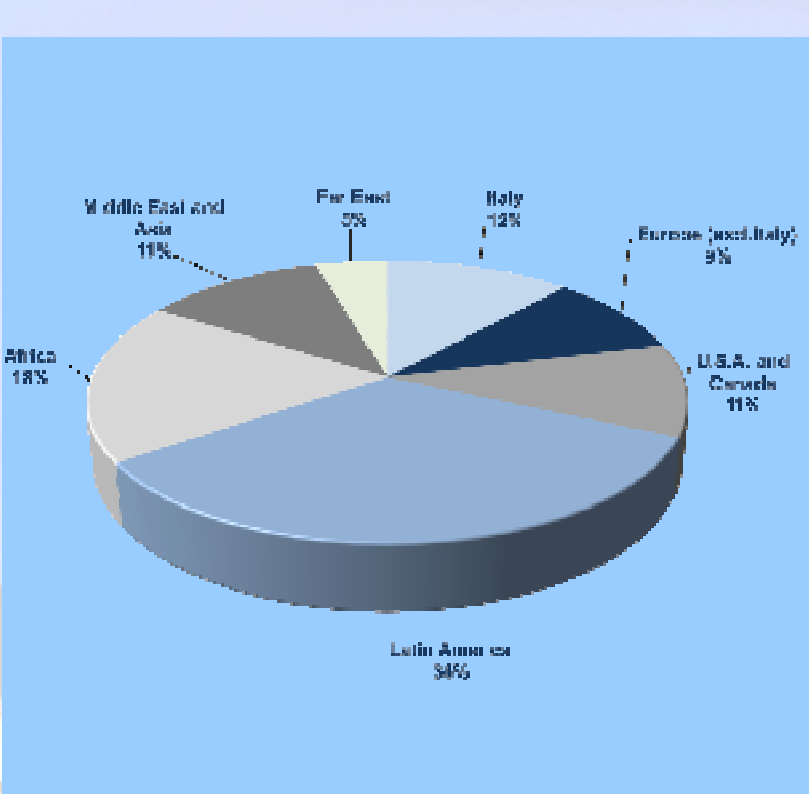
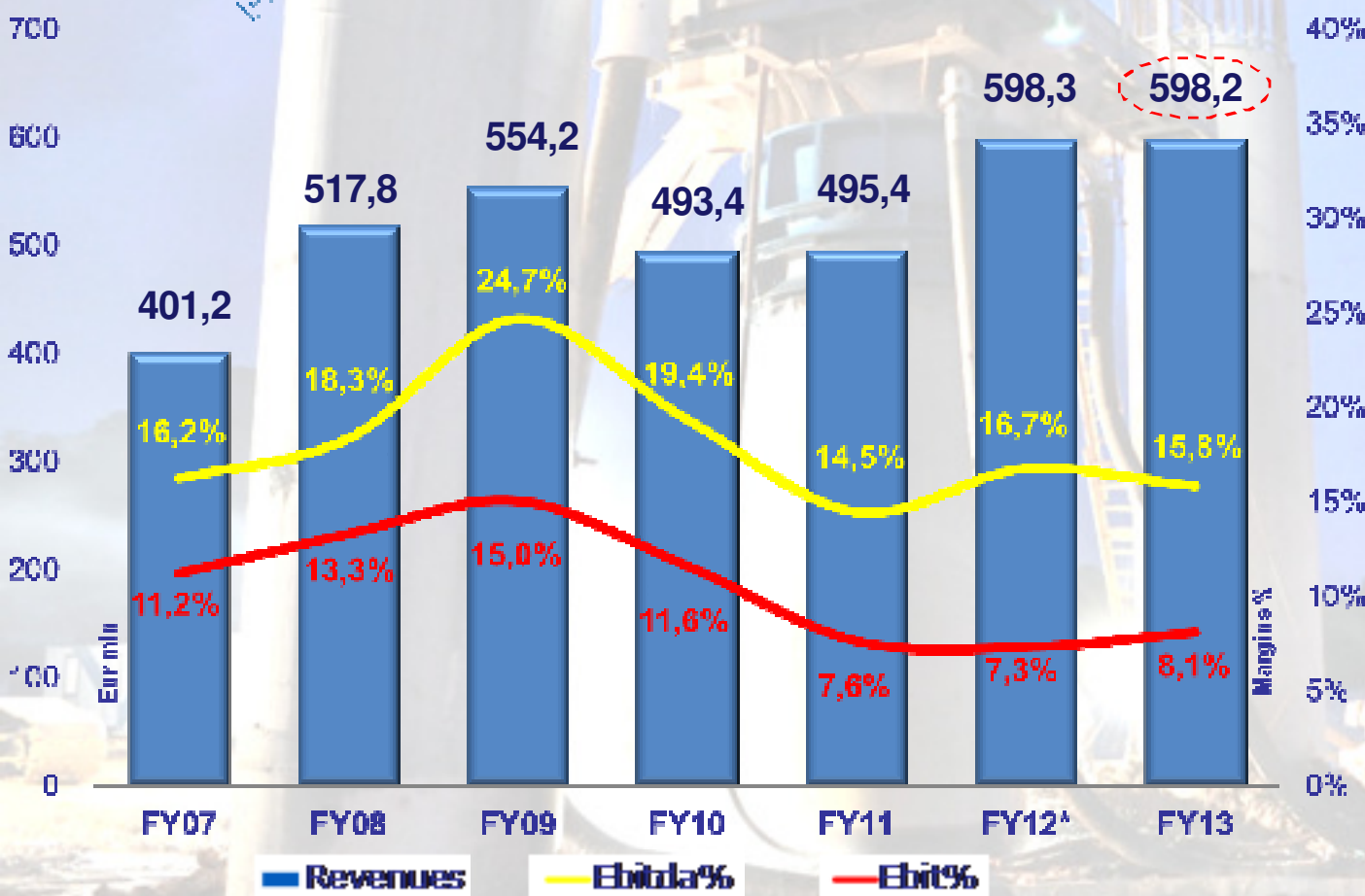


# Financial Ratios

\* Applied accounting principles and changes that require the restatement of previous financial statements.



# Foundations and Drilling Services Division



Based on non Consolidated Data

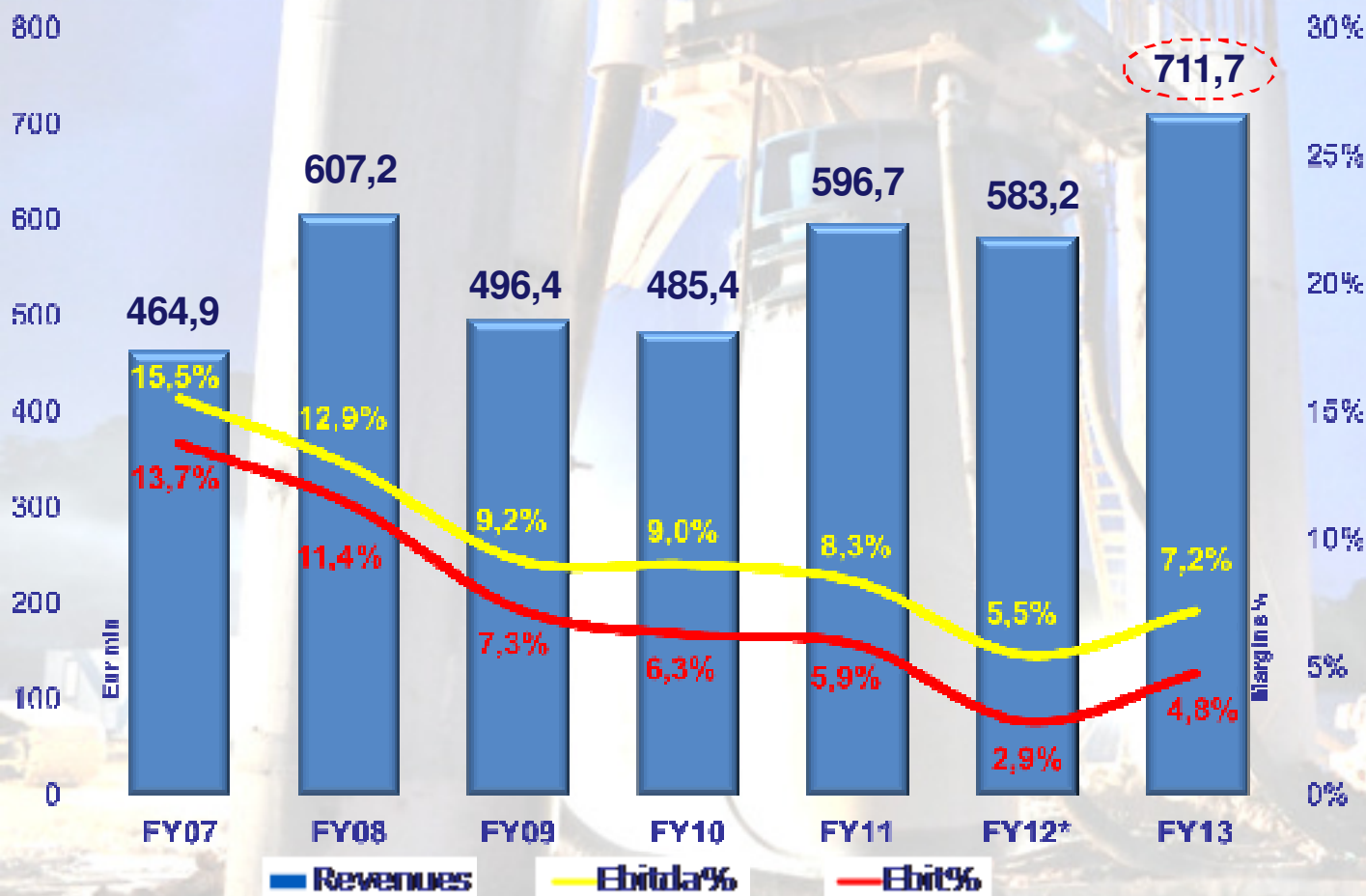
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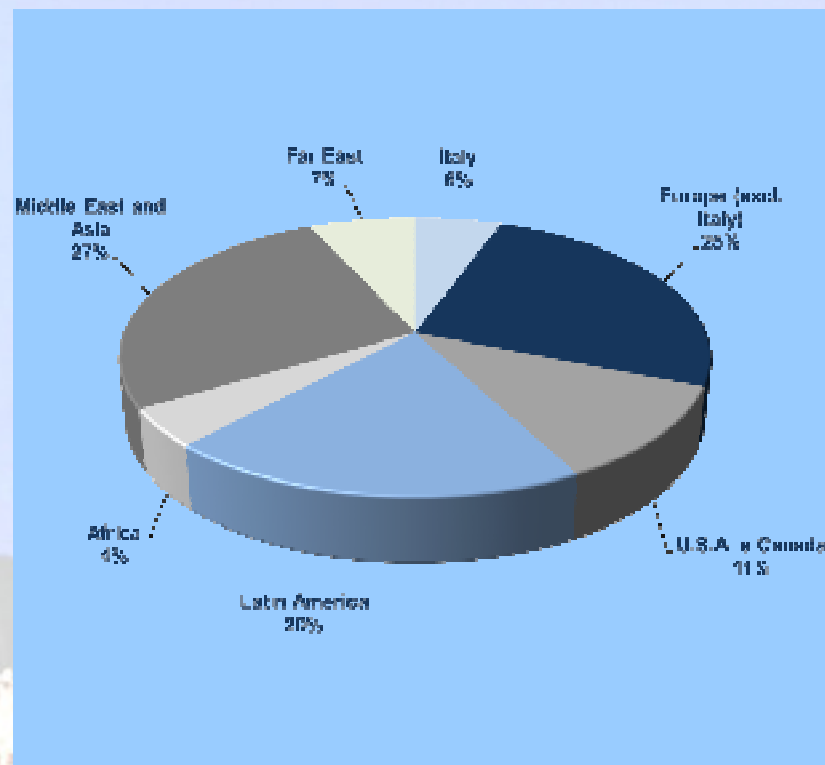


**DRILLMEC**  
DRILLING TECHNOLOGIES

**soilmec**  
Drilling and Foundation Equipment

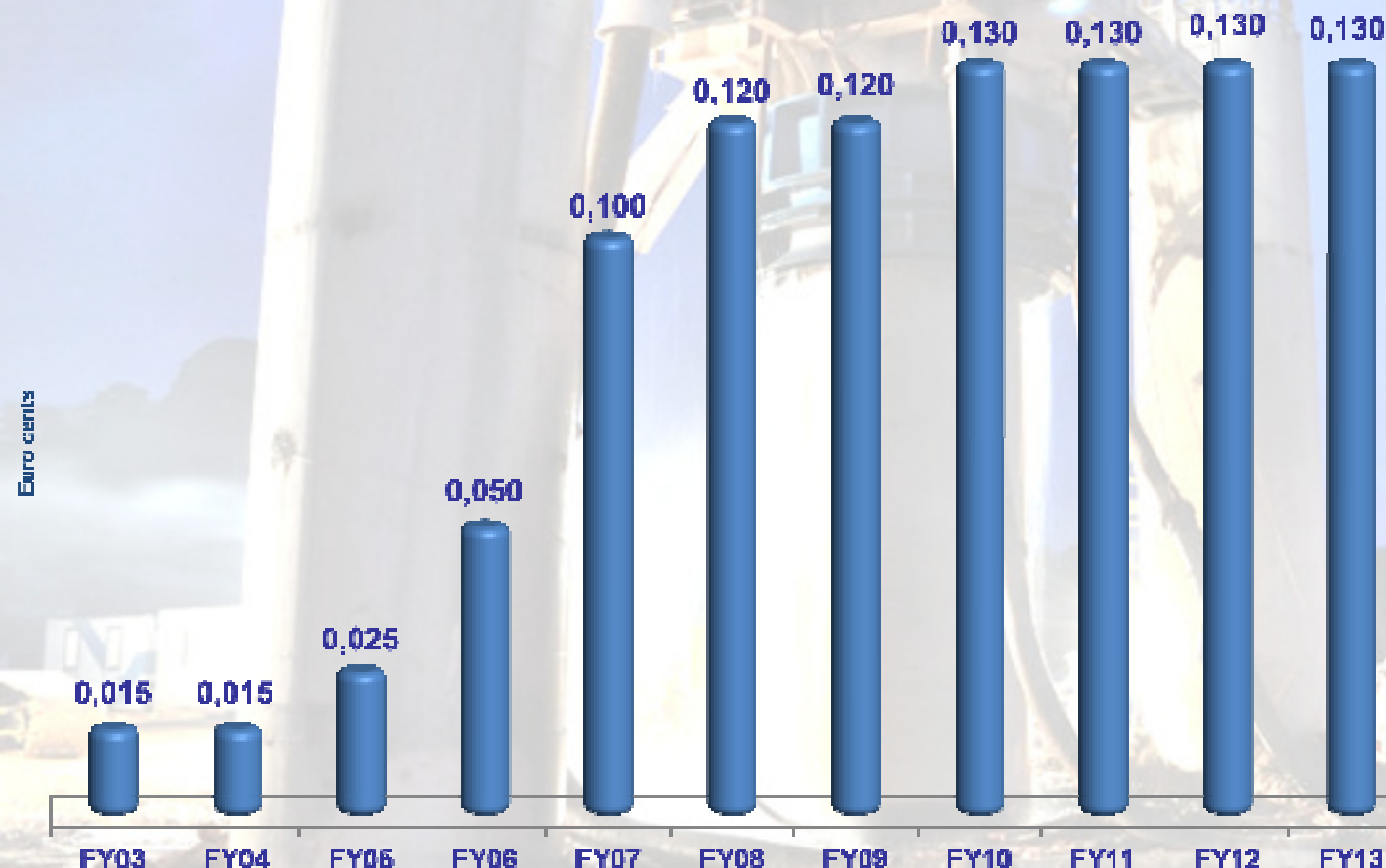


Based on non Consolidated Data



\*Applied accounting principles and changes that require the restatement of previous financial statements.

## Dividend per share (cents)



- Strong dividend delivery***

*Constant dividend payment confirms the company commitment to a sound return to shareholders*

*From 2003 the dividend has strongly increased and has been constant in absolute value in the past four years*

*The increase in dividend payments is based on sustainable growth*



1. TREVI Group

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3. *Foundation Engineering*

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5. Appendix

*Fogg Art Museum Massachusetts (USA)*



CONSTRUCTION INVESTMENTS 2013 VS 2014





# What is the world of infrastructure?

Infrastructure represent a large group of companies that provide essential services to society

## ENERGY

Energy generation, fossil and renewable  
electric transmission  
Piping and storage for gas  
Infrastructure for LNG  
Electricity and consumer gas

## TRASPORTATION

Highways  
Bridges  
Galleries  
Parking  
Airport  
Ports  
Trains  
Transport

Infrastructure Market  
Listed Companies  
\$1.79 TRN\*

Non-Listed Companies  
\$2.4 TRN

## WATER

Drinking Water  
Discharges  
Ground consolidation/groundwater  
Sanitation

## SOCIAL

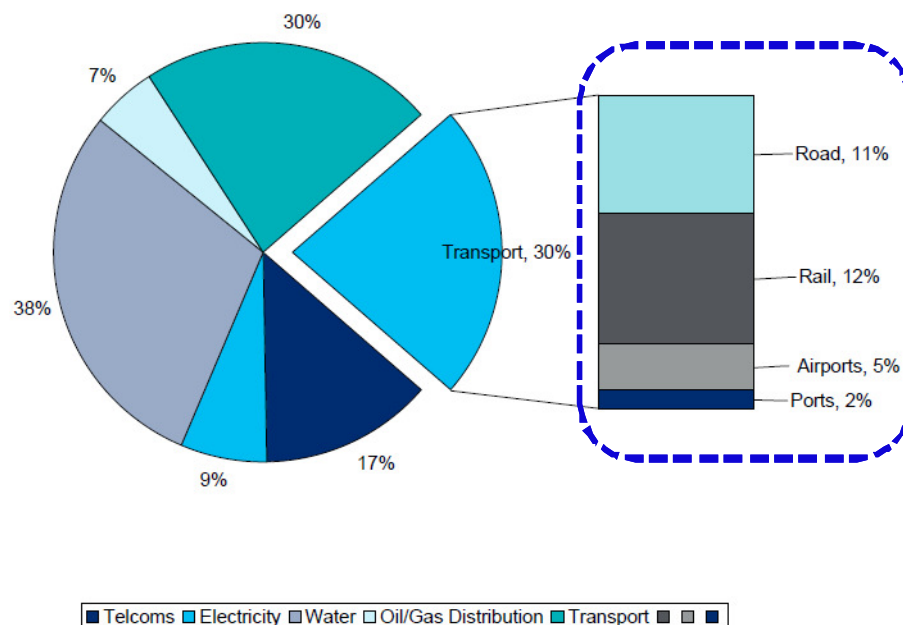
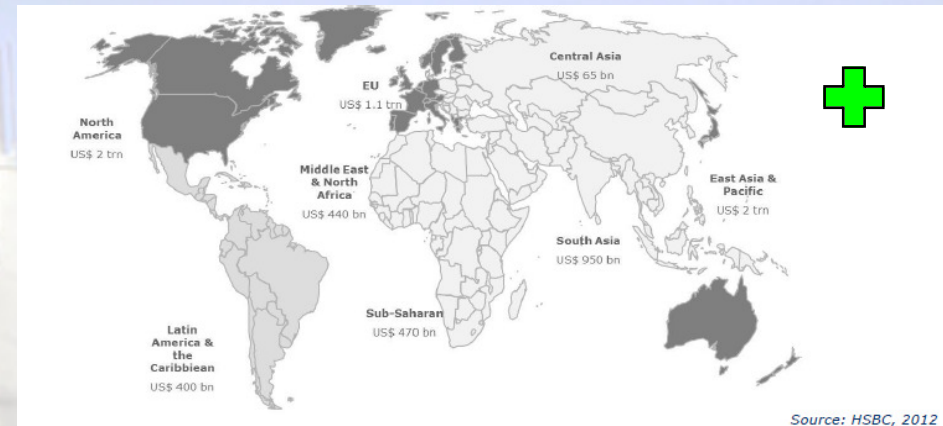
Educational Facilities  
Sanitary  
Accommodations

# Global Infrastructure Investments

## INFRASTRUCTURE INVESTMENTS 2013-2030 (%)

- Investments in infrastructure are particularly effective for the economic recovery of the markets
- In recent years, the lack of adequate financing projects has substantially reduced investments in infrastructure
- In more recent times specific funds dedicated to infrastructure have been created and many equity counterparts (Pension Funds and Sovereign Wealth Funds) invest directly in asset

## 5 YEARS OUTLOOK INVESTMENTS FOR 7.5 TRN

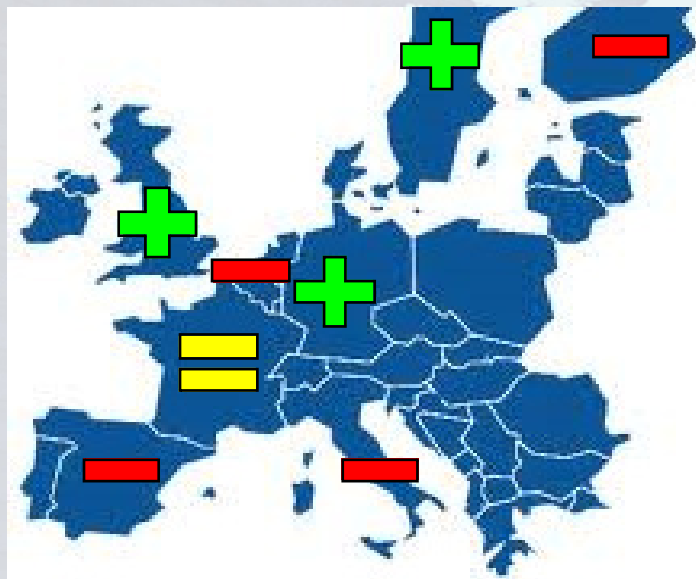


✓ According to the OECD (Organization for Economic Development and Cooperation) between 2013 and 2030 \$ 48 trillion of investment are planned

- 6% Distribution Oil & Gas
- 9% Electricity
- 17% Telecommunications
- 38% Water
- 30% Transportation



# Infrastructure in Europe



## EUROPEAN OUTLOOK

- ✓ *The European scenario in recent years has been characterized by a sharp reduction in infrastructure investment due to the economic crisis that has affected many nations*
- ✓ *The construction activities have registered, on the whole, a significant decline which has led to significant delays in the construction of the main projects*
- ✓ *We note that some areas, however, show in the 2014-2015 period a higher propensity to spend. These include Sweden, Germany and England*
- ✓ *Areas such as Italy, Spain, the Netherlands, Belgium, Luxembourg and Finland remain slow growth countries*

Table 7: European Construction output growth forecasts by country (real, terms, January 2014)

	Market size (EURbn)	2012	2013E - New	2014E - New	2015E - New	2013E - Old	2014E - Old	2015E - Old	2013E - Revision	2014E - Revision	2015E - Revision
France	211	0.3%	-3.0%	-1.0%	1.0%	-3.5%	-2.0%	0.0%	0.5%	1.0%	1.0%
Germany	276	-1.2%	0.5%	2.5%	2.0%	1.0%	1.0%	1.0%	-0.5%	1.5%	1.0%
Italy	172	-5.9%	-3.5%	-6.0%	-3.0%	-5.0%	-3.0%	-1.0%	1.5%	-3.0%	-2.0%
Spain	75	-32%	-24.0%	-7.0%	4.0%	-24.0%	-8.0%	-5.0%	0.0%	1.0%	9.0%
Sweden	31	-2.9%	-0.5%	2.0%	4.0%	-0.5%	1.0%	1.0%	0.0%	1.0%	3.0%
United Kingdom	169	-8.0%	-1.0%	6.0%	6.0%	-2.0%	0.5%	1.0%	1.0%	5.5%	5.0%
Western Europe total	934	-5.4%	-3.3%	0.0%	1.8%	-3.0%	-1.2%	0.0%	-0.3%	1.2%	1.8%
Poland	46	0.0%	-7.0%	4.0%	6.0%	-6.0%	-3.0%	5.0%	-1.0%	7.0%	1.0%

Source: BofA Merrill Lynch Global Research estimates.



# Infrastructure in Europe

**+ 2014**

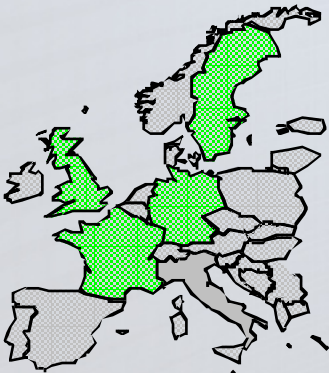
## Residential:

- Germany
- Sweden
- England



## Highway Traffic increasing:

- France



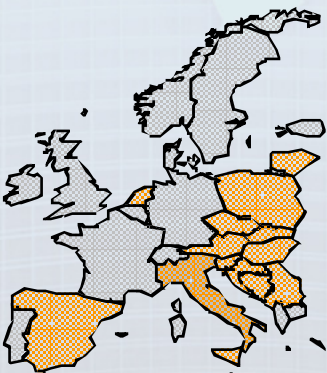
**2014**

## Infrastructure & non residential:

- Spain
- Italy
- Finland
- Netherlands
- CEE



CEE = Central and Eastern Europe



**+ 2015**

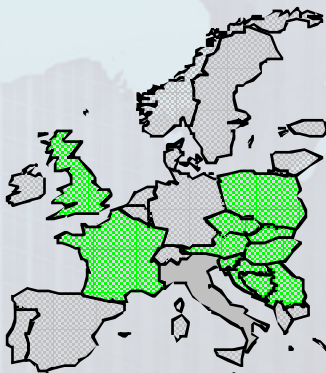
## Infrastructure & non residential:

- England



## Construction Volume:

- CEE
- France

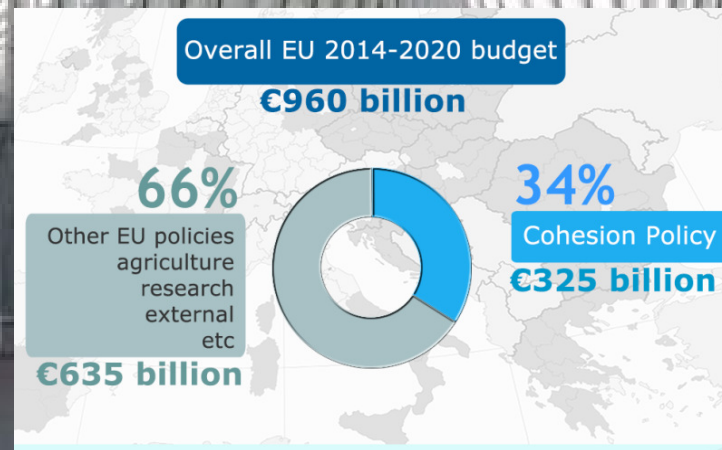


## EUROPE IN NUMBERS

European Budget 2014-2020:  
€960 billion

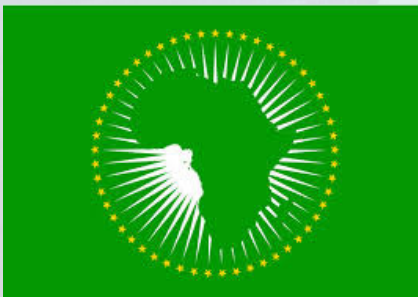
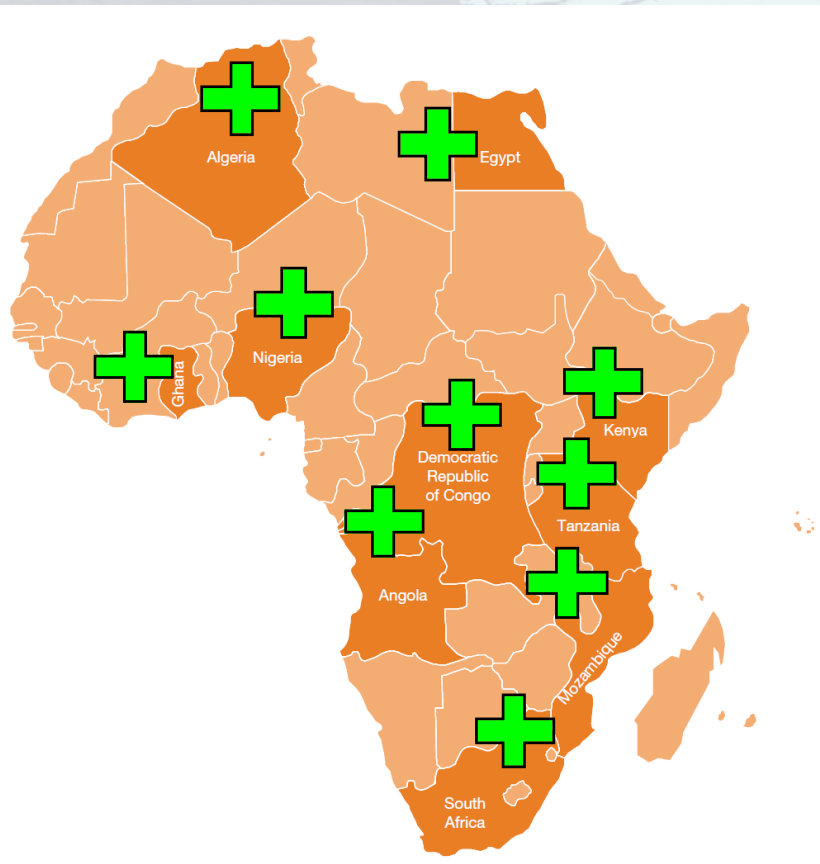
Budget Cohesion Policy EU 2014-2020:  
€325 billion

Population:  
739,2 million



### Investments for Infrastructure

1. Cohesion Fund €66 billion
2. Structural Funds €20 billion



Source: PwC

## MACROECONOMIC OUTLOOK IN AFRICA

*The African continent over the past few years is considered to be one of the newest and most promising investment opportunities worldwide.*

*The role of transport and logistics sectors has grown in importance and there are great investments for the improvement of all the main lines of communication.*

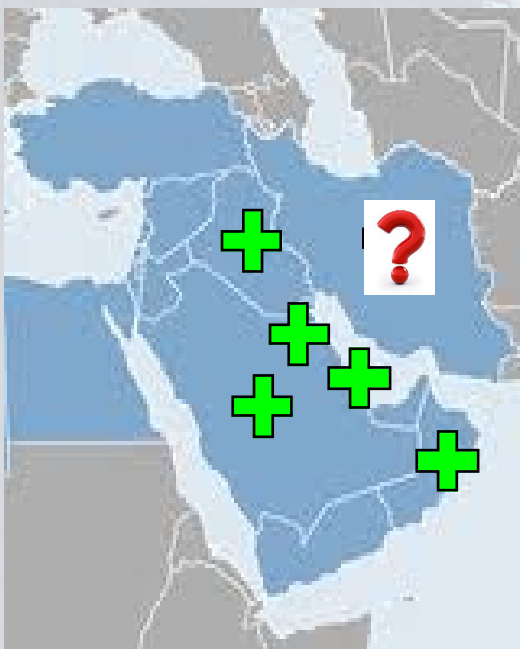
*Africa's future will depend heavily on the quality of infrastructure, and the efficiency of its transport networks.*

*Following are the 10 countries that have the highest growth rate*

- **Algeria**
- **Angola**
- **Dem. Rep. of Congo**
- **Egypt**
- **Ghana**
- **Kenya**
- **Mozambique**
- **Nigeria**
- **South Africa**
- **Tanzania**



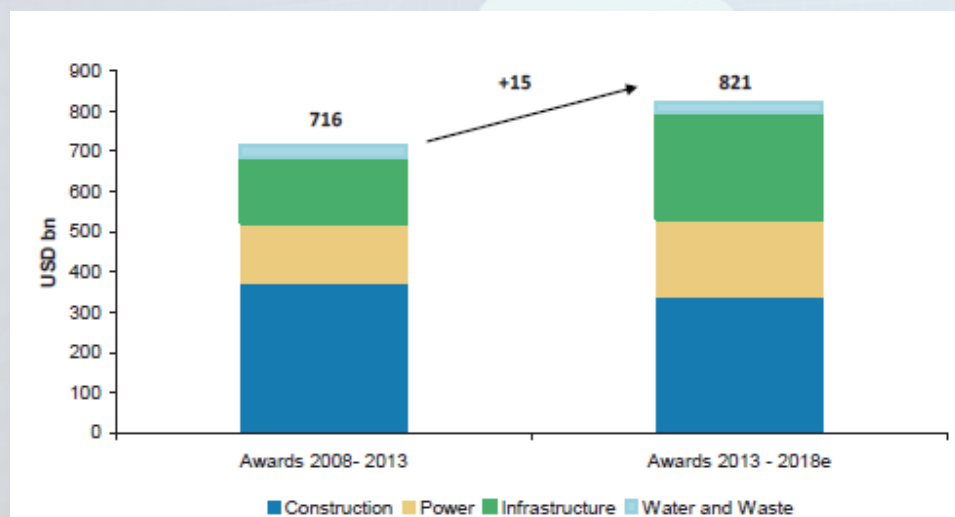
# Infrastructure in Middle East



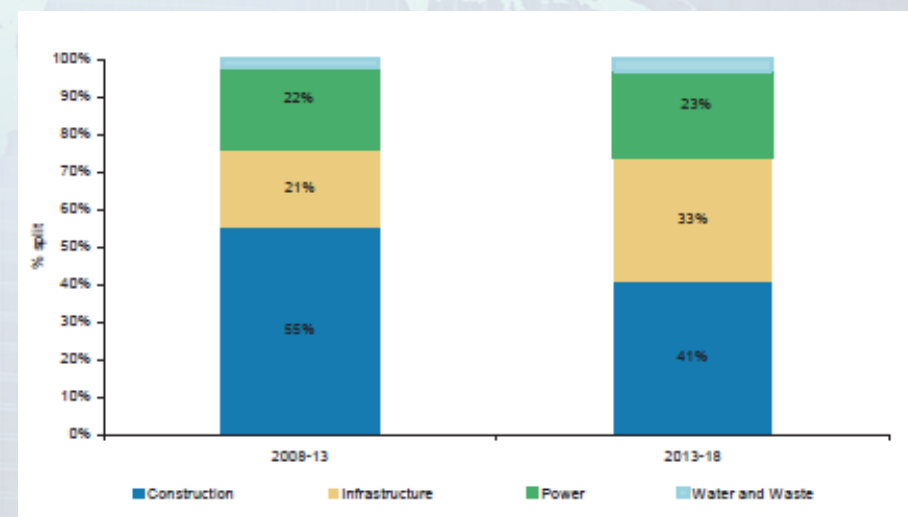
## MIDDLE EAST OUTLOOK

- *In the next five years infrastructure projects in the Middle East are expected to grow about 15%*
- *The growth will be driven primarily by Qatar*
- *The projects totaled about \$ 820 billion, with Saudi Arabia and Qatar, which represent more than 42%*
- *The most significant growth is expected in the infrastructure sector*
- *Estimated infrastructure projects amounted to \$ 243 billion of which 52% will be allocated to rail projects*
- *High level of competition remains from Europe and Asia*

Projects in the next 5 years

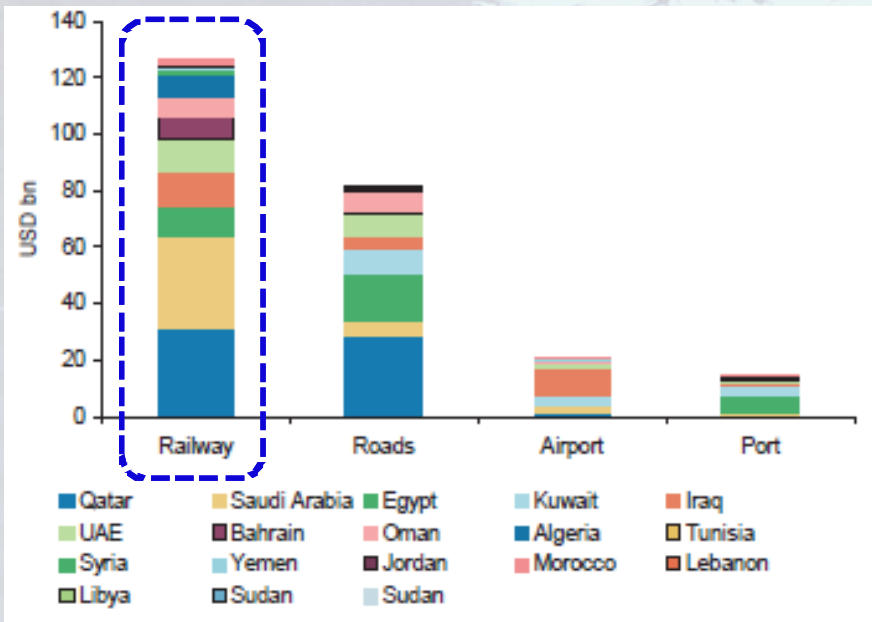


Types of works



# Infrastructure in Middle East

Infrastructure & railwayworks

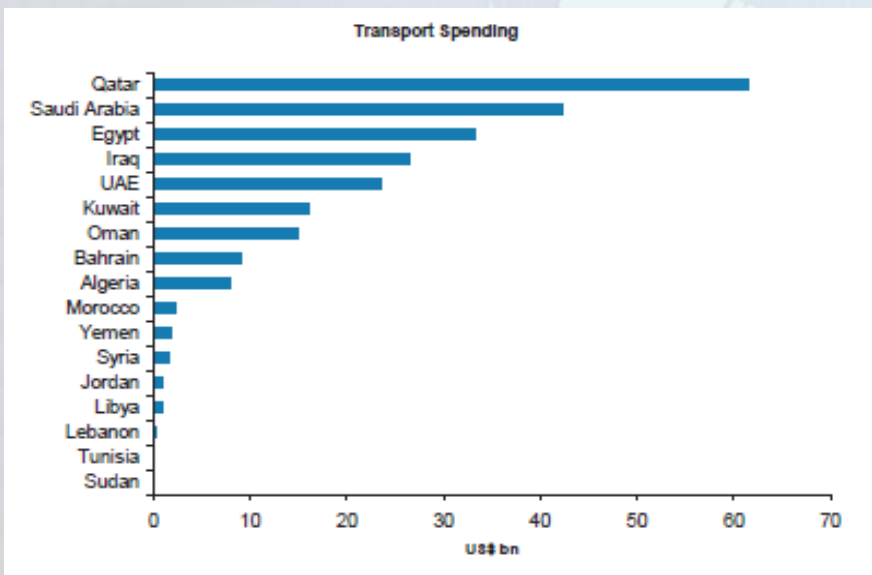


## THE MIDDLE EAST POTENTIAL

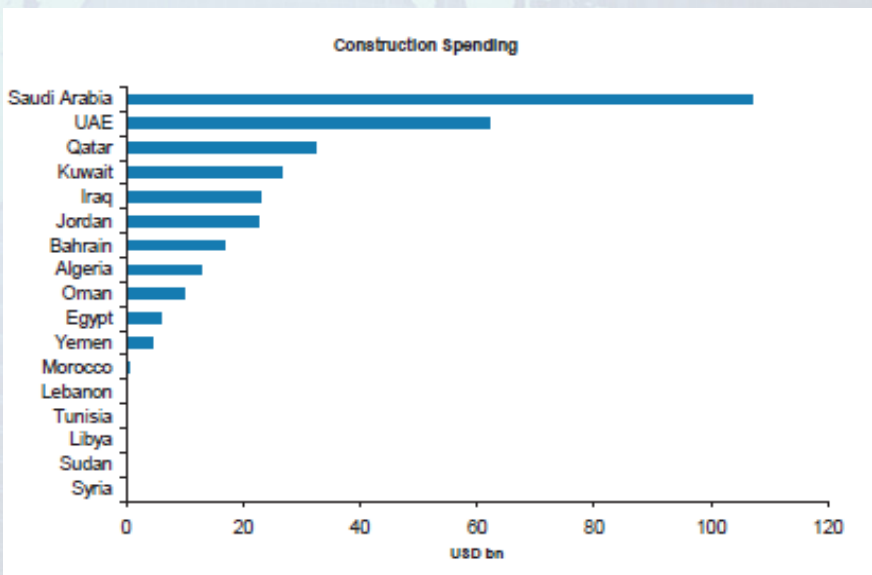
- Main projects will be characterized by railway works in all major areas of the Middle East
- Road infrastructure, airports and ports represent the types of work required by the market
- The markets for infrastructure and construction will drive 75% of the entire area of the Middle East

*The main regions: Saudi Arabia, Qatar, the United Arab Emirates and Iraq*

Transport investments



Construction investments



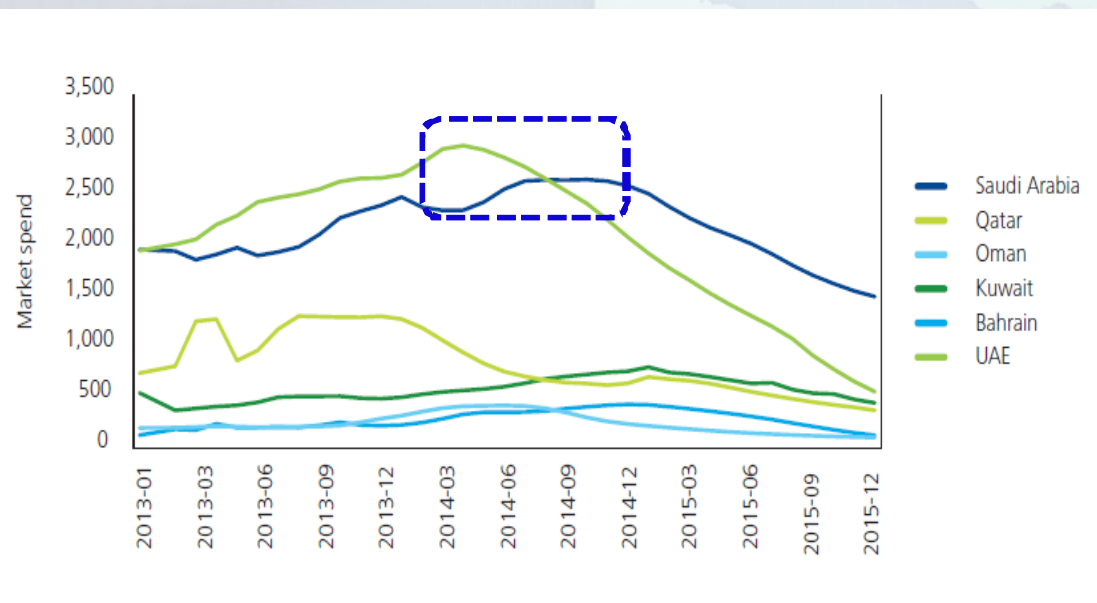
## MIDDLE EAST TREND

### ➤ *Changes in the Area of the Gulf:*

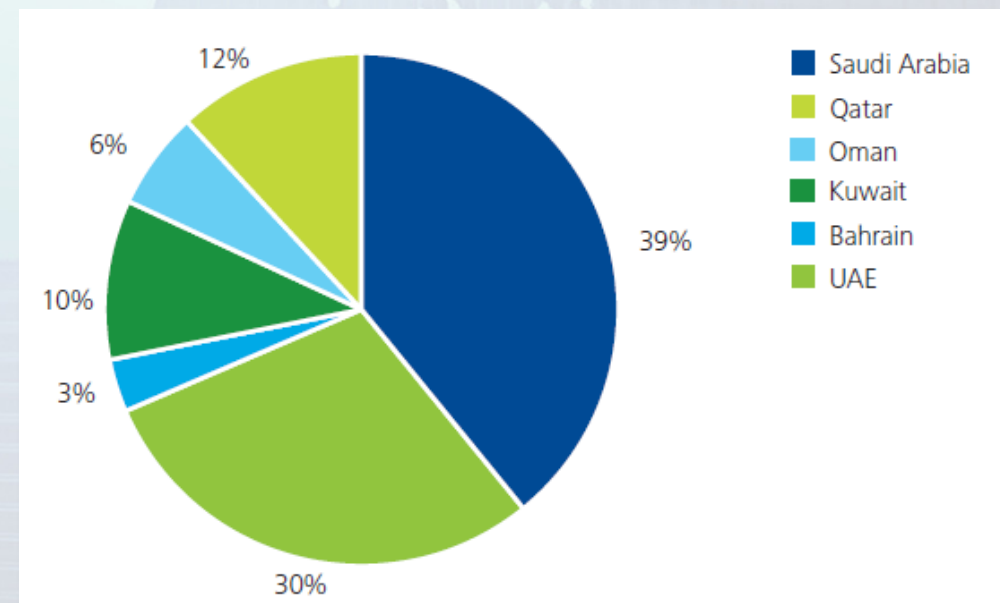
***Saudi Arabia by 2014 will surpass the United Arab Emirates for investments in infrastructure spending***

- *Saudi Arabia, the UAE and Qatar are the main growth markets*
- *Many of the projects will be awarded between the second half of 2014 and in 2015*
- *77% of projects are in the development and feasibility phases, and as such it will take time before the actual start of construction sites*

Infrastructure trend on behalf of GCC (Gulf Cooperation Council)



Saudi Arabia is expected to have the greatest growth



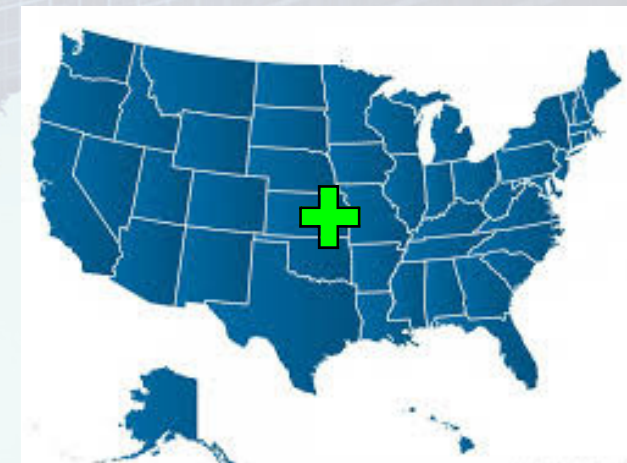


# Infrastructure in the USA

## United States: construction spending real change

Construction spending, y-o-y	2010	2011	2012	2013E	2014E	2015E	2016E	2017E
Residential new build	-4.9%	-7.3%	18.9%	26.0%	21.4%	14.0%	10.5%	11.2%
Residential improvements	-1.3%	1.0%	3.3%	3.6%	3.0%	2.8%	2.2%	2.0%
Non-residential	-24.1%	-5.4%	3.0%	-2.3%	4.6%	7.5%	4.4%	2.6%
Highways and streets	-1.2%	-6.7%	-0.7%	-4.3%	1.6%	2.7%	2.9%	3.0%
Infrastructure other	-6.0%	-8.4%	9.0%	-0.1%	0.8%	1.6%	1.4%	1.2%
	-12.3%	-5.7%	6.7%	4.2%	7.1%	7.0%	5.1%	4.8%

Source: U.S. Census Bureau, Morgan Stanley Research estimates (E)



## USA OUTLOOK

✓ *Significant growth in the market with excellent future prospects*

✓ *Main opportunities:*

<i>Residential</i>	<i>+21%</i>	<i>2014</i>
<i>Non-residential</i>	<i>+5%</i>	<i>2014</i>
<i>Transportation Infrastructures</i>	<i>+2%</i>	<i>2014</i>

✓ *Greater interest on significant infrastructure projects*

✓ *Over \$ 2 trillion in infrastructure needs over the next five years*

✓ *Large projects to be tendered (e.g. dams)*



## NEW STANDARDS FOR INFRASTRUCTURE

*The WRRDA (Water Resources Development and Reform Act) of 2013, a bill passed by the U.S. Congress at the end of 2013, aims to improve the infrastructure in the United States*



*Through WRRDA Congress authorizes the key missions of the US Army Corps of Engineers (in charge of infrastructure on US soil) for the construction and maintenance of strategic infrastructure at the national level*



US Army Corps  
of Engineers®



**DAMS**



**PORTS**



**LEVEES**



**HIGHWAYS**





## THE EFFECTS OF WRRDA

*Among the expected effects of the approval of the WRRDA 2013 we highlight the following:*

- 1. Priority to new and strategic projects nationwide that require immediate action*
- 2. Authorization to proceed with the U.S. Army Corps of Engineers for the development of infrastructure projects already in the pipeline*
- 3. Streamlining of authorization procedures for the initiation of projects approved*
- 4. Check and sale of assets not in use by the U.S. Army Corps of Engineers*
- 5. Financial involvement by private investors and non-federal*
- 6. Increased competitiveness of structures*
- 7. Creating new jobs*

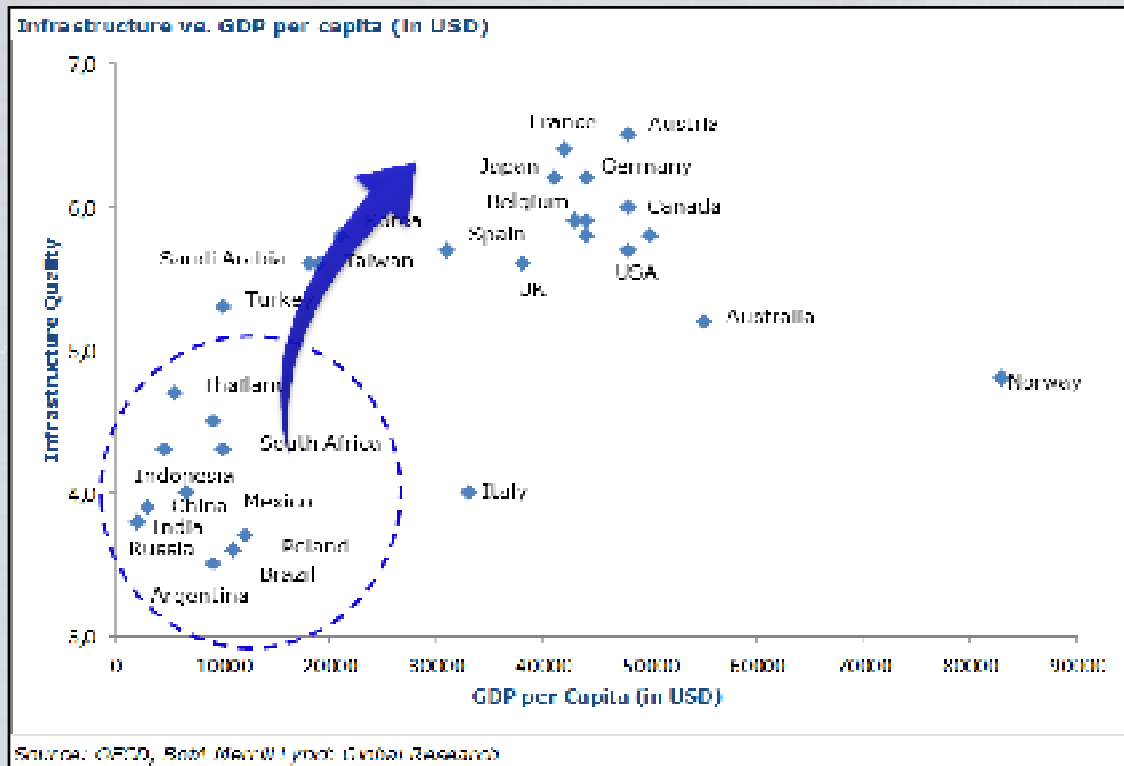
OLD PROCESS

**15+ YEARS**

NEW PROCESS

**3 YEARS**

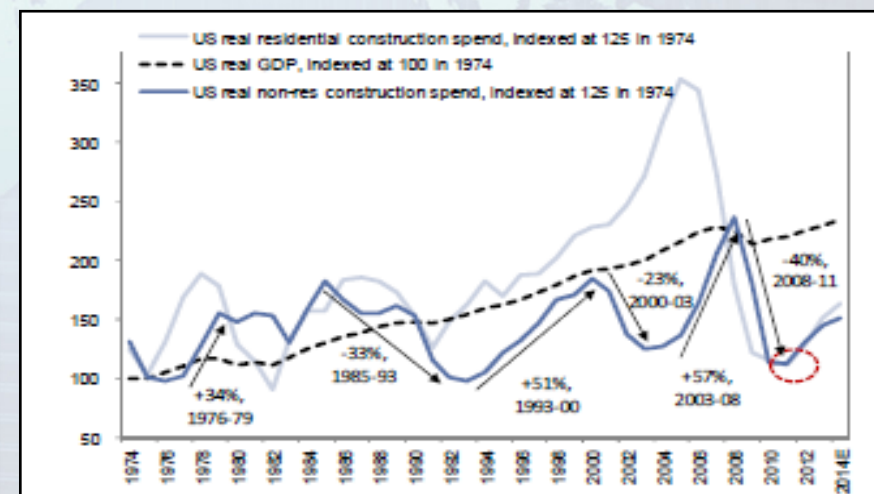




- The graph shows the trend for the construction industry which is currently well below the level of real GDP growth, after the drastic reduction that took place in 2008: the two patterns historically tend to realign

## EMERGING MARKETS

- The need for major investments in infrastructure for adaptation and modernization of existing ones still remains
- Some markets such as China, India and other Asia Pacific countries have, however, registered a slowdown compared to the growth rates of recent years

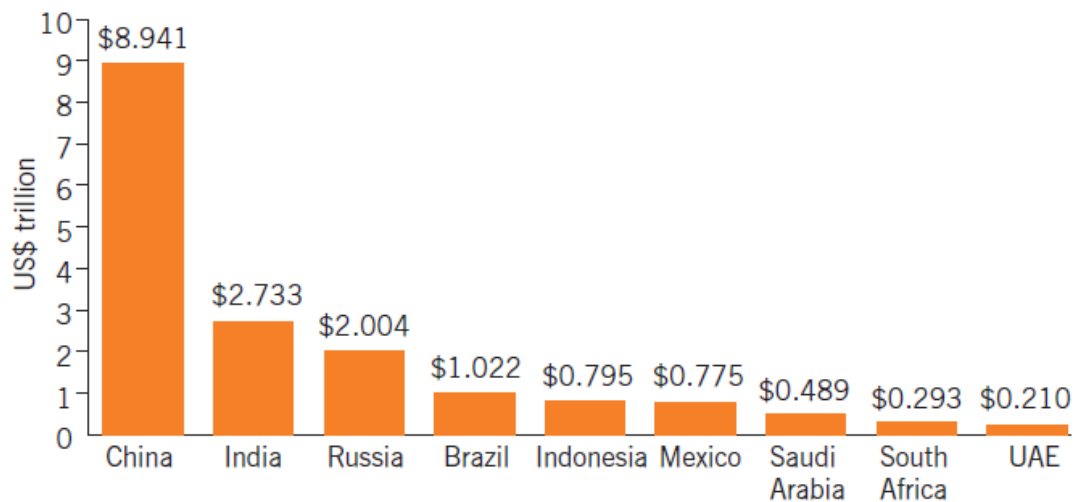




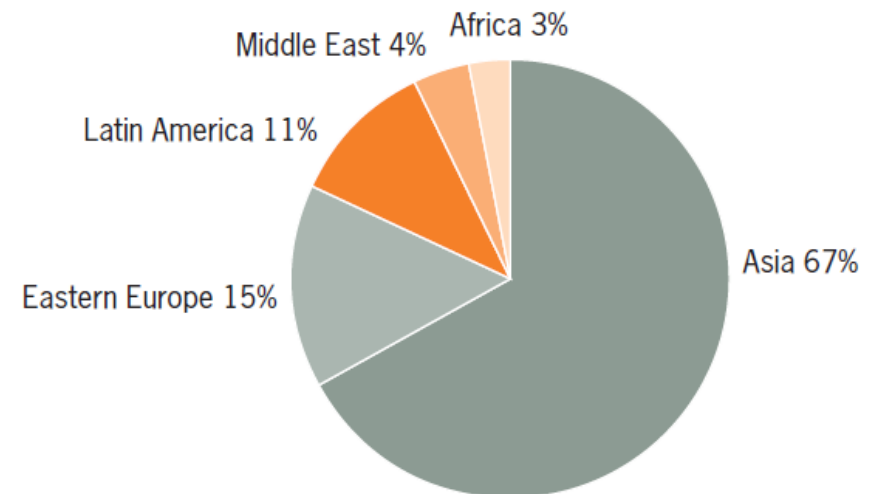
## AREAS & REGIONS

- *The main areas of infrastructural development will interest areas such as China, India, Russia, Indonesia*
- *China alone will reach nearly 9 trillion USD*
- *67% of the investment will come from Asia*

### Breakdown by region Investments '08-'17



### Percentage Breakdown by region Investments '08-'17



Source: JP Morgan, Morgan Stanley Research

# TREVI: Progetti Operativi nel Mondo

TREVI Group

- U.S.A
- Canada

- Panama
- Santo Domingo

- Colombia
- Argentina
- Perù
- Venezuela

- Costa d'Avorio
- Algeria
- Angola
- Mozambico
- Nigeria

- Italia
- Svezia
- Danimarca

- Filippine
- Hong Kong
- Laos
- Tailandia
- Singapore

- Arabia Saudita
- Oman
- Qatar
- U.A.E.
- Kuwait

- Nuova Zelanda



Lavori di Fondazioni – Batangas (Filippine)





- **Bolivar Dam**

*The US Army Corps of Engineers has awarded the Major Project of Rehabilitation of Bolivar Dam in Ohio*

*Total contract value \$44m*

*Seepage barrier of approximately 4,500 ft. (1,372 meters) in length and a maximum depth of 144 ft. (44 meters)*

*Drilling and grouting along an alignment approximately 300 ft. (91 meters) in length by 60 ft. (18 meters) average depth in the left abutment of the dam from the end of the seepage barrier to near the emergency spillway is also required as part of the project*

# SOILMEC: Complete Range of Products

€100 K ————— Value —————> €6 MLN



TOOLS&INSTRUMENTS



CFA



TRENCH CUTTERS



PUMPS & ANCILLARIES



CRANES



HYDROMILL & GRABS



MICRODRILLING

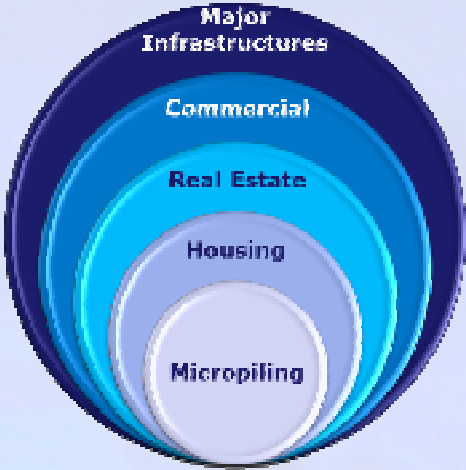


ATTACHMENTS



LARGE DIAMETER PILE

3 Ton ————— Capacity —————> 250 Ton



- ✓ DRILLING MATE SYSTEM (DMS)
- ✓ REMOTE LIVE WORLDWIDE ASSISTANCE
- ✓ OVER 45 OFFICES AROUND THE WORLD IN 90 COUNTRIES



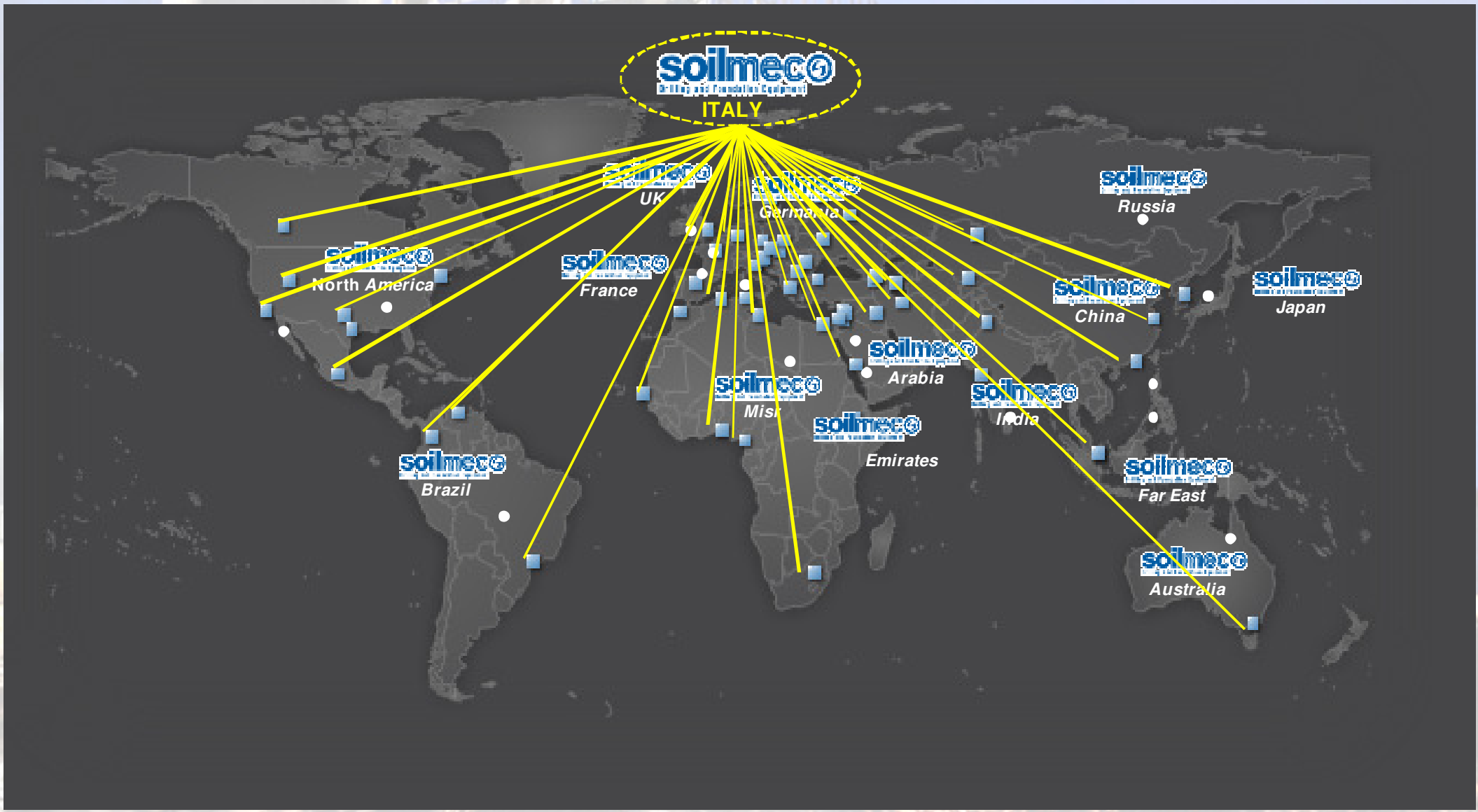


# SOILMEC: Production – Logistical Network



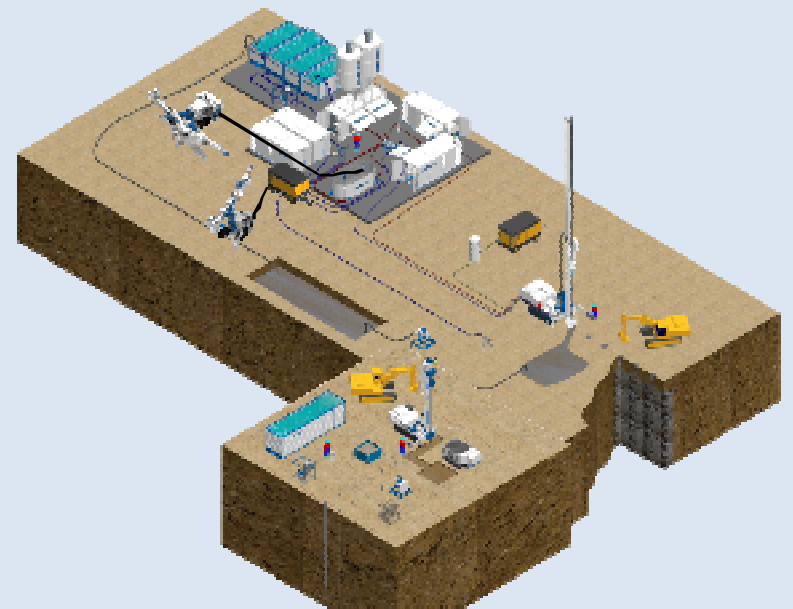
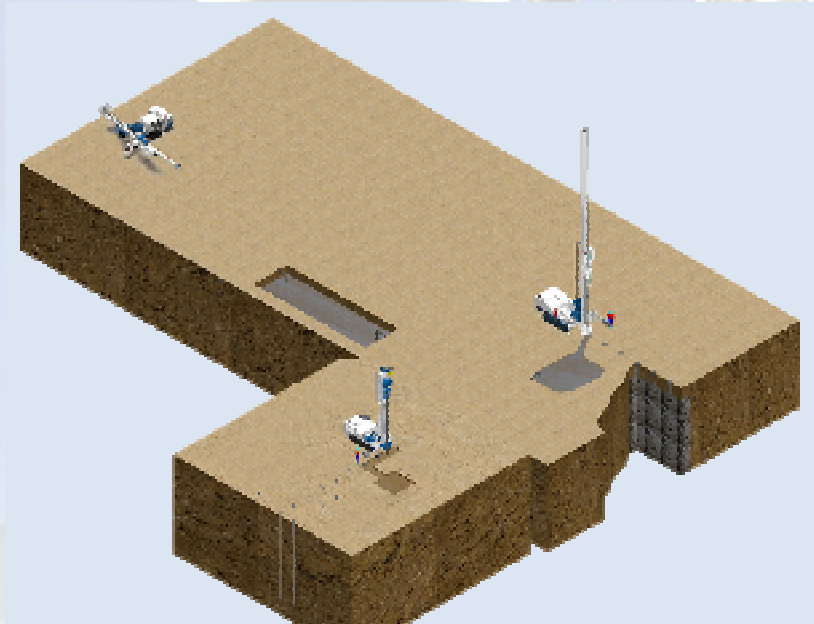
# SOILMEC: Dealers' Network

DIRECT RELATIONSHIP WITH DEALERS   ➡   INCREASES THE VALUE CHAIN

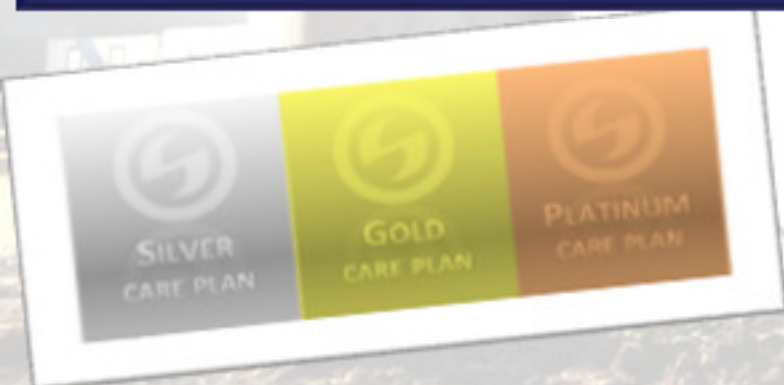




## SOLUTION PROVIDER



## CUSTOMER SERVICE



In addition to being able to meet the many and diverse needs of customers, Soilmec focused on customer satisfaction in after-sales service.

Soilmec has created a Community in which the company offers, according to the number of purchased equipment, a series of preventive maintenance programs.



## CONTINUA RICERCA E SVILUPPO PER NUOVE SOLUZIONI

- ❑ *PRESTAZIONI SEMPRE MIGLIORI*
- ❑ *INNOVAZIONE CONTINUA*
- ❑ *SODDISFAZIONE TOTALE DEL CLIENTE*

## AZIONI MIRATE

- *RIDUZIONE DELLE RIMANENZE*
- *MANTENIMENTO DEL VOLUME DI VENDITE*
- *PRODUZIONE MODELLI RICHIESTI*





1. TREVI Group
2. FY 2013 Financial Results
3. Foundation Engineering
4. *Oil & Gas Focus*
5. Appendix

*Drillmec 1,500 HP*



# The Oil & Gas Market

All industrial activities related to the extraction, processing, transportation and marketing of oil





# The Oil & Gas market.....in recent years

- ✓ *The O & G market tends to be cyclical, and in recent years has experienced strong growth despite a global landscape of uncertainty*
- ✓ *2013 was characterized by a number of concerns as the US "fiscal cliff", European uncertainty and a slowdown in the Chinese market*
- ✓ *The average oil price was in line with 2012  
109bbl \$ 2013 vs. \$ 2012 112bbl*
- ✓ *The order books of companies operating in the sector have increased significantly in recent years*
- ✓ *There is great interest at the international level for Shale Gas to Oil Shale and other alternatives to Oil*
- ✓ *The capex related to E & P (Exploration & Production) have increased significantly in recent years*

# The Oil & Gas market....from 2014

- ✓ *The market in 2014 has opened with signs of macroeconomic improvements*
- ✓ *The gross domestic product is expected to increase compared to previous years*
- ✓ *In the United States, GDP is expected to grow to 3.8 and 3.9%*
- ✓ *The Euro area will see flat GDP in the next two years*
- ✓ *The price of oil and gas will remain mostly stable in the next year*

	GDP Growth (%)				
	2011	2012	2013E	2014E	2015E
Global	3.8	3.1	2.9	3.6	3.8
Global ex-US	4.3	3.2	3.2	3.8	3.9
US	1.8	2.8	1.8	2.8	3.2
Euro area	1.5	(0.6)	(0.5)	0.8	1.5
Developed markets	1.4	1.5	1.0	2.0	2.4
Emerging markets	6.2	4.8	4.6	5.0	5.0

	Natgas \$/mmbtu	WTI \$/bbl	Brent \$/bbl
2014	3.90	92.00	105.00
2015	4.50	95.00	105.00



- *Investment in E&P (Exploration & Production) in 2014 are expected to increase*
- *The capital expenditure of the major Oil companies (representing approximately 20% of the total worldwide) will grow about 1% vs. 2013*

*The E&P worldwide will increase by 4-8% assuming stable oil prices*

*The E&P in the United States will increase by 5-7% for an increase in drilling activity (increase in activity in the Permian Basin)*

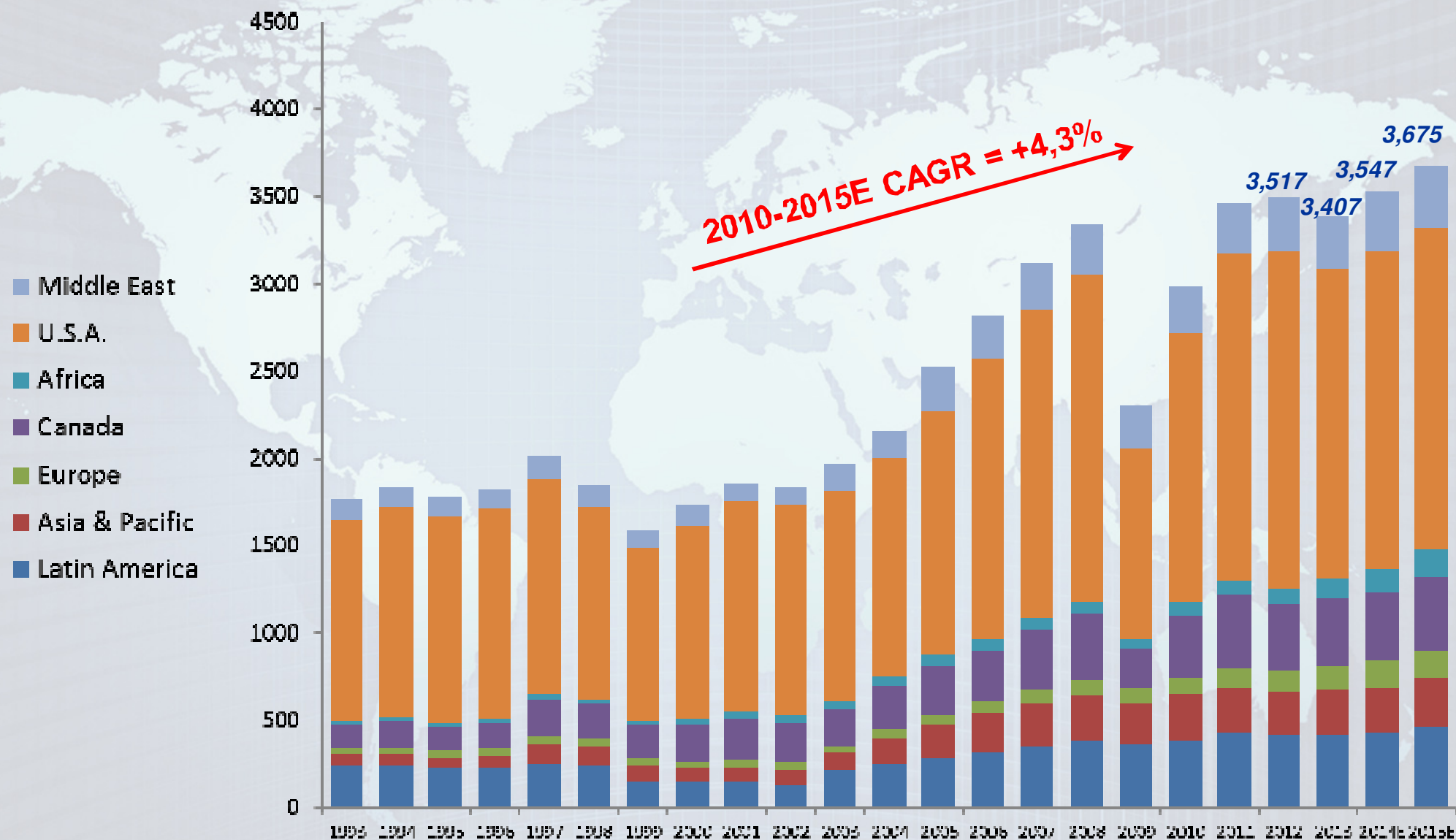
*The international E&P will increase by 4-8% (Saudi Aramco primary player)*

*Total expenditure in the offshore market is expected to increase*

*The D&C\* (Drilling & Completion) is expected to increase by 7%*

\*D&C: A subcategory of E & P; specific spending on oil rigs

# The Oil & Gas market....*Rig Count*



Source: Bank of America Merrill Lynch Oil Services Research, Baker Hughes



# Rig Count per Geographical Area

## OUTLOOK 2014

**Europa** (+4%)



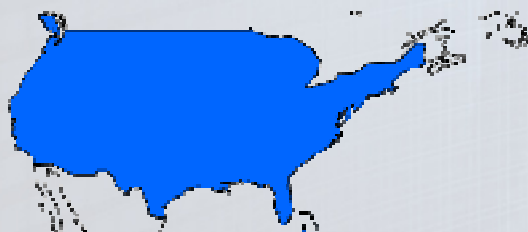
**Africa** (+7%)



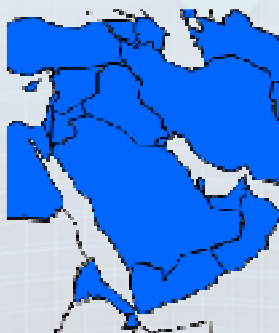
**Latam** (+7%)



**USA** (+4%)



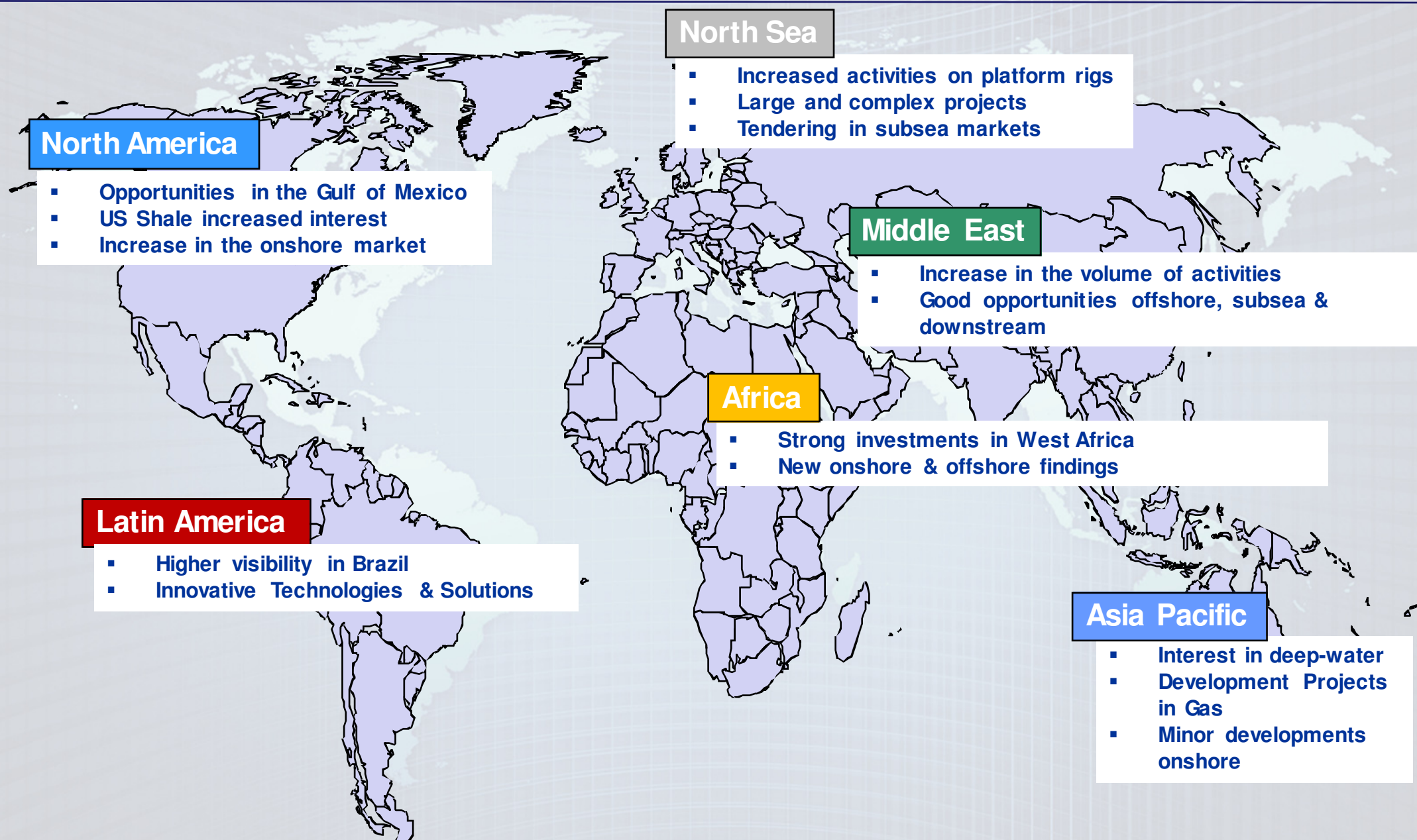
**Medio Oriente** (+17%)



**Asia / Pacifico** (+10%)



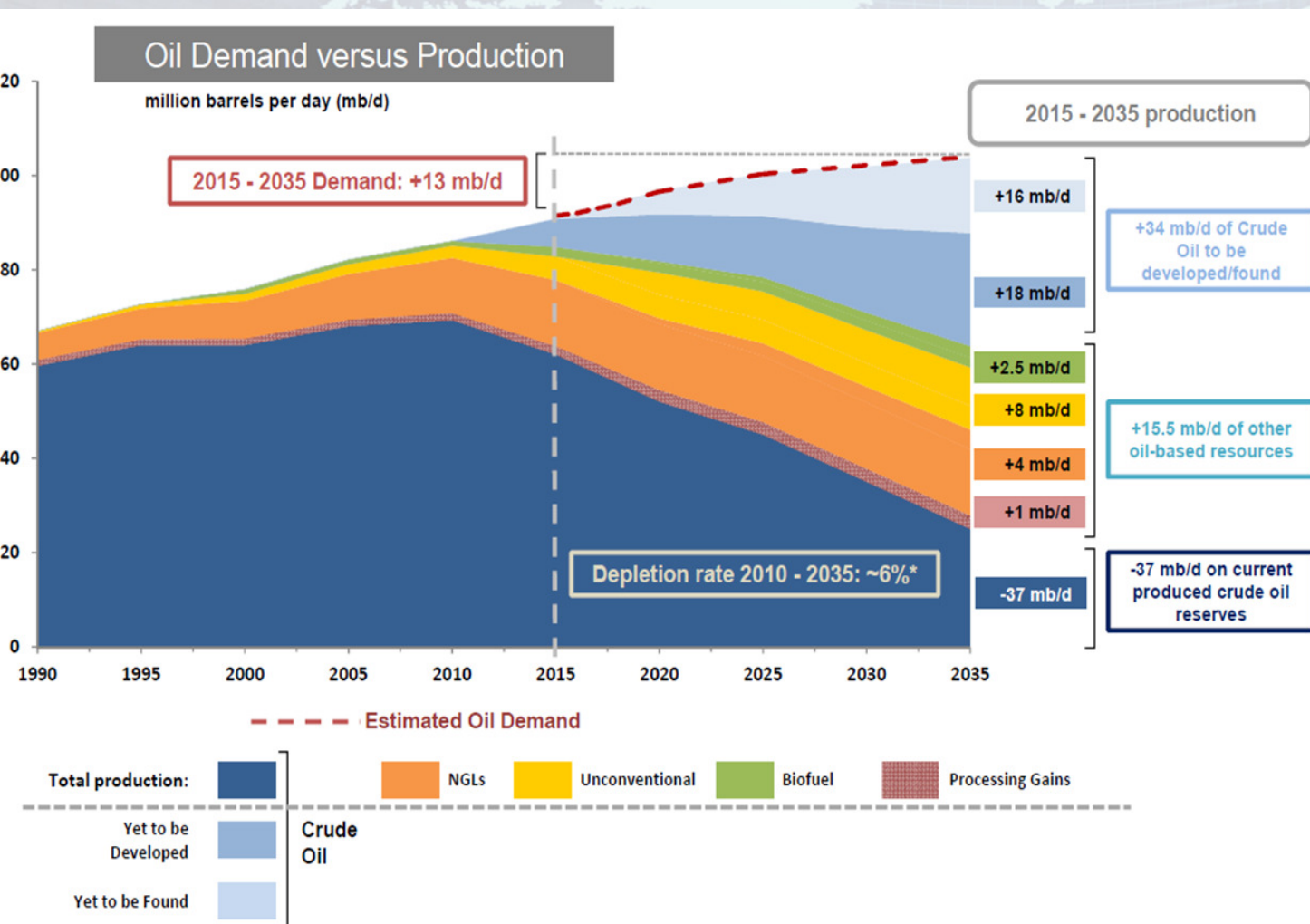
# Worldwide trends in the Oil & Gas markets





# The Oil & Gas market....Solid Basis

## OIL DEMAND vs PRODUCTION



*The global demand for oil and other hydrocarbons will grow significantly with an increase estimated at +13 million barrels per day within the 2015-2035 period*

*The total demand will reach 100 million barrels per day in 2035*

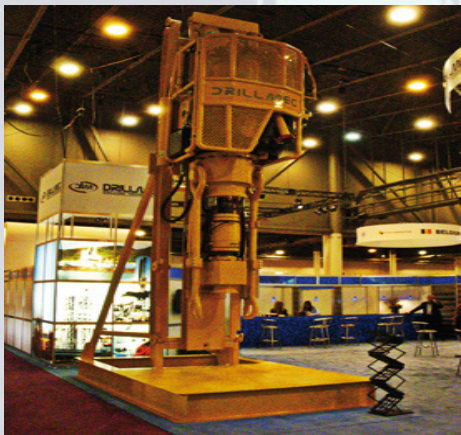
*The graph shows an increase in demand for alternatives to oil*

*Among the most important:*

- NGL Gas Liquid
- Unconventional (Shale Gas)
- Biofuel Bio-Fuel

## APPROACH TO THE FUTURE

### RANGE OF PRODUCT



### COSTS



### MARKETS



### SEGMENTS



#### MAIN OPTIONS

- ✓ Selected Acquisitions
- ✓ JV Agreements
- ✓ Internal Development

#### RELOCATION

- ✓ Belarus
- ✓ India
- ✓ Other Locations

#### MAIN AREAS

- ✓ Russia and CIS
- ✓ Far East
- ✓ US & Central America

#### TARGETS

- ✓ Modular Rigs
- ✓ Deep Water





## Range of Products

- Complete product offer & dual range of product (Conventional + HH)
- High product specialization and technological leadership

## Key Markets

- Targeting strategic markets
- (*Central America + Russia*)
- High potential growth in targeted areas

## Offshore Expansion

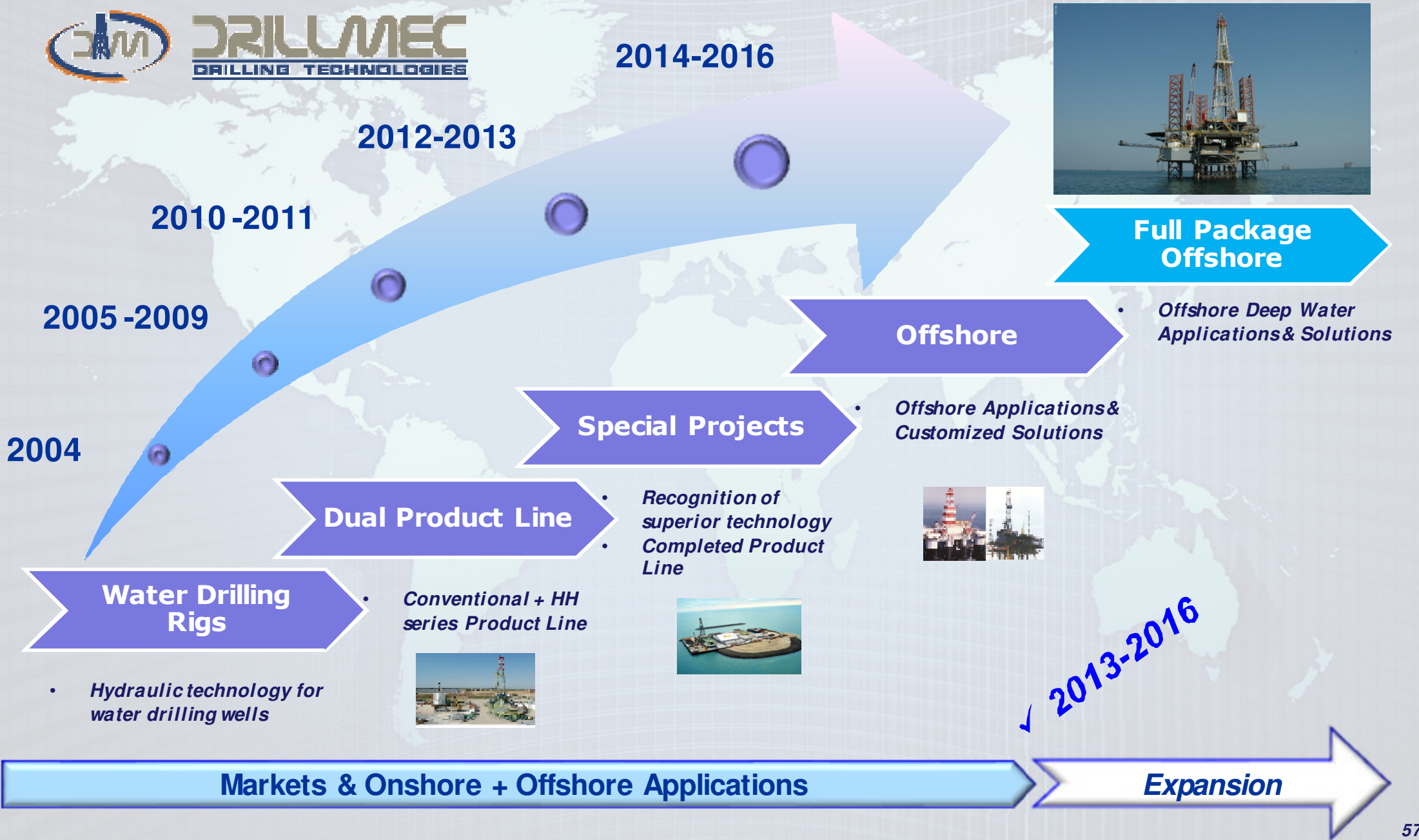
- Significant development in the Offshore market
- Consolidation of market positioning

## STRATEGIC DEVELOPMENT MARKETS



- Saudi Arabia
- Mexico
- United States
- Russia

# DRILLMEC: Evolution of a solid business





# DRILLMEC: New product range

REDESIGNED & BRAND NEW

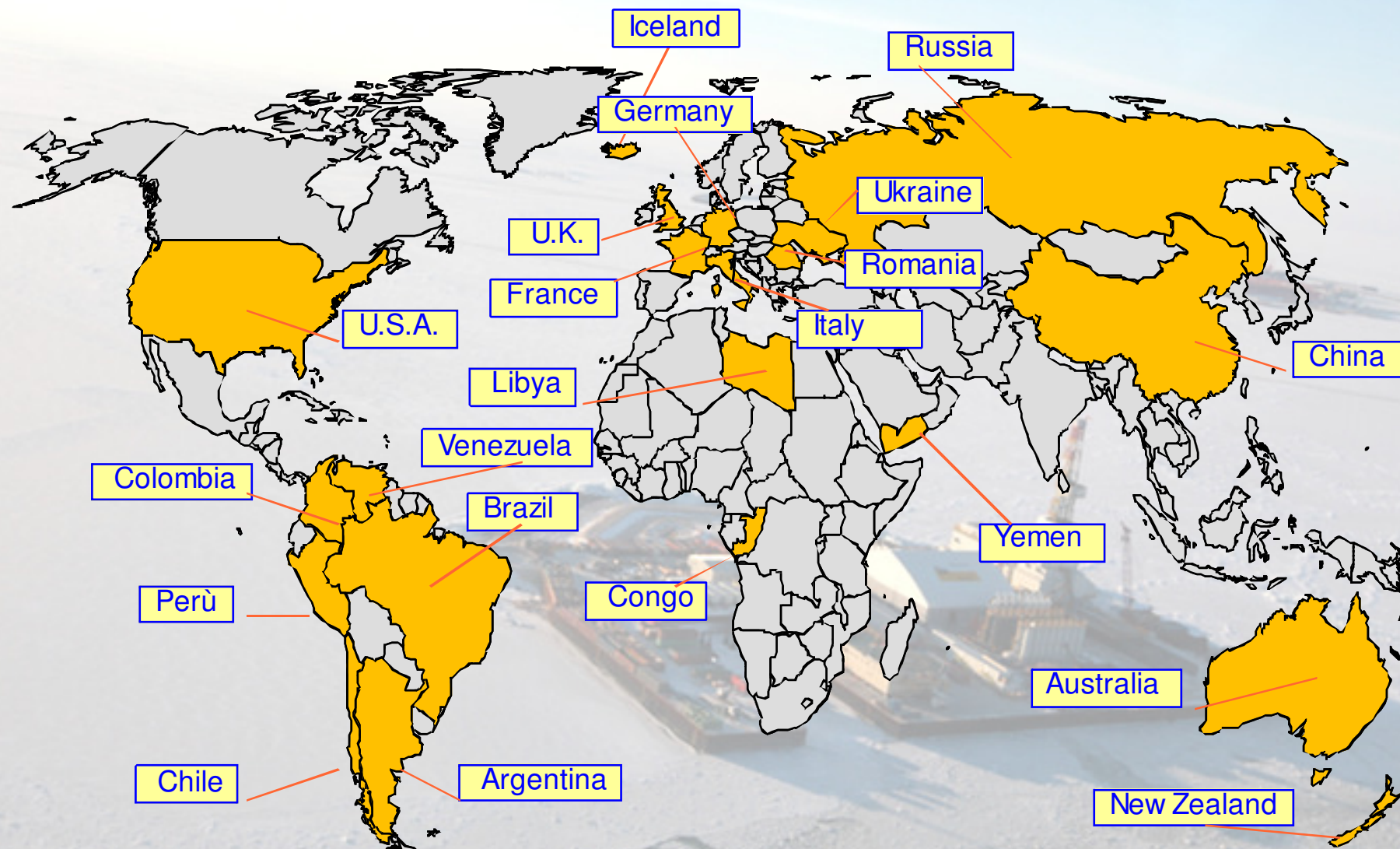


OFF-SHORE

ON-SHORE

# DRILLMEC: HH Technology rigs delivered

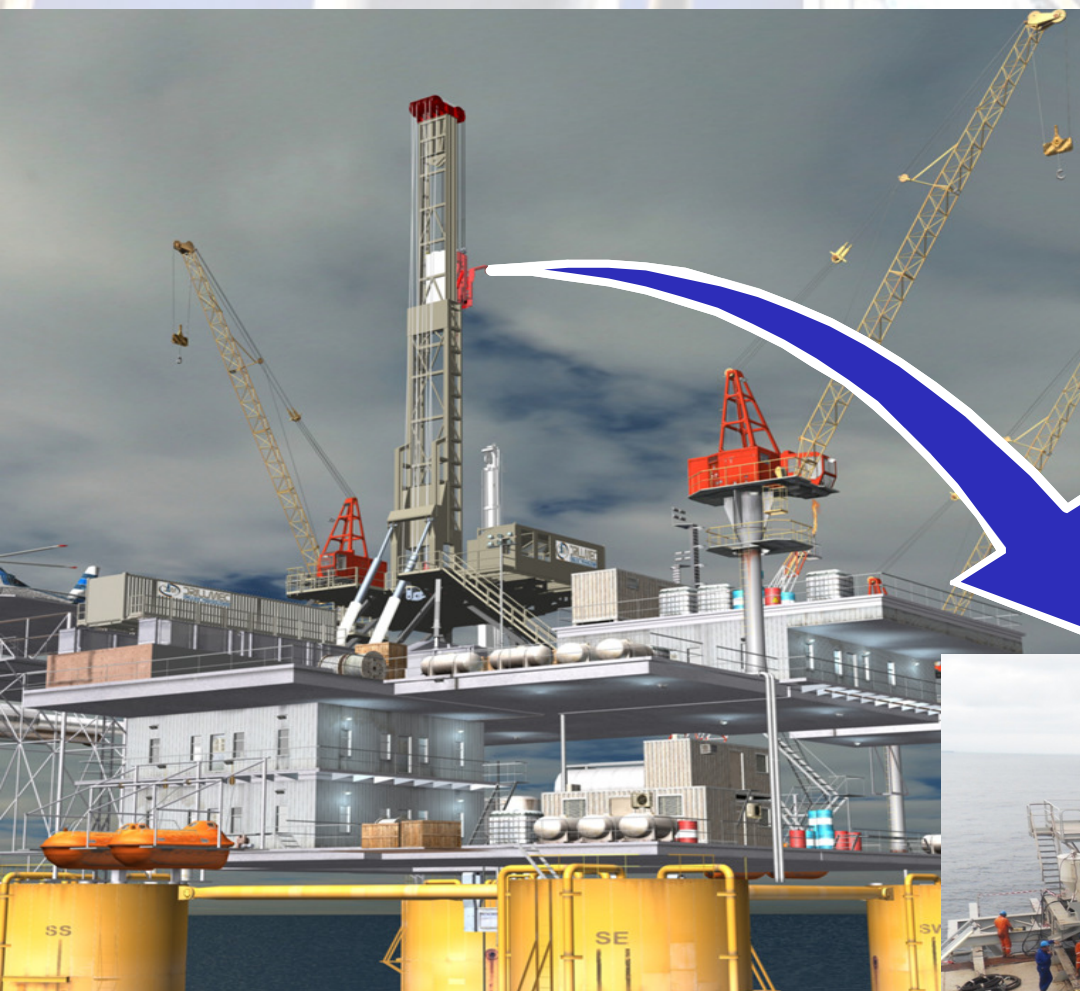
TREVI Group



More than 200 HH Oil Drilling Rigs Delivered Worldwide



# DRILLMEC: Key Contract Wins



*Innovative HH Offshore Configuration  
Drop down Mast*



- **HH Oil & Gas Rigs  
Offshore**

*Drillmec will provide a revolutionary new hydraulic technology HH-220 (Hydraulic Hoist) rig to Aker Solutions that will be installed on a fixed platform in the North Sea*

*The contract includes the engineering, study, development and manufacturing of a HH Drillmec rig specifically designed for offshore oil drilling*

*The innovative design of this HH offshore rig, mostly compact in size and highly-performing, will ensure full execution of all crude oil extraction activities while significantly reducing operating costs for our customer*



- **Impianti di perforazione petrolifera nel Medio Oriente**

*Drillmec realizzerà e svilupperà impianti di tipo convenzionale dotati delle migliori soluzioni necessarie per l'estrazione e l'utilizzazione dei giacimenti onshore. Gli impianti, da 2000 e 3000 HP, saranno impiegati per perforazioni di pozzi petroliferi fino a 6.500 m di profondità, sia in verticale che in orizzontale.*



*Forniture impianti di perforazione onshore*



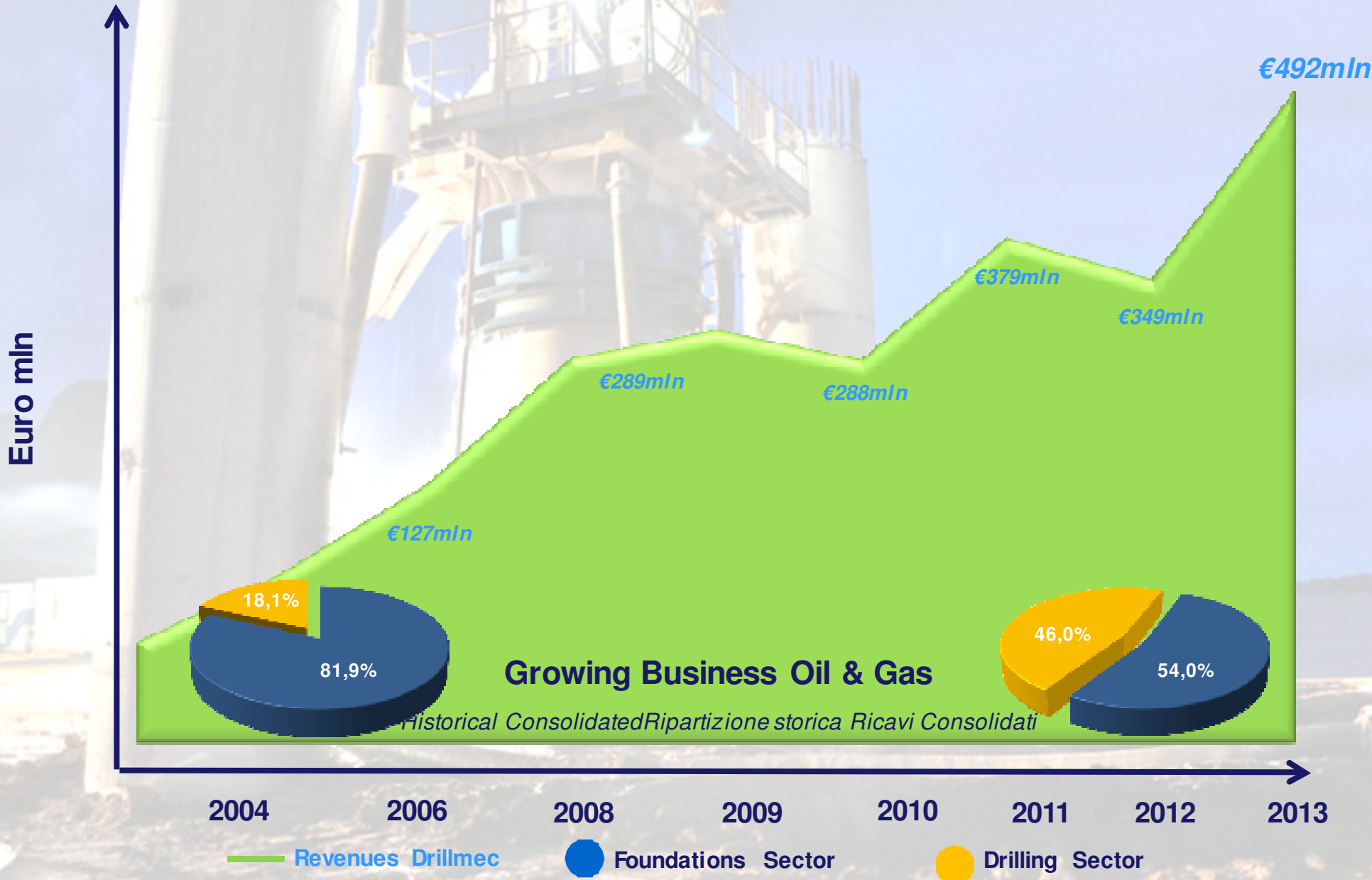


*Drillmec HH-300 onshore*

- **3 HH-300 rigs per PetroJunin**

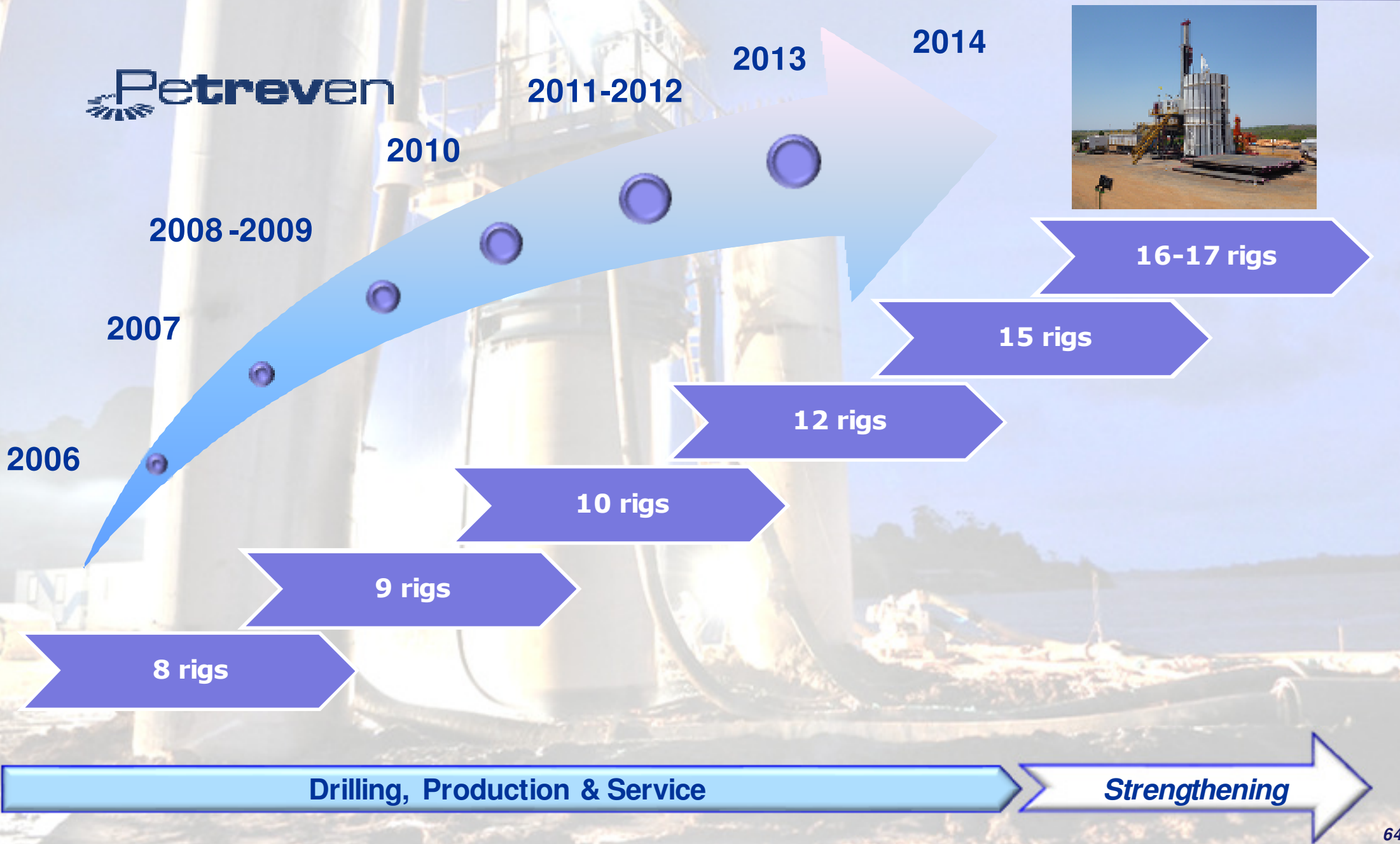
*The innovative design of these HH onshore rigs will ensure full execution of all crude oil extraction activities while significantly reducing operating costs for our customer. The HH rigs will be produced and tested at the Drillemec factories in Piacenza, Italy and Houston, Texas (USA) and will be subsequently transferred and installed in the “Junin 5” oil field located in the Faja del Orinoco in Venezuela, 550 km south-east of Caracas in an area under development, with a capacity of 35 billion barrels of oil.*

# DRILLMEC: Business Evolution





# PETREVEN: Complete Value Offer



# PETREVEN: Diversified Geographical Presence

TREVI Group



## CILE:

1 RIG HH220

1 RIG HH102

2 WO HH102



## COLOMBIA:

1 RIGS HH102



## PERU':

1 RIGS HH102



## VENEZUELA:

1 RIG HH200

1 RIG HH300



## ARGENTINA:

6 RIGS HH102

1 RIGS HH220







- **Contratto con YPF**

*Petreven in Argentina, ha siglato un nuovo contratto della durata di tre anni relativo all'impianto di perforazione petrolifera Drillmec HH-102. Il contratto prevede, inoltre, l'estensione per due ulteriori anni e l'inizio delle attività di perforazione nelle prossime settimane.*

*Forniture impianti Drillmec HH-102 onshore*

- 1. TREVI Group**
- 2. FY 2013 Financial Results**
- 3. Foundation Engineering**
- 4. Oil & Gas Focus**

## ***5. Appendix***

*WASHINGTON D.C. New Marriott Hotel*





# Income Statement FY13 vs FY12

Eur 000	Restated			
	FY13	FY12*	FY12	Δ% *
<b>TOTAL REVENUES</b>	<b>1.275.836</b>	<b>1.155.381</b>	<b>1.115.324</b>	<b>10,4%</b>
Changes in inventories of finished and semi-finished products	1.507	14.232	14.232	
Increase in fixed assets for internal use	32.696	28.042	28.042	
Other non-ordinary operating revenues	0	0	0	
<b>VALUE OF PRODUCTION</b>	<b>1.310.039</b>	<b>1.197.655</b>	<b>1.157.598</b>	<b>9,4%</b>
Raw materials and external services	916.446	821.132	805.988	
Other operating costs	18.590	16.298	16.298	
<b>VALUE ADDED</b>	<b>375.002</b>	<b>360.226</b>	<b>335.313</b>	<b>4,1%</b>
Personnel expenses	231.212	228.024	223.038	
<b>EBITDA</b>	<b>143.791</b>	<b>132.202</b>	<b>112.275</b>	<b>8,8%</b>
% Total Revenues	11,3%	11,4%	10,1%	
Depreciation	55.166	50.508	49.199	
Provisions and write-downs	8.314	21.250	15.614	
<b>EBIT</b>	<b>80.311</b>	<b>60.444</b>	<b>47.462</b>	<b>32,9%</b>
% Total Revenues	6,3%	5,2%	4,3%	
Financial revenues/(expenses)	(27.649)	(21.602)	(21.615)	
Gains/(Losses) on exchange rates	(10.119)	(4.880)	(4.865)	
Other Gains/(Losses)	1.244	0	0	
<b>EBT</b>	<b>43.787</b>	<b>33.962</b>	<b>20.982</b>	<b>28,9%</b>
Tax	14.906	7.964	9.484	
Minorities	15.117	14.495	695	
<b>GROUP NET PROFIT</b>	<b>13.764</b>	<b>11.503</b>	<b>10.803</b>	<b>19,7%</b>

# Statement of Financial Position FY13 vs FY12

Eur 000	Restated			Δ% *
	FY13	FY12*	FY12	
<b>Fixed assets</b>				
- Tangible fixed assets	359.634	347.836	339.471	
- Intangible fixed assets	48.271	28.035	28.025	
- Financial fixed assets	6.001	8.500	8.479	
<b>Net working capital</b>				
- Inventories	520.882	493.823	493.317	
- Trade receivables	387.902	357.036	345.839	
- Trade payables (-)	(303.023)	(210.573)	(209.702)	
- Pre-payments (-)	(131.842)	(153.221)	(153.221)	
- Other assets (liabilities)	6.904	(3.830)	12.382	
<b>Fixed assets plus net working capital</b>	<b>894.728</b>	<b>867.606</b>	<b>864.590</b>	<b>3,1%</b>
<b>Post-employment benefits (-)</b>	(20.222)	(19.335)	(19.335)	
<b>NET INVESTED CAPITAL</b>	<b>874.506</b>	<b>848.273</b>	<b>845.255</b>	<b>3,1%</b>
<i>Financed by:</i>				
<b>Group net shareholders' funds</b>	405.797	419.261	419.339	
Minorities' share of net shareholders' funds	25.065	28.364	12.549	
<b>Total financial indebtedness</b>	443.644	400.648	413.367	
<b>TOTAL SOURCES OF FINANCING</b>	<b>874.506</b>	<b>848.273</b>	<b>845.255</b>	<b>3,1%</b>



The Executive in charge of the preparation of accounting documents “Daniele Forti” declares, pursuant to paragraph 2 of article 154-bis of the consolidated law on finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

This presentation, prepared by TREVI – Finanziaria Industriale SpA, contains forward looking information and statements about the group and in no case may it be interpreted as an offer or an invitation to sell or purchase any security issued by the company or its subsidiaries.

These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations to future operations, products and services, and statements regarding future performance.

Forward looking statements involve inherent risks and uncertainties are current only at the date they are made.

However, the management of TREVI – Finanziaria Industriale SpA believes that the expectations are reasonable, but, at the same time, points out to holders and investors that all the information and all the statements are subject to various risk and many of which are very difficult to predict and to control.

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# TREVI Group

Investor Relations Team:

Stefano Campana  
Josef Mastragostino  
Cristina Trevisani

[investorrelations@trevifin.com](mailto:investorrelations@trevifin.com)

