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Testo del comunicato

Vedi allegato.

MANDATE TO THE CRO TO DEFINE THE TERMS OF THE EXCLUSIVE NEGOTIATION WITH BAIN CAPITAL CREDIT FOR POSSIBLE DEBT RESTRUCTURING

DISCUSSIONS WITH THE BANKING NETWORK FOR A STANDSTILL AGREEMENT AND A FINANCIAL RESTRUCTURING CONTINUE

PROPOSAL TO THE SHAREHOLDERS' MEETING TO DELEGATE THE BOD TO INCREASE THE SHARE CAPITAL FOR THE MAXIMUM PERIOD OF 24 MONTHS AND FOR A MAXIMUM VALUE OF EURO 400 MILLION (OF WHICH, BY CASH, NOT EXCEEDING THE MAXIMUM AMOUNT OF EURO 150 MILLIONS)

UNCERTANTIES CONTINUE REGARDING FULFILLMENT OF THE REQUIREMENTS TO APPROVE FINANCIAL STATEMENTS AT DECEMBER 31, 2017

BOARD NOTES TREVI GROUP FINANCIAL HIGHLIGHTS AT DECEMBER 31, 2017

NEW CONSTRUCTION AND INFRASTRUCTURE AND OIL & GAS ORDERS IN Q1 2018 TOTAL APPROX. EURO 210 MILLION

Milan, May 30, 2018 – The Board of Directors of Trevi Finanziaria Industriale S.p.A. (the "**company**") met today in Milan, with the Executive Director Mr. Sergio Iasi, Chief Restructuring Officer of the Group (CRO), outlining the outcome of the meetings conducted with potential investors expressing interest and presenting structured proposals to support the company in terms of the capital strengthening and debt restructuring of the Group (as previously announced in the press release of April 27, 2018, available on the website www.trevifin.com, "Press Releases" section).

On the basis of the assessments made, the Board of Directors therefore mandated the CRO to define the terms of the exclusive negotiations with Bain Capital Credit (BCC), in addition to submit to the main creditors the proposal drawn up, based on the granting of a "super senior" loan for the repayment of a portion of the debt and support for the business plan, and the partial conversion of the residual debt, without recourse to a share capital increase. The Board also tasked the CRO with exploring with the banking network - with whom negotiations continue - the viability of the solution proposed by BCC and, ultimately, the signing of a standstill agreement ahead of a comprehensive financial restructuring - hopefully by the middle of July 2018.

In consideration of the foregoing, the Board of Directors has also resolved to submit to the approval of an extraordinary shareholders' meeting of the Company the proposal to assign directors - pursuant to Article 2443 of the Italian Civil Code - the right to increase the capital upon payment. on one or more occasions, also in separate issues, for a maximum period of 24 months from the date of the resolution and for a maximum counter value of Euro 400 million (of which, in cash, no more than the maximum amount of Euro 150 million), an increase to be realized through the issue of ordinary shares without nominal value, subject to the Board by itself verification of the existence and compliance of the conditions established by the law, with the power of the Board to define the issue price, the relative subscription process, also through conversion of credits towards the Company, and the number of new shares from time to time issuing, reserving the shares in option to the shareholders, or with exclusion or limitation of the option right, with the aim to reserve the same, in whole or in part, to financial or industrial investors, and/or at the service of a bond or other financial instrument that can be converted into shares, or converting Company receivables.

The delegation provided for by article 2443 of the Italian Civil Code endows the Board with the right to increase the share capital, in a reasonably flexible manner, in order to meet any possible needs or be able to benefit from the opportunities that may arise.

In consideration of the status of the various interlocutions in progress, it is not possible today to make predictions about the possible exercise of the delegation or the related times and procedures.

In the context of the proposal to grant the proxy provided for by Article 2443 of the Italian Civil Code, the Board also resolved to submit to the shareholders' meeting the elimination of the nominal value of the shares.

Finally, the Board proposed the amendment to article 23 of the Company's bylaws to eliminate the obligation of the Board to obtain the prior approval of the ordinary shareholders' meeting for the following transactions: (a) transfer of a branch or of the company; (b) purchase of a business unit or the company; (c) renting a branch or the company; and (d) transfer of going concern or of the company.

All documents that will be submitted to the convened meeting will be made available to the public, in accordance with the law, at the registered office of TREVI - Finanziaria Industriale S.p.A. in Via Larga n. 201 Cesena, at the centralized storage system "EMarket STORAGE" available at www.emarketstorage.com and in the appropriate sections of the Company's website www.trevifin.com.

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In view of the ongoing uncertainties outlined above, the Board of Directors noted the impossibility to today approve the 2017 Annual Accounts and, in advance of such, the 2017 third quarter report, whose approval was previously postponed to April 27, 2018 (See the above-mentioned press release published on the same date).

The Board of Directors however reviewed the 2017 Trevi Group operating results, not yet formally subject to independent audit.

The principal results are shown below:

TREVI Group

(in M €)	**Actual 31/12/2017**	**Restated 31/12/2016 (*)**	**Delta FY17 vs FY16**
Production Value	902,5	1.151,1	(248,6)
Net Financial Position	619,4	500,4	118,9
Backlog	534,8	956,4	(421,6)

(*) The Group, in accordance with the accounting standards also restated the adjustments to the consolidated financial statement figures at December 31, 2016, amending the comparative amounts as if the same accounting criterion of the above-stated contracts had been adopted for the preparation of the Group consolidated financial statements. These adjustments to the 2016 consolidated financial statements would have increased Total Revenues by approx. Euro 1.7 million, EBITDA by approx. Euro 12.4 million and the Net Financial Position by approx. Euro 59.6 million.

The disclosure reported above includes a differing accounting treatment of certain contracts for the provision under concession of capital machinery/plant with repurchase commitments, which following extensive analysis were classified as finance leases and therefore recognised in accordance with IAS 17.

The effects at December 31, 2017 of the differing accounting treatment of the above-stated contracts increased Total Revenues by approx. Euro 2.3 million, EBITDA by approx. Euro 14.1 million and reduced the Net Financial Position by approx. Euro 47.7 million.

FY2017, in comparison with the restated FY2016 reports figures, reports:

- a reduction in consolidated Total Revenues of approx. Euro 130 million. These reductions relate to the Trevi and Drillmec Divisions, principally due to a contraction in order intake and the conclusion of major long-term contracts for the Trevi Division, in addition to the cancellation of a contract in Bolivia (please refer to the previous press releases) for the Drillmec Division.

- the reduction in EBITDA, principally concerning the same Divisions, related on the one hand to the above-stated reduced volumes and on the other to a dual impact related to the lower margin on certain orders and the write-downs following the change in the Trevi Group's strategy as a result of the difficulties encountered during the year.

- a consolidated Net Financial Position increasing approx. Euro 120 million on 2016 due to the gradual deterioration of the cash flows of the individual divisions and of consolidated cash flow also from a reduced volume of without recourse transactions made in 2017 (reduction of approx. Euro 70 million).

- a Backlog at 31.12.17 of approx. Euro 535 million, compared to approx. Euro 955 million at December 31, 2017. In 2016, the Works Portfolio included considerable amounts deriving from very significant long-term contracts, in particular for the Trevi and Drillmec Divisions, which concluded in 2017.

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The Board of Directors also noted the main orders acquired in Q1 2018, both in the foundations and infrastructure and Oil&Gas sectors.

In particular, Trevi Spa, a division of the Trevi Group specialised in deep foundations and geo-technical works, was awarded major new orders in the United States, Chile and Italy in the foundations and infrastructure sector for a total amount of around Euro 67 million. In the United States, the US Corps of Engineers awarded to Treviicos, Trevi's US branch, the Herbert Hoover Dike – Reach 1 Extension project as part of the renovation of the Lake Okeechobee dam in Florida. In Chile, Trevi acquired its first part of the foundation works for the new Chacao bridge, an impressive and strategic structure strongly backed by the Chilean government to connect the large island of Chiloé with the South American continent. Stretching 2.6 kilometers, the bridge over the Chacao will be shorter only than the Great Bridge over the Akashi strait in Japan and the Storebælt in Denmark.
The Oil & Gas sector also reported major order acquisitions. Drillmec, a division of the Trevi Group specialised in the engineering and construction of oil drilling plant and the supply of oil and gas well drilling accessory services, was awarded the supply of two 1,000 HP plant for Belorusneft, the Bylo-russian flagship company, for a total amount of Euro 20 million.
Petreven, the Trevi Group division specialised in drilling services, meanwhile signed contracts for a total of over USD 6.6 million (Euro 5.4 million) in Argentina, Peru and Venezuela.

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The CFO, Marco Andreasi, as Executive Officer for Financial Reporting, declares, in accordance with Article 154-bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.
This press release contains forward-looking statements. The declarations are based on current estimates and projections of the Group concerning future events and, by their nature, are subject to risk and uncertainty. Actual results may differ significantly than the estimates made in such declarations due to a wide range of factors, including the continued volatility and further decline of the capital and finance markets, altered economic conditions and growth trends and other changes in business conditions, in addition to other factors, the majority of which outside the control of the Group.

About Trevi:

Trevi Group is a worldwide leader in the field of soil engineering (special foundations, tunnel excavation, soil consolidation and the building and marketing of special rigs and equipment relevant to this engineering sector); the Group is also active in the drilling sector (oil, gas and water) both in the production of plant and the supply of services, and it also builds automated underground car parks. The Group was established in Cesena in 1957 and today has more than 30 branches and is present in over 80 countries. Its success is due to the vertical integration of the main divisions making up the Group: Trevi, the division that supplies special services in the field of soil engineering, Petreven, the oil drilling division of the Group, Soilmec, the division that produces and develops plant and machinery for soil engineering and Drillmec the division that produces and develops drilling rigs (oil, gas and water).

The parent company has been listed on the Milan stock exchange since July 1999.

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