



SPAFID CONNECT

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Societa' : TREVI GROUP

Identificativo : 109605

Informazione
Regolamentata

Nome utilizzatore : TREVIN01 - Cocco

Tipologia : REGEM

Data/Ora Ricezione : 17 Ottobre 2018 21:18:52

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Diffusione presunta

Oggetto : INFORMATION REQUIRED BY CONSOB
PURSUANT TO ART.114 OF THE
LEGISLATIVE DECREE No.58/98

Testo del comunicato

Vedi allegato.



INFORMATION REQUIRED BY CONSOB PURSUANT TO ART.114 OF THE LEGISLATIVE DECREE No.58/98

Cesena, October 17, 2018 – Trevi Finanziaria Industriale S.p.A. (the "**Company**"), announces the postponement of the approval of the 2018 first half-year results at June 30, 2018 and, as requested by Consob on October 26, 2017 pursuant to art. 114 of the Legislative Decree No. 58/98, integrates the annual financial reports, semi-annual financial reports and interim management reports, if published on a voluntary basis, as well as the press releases relating to the approval of such accounting documents, with the following information:

- a) the Company and the Group's net financial position, with separate disclosure of the short-term position and the medium/long-term position;
- b) the Company and the Group's overdue payables, analysed by nature (financial, trade, tax, social security and employees) and any related creditors' reaction initiatives (payment reminders, injunctions, suspensions of supplies, etc.);
- c) the Company and the Group's main variations in the transactions with related parties compared to the approved last annual or semi-annual financial report pursuant to Art.154-ter of TUF;
- d) any failure to comply with *covenants, negative pledges* and any other Group debt-related clause entailing the imposition of limits on the use of financial resources, with an up-to-date indication of the extent of the compliance with the clauses;
- e) the status of the implementation of any business and financial plans, with disclosure of variances between actual and forecast figures.

The following is the above additional information requested.

a) The Company and the Group Net Financial Debt at June 30, 2018.

The Net Financial Position of the Company at June 30, 2018 amounted to Euro 170,7 million and is shown below:

NET FINANCIAL DEBT	30/06/2018	31/12/2017	Change
Current bank loans and borrowings	(427,799)	(422,918)	(4,881)
Current loans and borrowings from other financial backers	(10,763)	(12,318)	1,555
Current financial derivatives	(525)	(701)	177
Short-term cash and cash equivalents	336	7,069	(6,733)
Total current financial debt	(438,751)	(428,869)	(9,882)
Non-current bank loans and borrowings	(8,062)	(10,076)	2,014
Non-current loans and borrowings from other financial backers	(26,657)	(29,469)	2,812
Non-current financial receivables from subsidiaries	302,790	303,350	(559)
Non-current financial derivatives	0	0	0

Total non-current financial debt	268,071	263,805	4,266
Net financial debt	(170,679)	(165,064)	(5,616)

The Net Financial Debt of the financial statements of Trevi Finanziaria Industriale SpA at December 31, 2017 and June 30, 2018 includes the partial write-down of intercompany financial receivables; this effect in the consolidated Net Financial Debt does not generate any impact.

The **Group** Net Financial Debt at June 30, 2018 amounts to Euro 671,1 million and is reported below:

CONSOLIDATED NET FINANCIAL DEBT	31/06/2018	31/12/2017	Variation
Current bank loans and borrowings	(643,314)	(645,023)	1,709
Current loans and borrowings from other financial backers	(48,183)	(40,096)	(8,087)
Current financial derivatives	(543)	(173)	(370)
Short-term cash and cash equivalents	93,647	146,301	(52,654)
Total current financial debt	(598,393)	(538,991)	(59,402)
Non-current bank loans and borrowings	(8,801)	(11,207)	2,405
Non-current loans and borrowings from other financial backers	(63,946)	(69,204)	5,258
Non-current financial derivatives	0	0	0
Total non-current financial debt	(72,748)	(80,410)	7,663
Group Net Financial Debt	(671,141)	(619,402)	(51,739)

It should be noted that the value related to the net financial position of the Company and the Group must be considered preliminary and not definitive, since, the Annual Report at December 31, 2017 and the Semi-annual Financial Reports at June 30, 2018 have not yet been approved, those data are management data and not yet been submitted to the evaluation by the Board of Directors and to the Auditors of the Company.

b) The following are the Company and the Group's overdue payables analysed by nature (financial, trade, tax, social security and employees) and any related creditors' reaction initiatives (payment reminders, injunctions, suspensions of supplies, etc.).

	Trevi Finanziaria Industriale S.p.A.	Trevi Group
<i>in thousands of Euro</i>	30/06/2018	31/03/2018
Financial liabilities*	233,416	348,770 (**)
Trade payables	4,976	93,325 (*)
Tax liabilities	-	534 (**)
Social security liabilities	-	-
Payables to employees	-	-
Total overdue liabilities	238,391	422,629**

* Related to short and medium to long term debt expired and not repaid in the light of the standstill situation.

** Also including the Company debt.

At June 30, 2018 the creditors' reaction initiatives can be summarized as follows:

- in relation to Trevi Finanziaria Industriale S.p.A., there are no creditor's legal initiatives nor situations of shortage of supplies; the Company received some payment reminders for non-significant amounts which are settled at the current date;
- in relation to the Trevi Group, there are no situations of shortage of supplies. Some reminders and injunctions have been received from suppliers in relation to commercial relationships. The aggregate value of these positions is approximately Euro 4,2 million.

c) **The following are the main variations occurred in the relations with the Company and the Group related parties with respect to the last half-year financial report:**

Trevi-Finanziaria Industriale S.p.A.:

(In thousands of Euro)

Non-current financial receivables from subsidiaries	30/06/2018	30/06/2017	Change
Trevi S.p.A.	69,605	89,005	(19,400)
Soilmec S.p.A.	60,906	60,394	512
Drillmec S.p.A.	109,490	169,008	(59,518)
Petreven S.p.A.	55,873	59,672	(3,799)
Other	6,917	10,995	(4,078)
TOTAL	302,790	389,073	(86,283)

Current trade receivables from subsidiaries	30/06/2018	30/06/2017	Change
Trevi S.p.A.	12,824	8,504	4,320
Soilmec S.p.A.	4,907	3,715	1,191
Drillmec S.p.A.	10,579	10,750	(172)
Petreven S.p.A.	2,897	2,935	(39)
Other	24,105	17,100	7,005
TOTAL	55,310	43,005	12,306

Current trade payables to subsidiaries	30/06/2018	30/06/2017	Change
Trevi S.p.A.	10,816	11,295	(479)
Soilmec S.p.A.	1,826	2,497	(671)
Drillmec S.p.A.	11,090	10,972	118
Petreven S.p.A.	67	44	23
Other	3,446	3,894	(448)
TOTAL	27,245	28,702	(1,457)

Revenues from sales and services	30/06/2018	30/06/2017	Change
Trevi S.p.A.	2,235	2,566	(331)
Soilmec S.p.A.	1,101	983	119
Drillmec S.p.A.	1,978	2,396	(418)
Petreven S.p.A.	563	560	3
Other	6,180	6,758	(578)
TOTAL	12,058	13,262	(1,205)

Consumption of raw materials and external services	30/06/2018	30/06/2017	Change
Trevi S.p.A.	9	85	(76)
Soilmec S.p.A.	7	7	0
Drillmec S.p.A.	0	0	0
Petreven S.p.A.	0	1	(1)
Other	27	9	18

TOTAL	43	101	(58)
Financial income	30/06/2018	30/06/2017	Change
Trevi S.p.A.	1,399	1,954	(555)
Soilmec S.p.A.	1,263	1,294	(31)
Drillmec S.p.A.	3,630	4,100	(471)
Petreven S.p.A.	1,121	1,230	(109)
Other	323	218	105
TOTAL	7,736	8,797	(1,061)

Trevi Group

(In thousands of Euro)

Non-current financial receivables	30/06/2018	30/06/2017	Changes
Porto Messina S.c.a.r.l.	720	720	0
Filippella s.c.a.r.l.	225	225	0
Pescara Park S.r.l.	1,263	1,105	157
Other	494	331	163
TOTAL	2,702	2,381	321

Current trade receivables	30/06/2018	30/06/2017	Changes
Parcheggi S.p.A.	57	78	(21)
Roma Park S.r.l.	597	561	37
Parma Park S.r.l.	0	169	(169)
Sofitre S.r.l.	1,383	1,390	(6)
Sub-total	2,037	2,197	(160)
Porto di Messina s.c.a.r.l.	764	745	19
Consorzio Trevi Adanti	6	6	0
Nuova Darsena S.c.a.r.l.	4,317	848	3,469
Trevi S.G.F. Inc. per Napoli	1,952	1,962	(10)
Arge Baugrube Q110	331	331	0
Trevi Park Plc	165	165	0
Other	1,377	2,897	(1,520)
Sub-total	8,913	6,953	1,959
TOTAL	10,950	9,151	1,799

Current trade payables	30/06/2018	30/06/2017	Changes
Parcheggi S.p.A.	7	6	1
IFC Ltd	130	72	58
Sofitre S.r.l.	1	0	1
Sub-total	139	79	60
Trevi Adanti	5	5	0
Nuova Darsena S.c.a.r.l.	3,266	2,664	602
Porto di Messina S.c.a.r.l.	343	7	336
Trevi S.G.F. Inc. per Napoli	93	14	78
Dach-Arghe Markt Leipzig	0	517	(517)
Trevi Park Plc	100	100	0
Other	609	240	369
Sub-total	4,415	3,547	868
TOTAL	4,554	3,626	928

Revenues from sales and services	30/06/2018	30/06/2017	Changes
Roma Park Srl	0	0	0
Parcheggi S.p.A.	64	95	(32)
Sub-total	64	95	(32)
Hercules Foundation AB	775	1,797	(1,022)
Nuova Darsena	23	387	(364)

Other	15		15
Sub-total	173	1,866	(1,694)
TOTAL	986	4,050	(3,064)

Consumption of raw materials and external services	30/06/2018	30/06/2017	Changes
Roma Park Srl	0	0	(0)
Sofitre Srl	34	34	0
Parceggi S.p.A.	2	5	(4)
Sub-total	36	40	(4)
Nuova Darsena S.c.a.r.l.	31		31
Other	131	2,568	(2,437)
Sub-total	29	24	5
TOTAL	191	2,592	(2,401)

d) *Covenant, negative pledge and any other indebtedness clause of the Group entailing limits on the use of financial resources, with an updated indication of the level of compliance with such clauses.*

The Trevi Group entered into some loan agreements that provide the compliance with certain *covenants* calculated on the annual consolidated financial statements and specifically:

- Net Financial Position/EBITDA: debt indicator, calculated as the ratio between net financial debt and EBITDA;
- Net Financial Position/Shareholders' Equity: debt indicator, calculated as the ratio between net financial debt and shareholders' equity.

The bond loan named "Minibond 2014-2019" also provides for - in addition to the previous covenants - a further *covenant* calculated on the consolidated financial statements:

- EBITDA/Net Financial Charges: indicator of the incidence of the costs for the interest expenses, calculated as the ratio between EBITDA and interest expenses.

As already reported in the press release published on April 27, 2018 (available on the website www.trevifin.com, under the "Investor Relator/Press Releases" section), as at December 31, 2017, the aforementioned covenants were not complied with.

With regard to Credit Institutions, since these are the same institutions with which the *standstill* agreement has been signed, the *waiver* on financial *covenants* takes part of the requests formulated to them under this agreement.

As regards the bond loan, it should be noted that in April the Bondholders' Meeting was called and was unable to approve the waiver resolutions, since the necessary quorums for the valid constitution of the meeting were not achieved. The failure to constitute the Bondholders' Meeting and the failure to approve the resolutions does not have any effect on the indebtedness deriving from the bond loan.

The loan agreements between the companies belonging to the Trevi Group and the banks contain additional clauses (such as the *cross-default* clauses) that might be breached in the current situation. In addition, the commencement of the negotiations with creditors and/or a moratorium on payments are "relevant events" according to the abovementioned agreements. As a matter of facts, the *standstill* agreement, currently under negotiation, provides for an obligation by the financial parties not to

enforce the aforementioned clauses and, although such agreement has not been signed yet, in this respect, the banks are acting in compliance with such obligation and, at the moment, they have not started any action.

Furthermore, Trevi Group has entered into agreements with certain international insurance companies providing, on behalf of the American entities of the Trevi Division, for the guarantees necessary to cover the obligations of the companies in the context of their activity (such as *performance bonds*, *bid bonds*, *advanced payment bonds*, etc.) In this regard, it is worth to highlight that such agreements include clauses such as *negative pledges*, *cross-default*, *change of control*, etc. However, the agreements have been reached with these companies in order to continue operating with them even during this phase.

The same clauses are also provided by the regulation of the bond loan named "Minibond 2014-2019". In this regard, reference is made to the foregoing.

As of today, except the abovementioned *covenants* and *cross default* clauses, there are no other contractual clauses (i.e. *negative pledge*, *change of control*, etc.) signed by the Trevi Group with reference to the *committed* loan agreements and typically provided in relation to which it is necessary to disclose the breach.

e) Below, the status of the implementation of the industrial and financial plan, highlighting the differences of the final data compared to the expected ones:

The Trevi Group in the first half of 2018 recorded € 380.2 million of total revenues, decreasing compared to the same period of 2017 (€ 460.8 million at June 30, 2017) and with respect to the expected, due to a lower order collection in the 2017 financial year and the delay in starting some projects; it should be noted that in the following months the order collection mainly attributable to the Trevi Division was significantly higher, see the Press Release of July 28, 2018 (extension of the works to the Mosul dam for a total amount of Euro 90 million) and the Press Release of October 8, 2018, which also highlights that in the Oil & Gas sector, Drillmec SpA has signed a contract concerning the supply of 2 2000 Hp Land Rig drilling rigs to Burisma Group, an Oil & Gas company operating on the Ukrainian market.

Without prejudice to what has been mentioned in letter a) in the second part of the press release, the C.F.O., Marco Andreasi, in his position as the Director responsible for drawing up the Company's accounting statements, hereby declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the information contained in this press release accurately represents the figures contained in the Company's accounting records.

This press release contains forward-looking statements. These statements are based on the current estimates and projections of the Group, relating to future events and, by their nature, are subject to an intrinsic component of risk and uncertainty. Actual results may differ materially from those contained in such statements due to a variety of factors, including continued volatility and further deterioration of capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, in addition to other factors, the majority of which is beyond 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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