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Societa'	:	TREVI GROUP
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Oggetto	:	Trevi S.p.A._PR approved the final proposal relating to the capital strenghthening and debt restructuring

Testo del comunicato

Vedi allegato.

THE BOARD HAS APPROVED THE FINAL PROPOSAL RELATING TO THE CAPITAL STRENGHTHENING AND DEBT RESTRUCTRUING OF THE TREVI GROUP

APPOINTMENT OF THE MANAGER RESPONSIBLE FOR PREPARING ACCOUNTING DOCUMENTS

Milan, 8 May 2019 – Trevi Finanziaria Industriale S.p.A. (the "**Company**") hereby communicates that the Board of Directors has been held today and, after having acknowledged the significant progress made in the negotiation and drafting of the agreements related to the capital strengthening and debt restructuring transaction of the Trevi Group (the "**Transaction**") (please refer to the press release of 19 December 2018, available on the website www.trevifin.com, section "*Investor Relations / Press Releases*"), has resolved with a majority decision to approve the final financial restructuring proposal inclusive of the business plans, which will be forwarded to the banks in the coming days to allow them to complete the approval processes of the relevant competent bodies.

The financial restructuring proposal approved today by the Board is in line with the guidelines that had already been set in the resolution adopted on 19 December 2018, including:

(i) a capital increase to be subscribed in cash for an amount equal to Euro 130m, to be offered pre-emptively to the shareholders, in relation to which the shareholders FSI and Polaris have confirmed their availability to undertake an underwriting commitment for a total amount of Euro 77,4m, while the remaining part will be offered to the market, and, in the event of an unexercised portion, such part will be subscribed by the financing banks through a debt to equity swap;

(ii) the debt-equity swap of part of a portion of the banks' indebtedness into newly issued ordinary shares, with a conversion ratio of 4.5:1, for a maximum amount equal to Euro 310m, partly, if necessary, to guarantee the unexercised portion of the cash capital increase and, for the remaining part, to subscribe a capital increase reserved to the financing banks;

(iii) the disposal of the subsidiaries of the Oil&Gas divisions Drillmec and Petreven in favor of the MEIL Group (see the press release of 4 December 2018, available on the website www.trevifin.com, section "*Investor Relations / Press Releases*"), and the use of the net proceeds deriving from the disposal for the repayment of the companies' respective financial indebtedness;

(iv) the granting of new finance, for a maximum amount equal to Euro 52.6m (or, if lower, the difference between Euro 130m and the amount of the cash capital increase actually subscribed by the shareholders). The amount of the new finance will be reduced for an amount equal to the net proceeds deriving from the Oil&Gas disposal exceeding the indebtedness to be repaid;

(v) the granting of new bonding facilities required for the implementation of the business plan;

(vi) the granting of a portion of the new finance and the bonding facilities during the interim period between the date of the filing and the date of homologation of the debt restructuring agreement pursuant to Article 182-*bis* of the IBL, subject to the obtaining of the authorization from the competent Court;

(vii) the consolidation and rescheduling of the residual bank debt until 31 December 2024, except for the mandatory prepayment cases, and the amendment of the relevant terms and conditions;

(viii) the rescheduling until 31 December 2024, and the amendment of the relevant terms and conditions of the so-called minibond issued by Trevifin on 28 July 2014 (already approved by the bondholders' meeting, on which see the press release of 2 May 2019, available on the website www.trevifin.com, section "*Investor Relations / Press Releases*").

The implementation of the financial restructuring, which in any case remains subject to the approval of the financing banks' competent bodies, will allow the Company to benefit *inter alia* of an overall positive equity strengthening effect estimated in a range between approximately 390 and 440 million euros, depending on the portion of capital increase subscribed by the market, and to achieve sustainable financial and equity targets by 2020 and in line with the main competitors and with the resolutions already approved by the Board of Directors.

As regards the timing for the implementation of the Transaction, it is reasonable to expect that the finalization of the agreements and the related approval processes of the financing banks' competent bodies, as well as the work needed for the certification of the agreements and the plan required for the homologation procedure of the same pursuant to Article 182-*bis* of the IBL, will allow to file for the homologation of the aforementioned agreements between the end of the current month and the first days of June 2019.

The Board of Directors, relying on the positive prosecution of the approval processes of the financing banks' competent bodies, is confident that it will be able to approve, in the board meeting that will be called to resolve on the final drafts of the above mentioned agreements, also the draft financial statements at 31 December 2017 and at 31 December 2018, as well as the related consolidated financial statements on a going concern basis.

Finally, the Board, after having acknowledged the unavailability for personal reasons of Mr. Marco Andreasi to continue carrying out his duties, has appointed Mr. Massimiliano Battistelli, currently CFO of the Trevi division, as appointed the same as manager responsible for preparing the accounting documents pursuant to the applicable regulations. Mr. Battistelli The dott. Battistelli will also take on the role of Group CFO *ad interim*.

The Board of Directors and the Board of Statutory Auditors express their warm and sincere appreciation to Mr. Andreasi for the professional contribution provided so far.

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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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