



Tesmec Group Presentation

European Midcap Event Frankfurt
February 19th, 2013



Corporate



Index

- **Market & Strategy**
- Integrated Solutions
- Main Financial Data

MARKET: Energy & Data Transportation

GROWTH DRIVERS: Worldwide large investments in infrastructures

Electricity and data

- Increase in electricity consumption worldwide
- Growth of green sources

Strong & Smart Grids

Railway

- Growth in investments in railway lines, in particular in high speed lines
- Demand of maintenance on existing railways network

Electrification

Oil, Gas and Water

- Increase in oil and water consumption worldwide
- Increasingly importance of Shale Gas in the United States and in other specific countries

Pipelines

Mining & Quarries

- Growing global demand of raw materials
- Investment in infrastructural projects

Bulk excavation

BUSINESS OPPORTUNITIES

Construction of new Power Lines

Upgrading of the existing Power Lines

Grids efficiency improvement

Grids monitoring and management

Construction of new Railway Lines

Maintenance operations

Diagnostic

Huge long distance pipeline networks

Specialized gathering gas pipeline and transferring pipelines

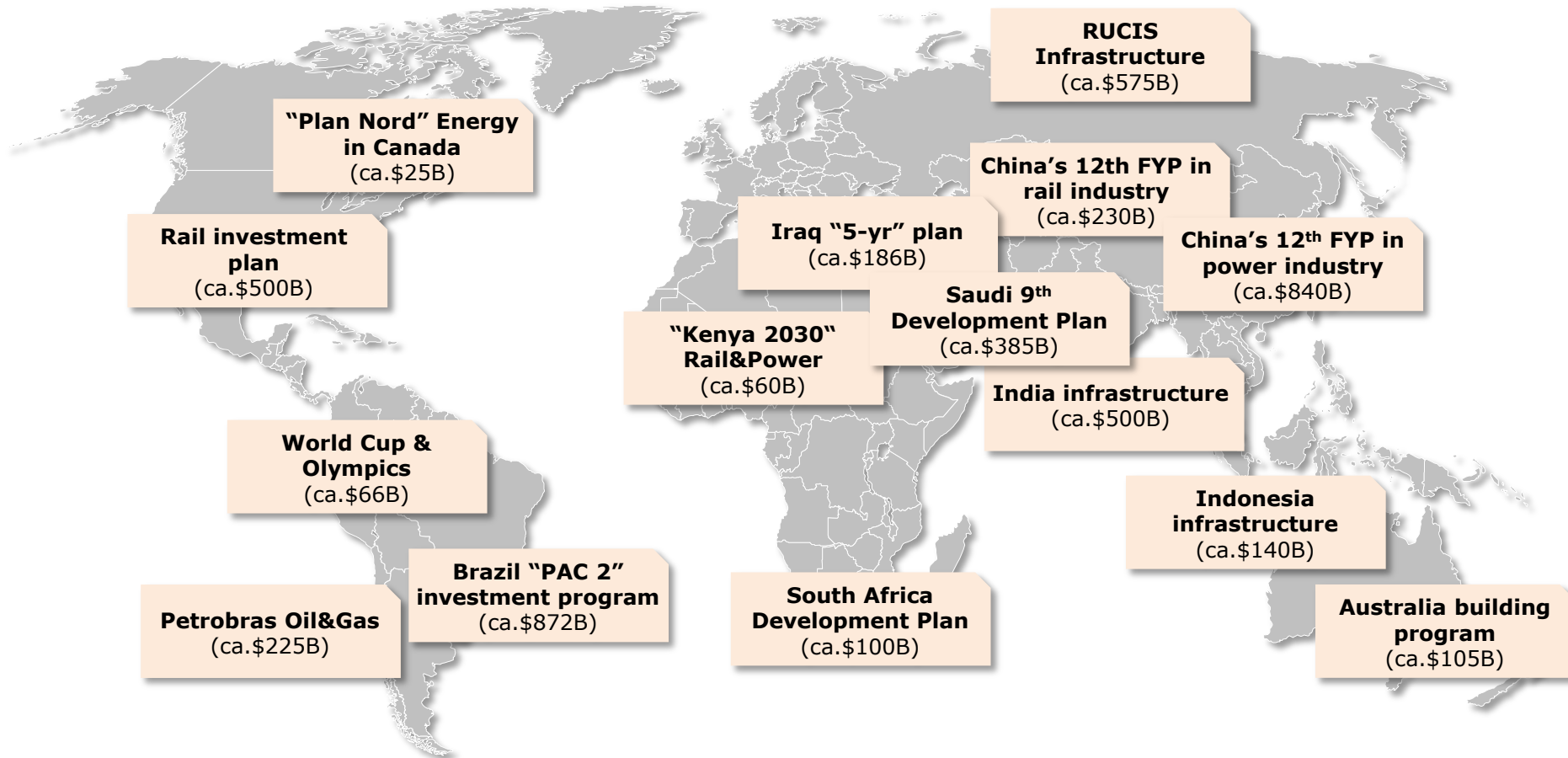
Agriculture applications: Drainage & Dewatering

Large trench rock excavation

Quarry application

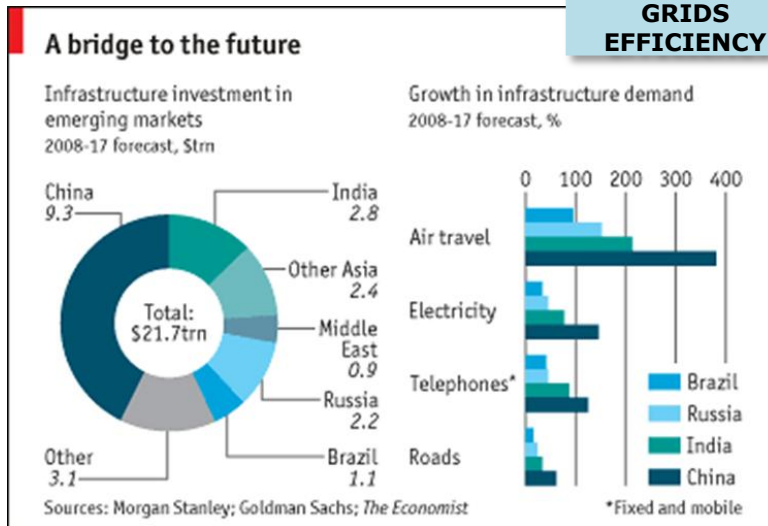
Site preparation

Major global infrastructure plans totaling \$4 trillion over the next 20 years

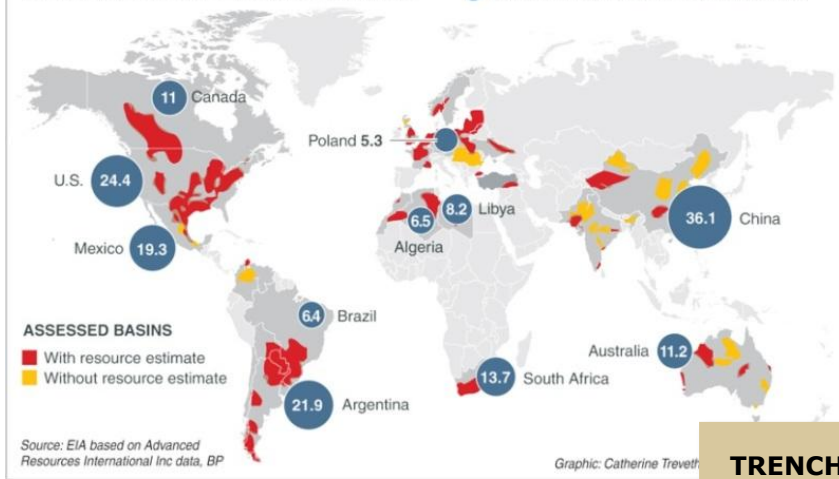


Growth Drivers

STRINGING & GRIDS EFFICIENCY

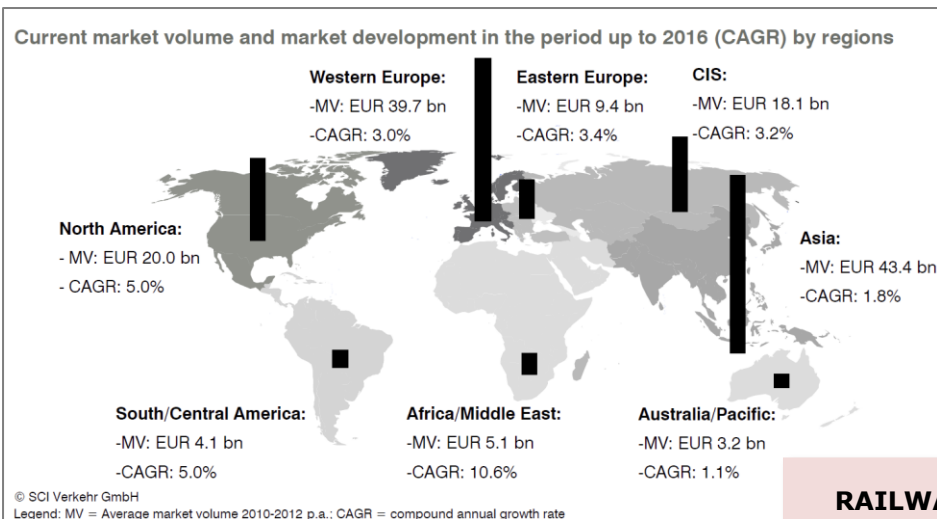


GLOBAL SHALE GAS BASINS



TRENCHERS

Where there are infrastructure projects... there is Tesmec



RAILWAY

Business overview

MISSION: to operate in strategic markets for the growth and the modernization of every country in the world

From..

.. To ..

Overhead & Underground Power Lines

Transmission & Distribution Networks

Civil Infrastructure

Pipelines
Telecom
Bulk
Excavation

Urban Construction

Road Jobs
Construction
Utilities

Overhead & Underground Power Lines

Transmission & Distribution Networks

Power and Smart Grids

Transmission & Distribution Networks

Railway Lines

Railway
Electrification &
Maintenance

Civil Infrastructure

Pipelines
Telecom
Bulk
Excavation

Trenching Services

Special
Contracting

Urban Construction

Road Jobs
Construction
Utilities



STRINGING EQUIPMENT



TRENCHERS



MULTIPURPOSE MACHINES



STRINGING EQUIPMENT

INTEGRATED SYSTEMS



RAILWAY EQUIPMENT



TRENCHERS

TRENCHERS



MULTIPURPOSE MACHINES

CROSS SELLING: new opportunities

Tesmec Group Strategy

Innovation



Internationalization



Integration



LEADERSHIP

Focus on **QUALITY** to get the **PREMIUM** Sector of the market

Research & Development: Innovation



> 5%* OF TOTAL REVENUES
INVESTED EVERY YEAR
IN INTERNAL R&D

*AVERAGE AMOUNT

Tesmec believes that collaboration with academic world and research institutions generates a business model to successfully overcome the complex dynamics of the global market.



University of Pisa



Politecnico di Milano



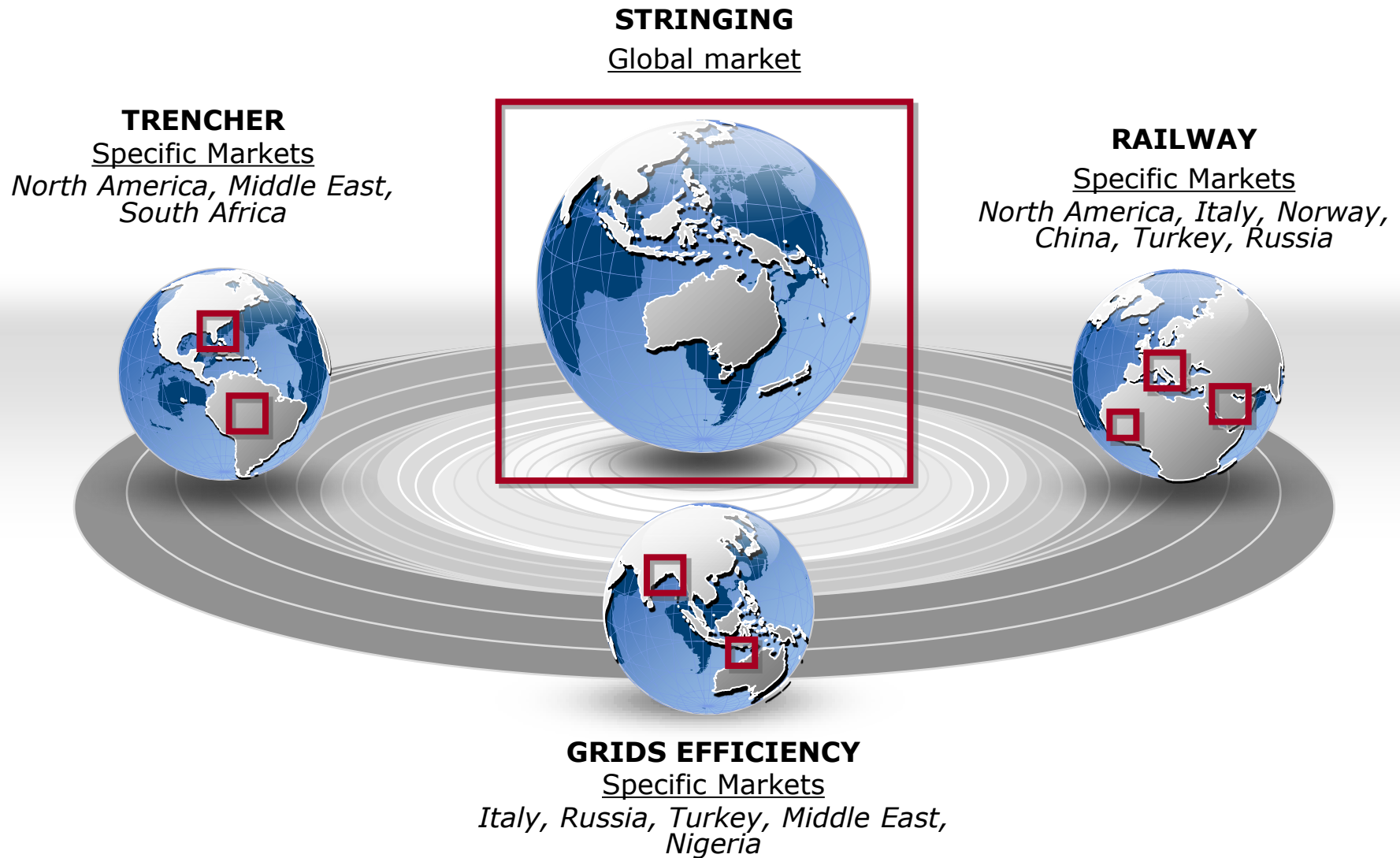
Tsinghua University, Beijing

SDA Bocconi *University of*
School of Management *Milano*

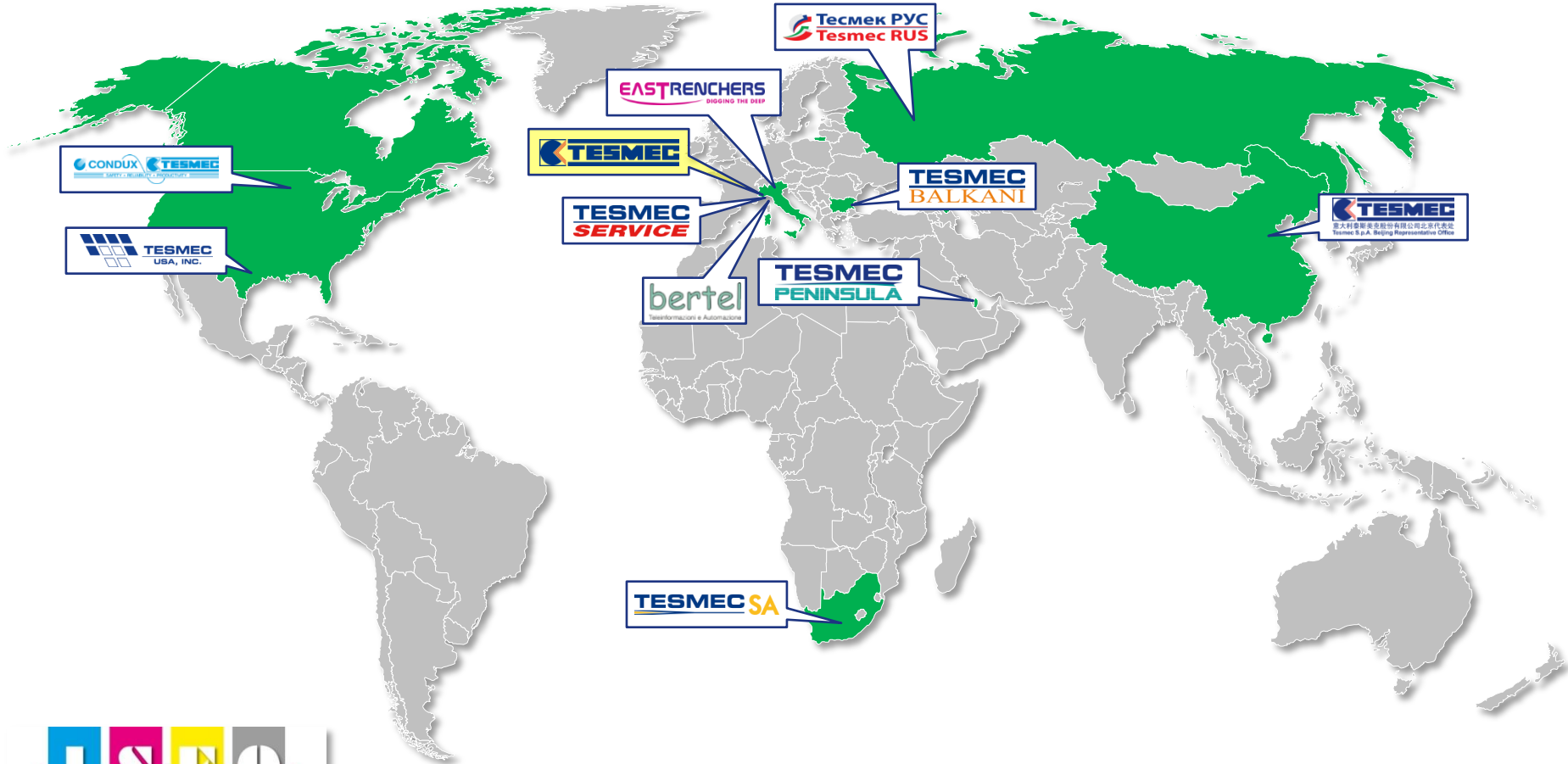


University of Bergamo

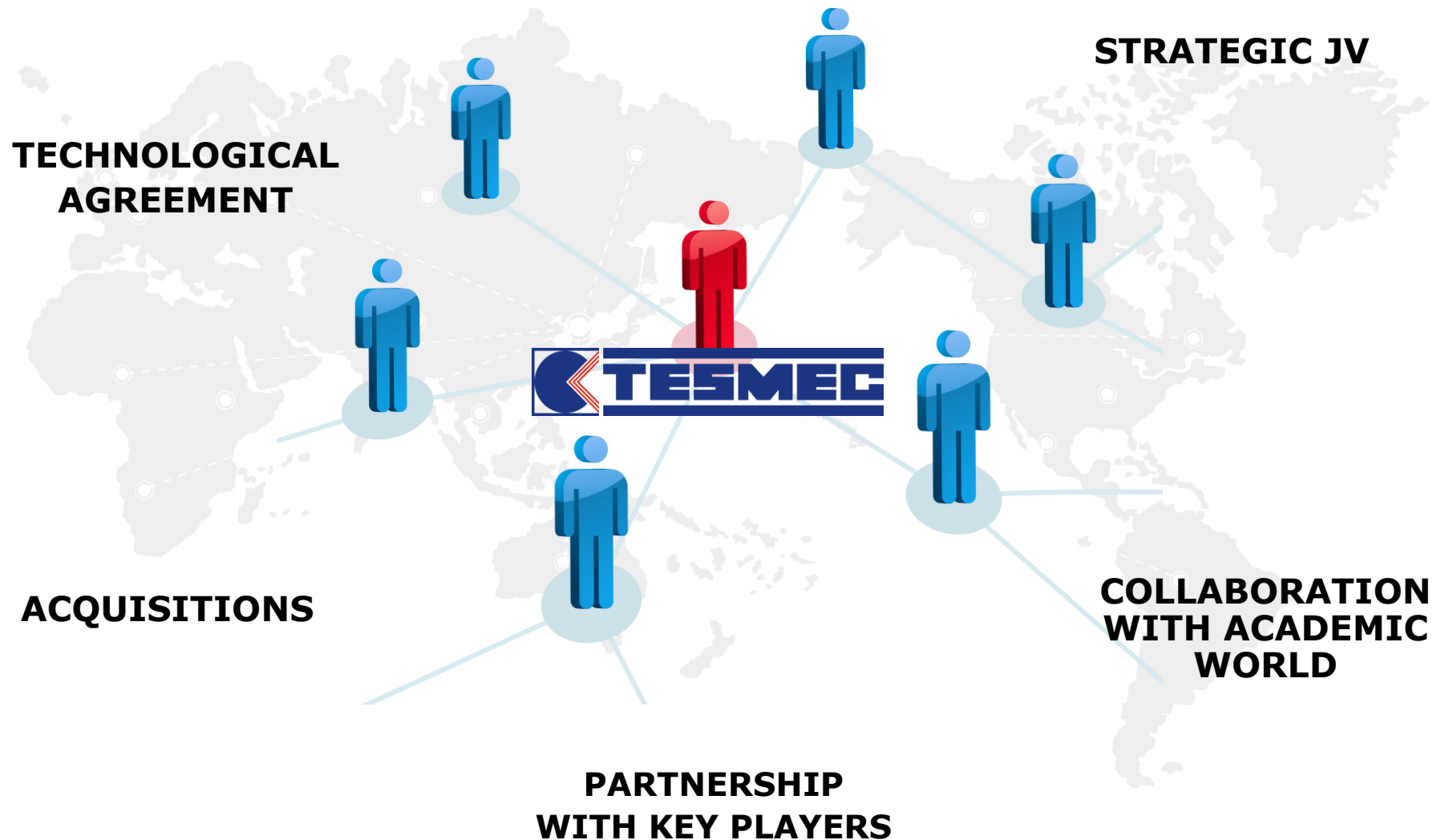
Market Position: Internationalization



Global Footprint



Key Partnership: Integration



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- Market & Strategy
- **Integrated Solutions**
- Main Financial Data

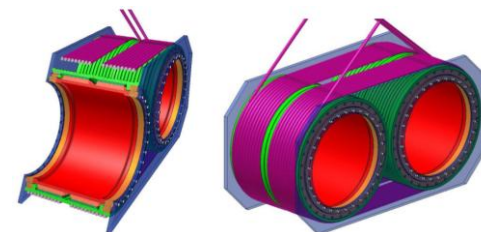
Stringing Equipment

Overhead & Underground Power Lines

Transmission & Distribution Networks

APPLICATIONS

- High, Extra and Ultra high voltage overhead transmission lines up to 1200kV AC and 800 kV DC
- Medium voltage distribution lines
- Fiber optic lines (OPGW, ADSS)
- Underground cables



STRINGING EQUIPMENT

INNOVATION

- Evolution of electronics
- Equipment of new generation
- Special projects (river crossing, mountains..)
- Hybrid machines
- Engines upgrade in accordance with anti-pollution legislation

Civil Infrastructure

Pipelines
Telecom
Bulk Excavation

APPLICATIONS

- Oil & Gas pipelines, Water and sewage lines
- Utilities
- Telecom networks and power cable installation
- Bulk excavation of rock and Quarries
- Dewatering and drainages
- Agricultural applications



INNOVATION

- Development of multifunctional platforms (base machine + devices)
- Design of solutions for specific sectors: new systems
- Specific machines for mining and quarries
- Engines upgrade in accordance with anti-pollution legislation



TRENCHERS

NEW

Railway Lines

Railway
Electrification &
Maintenance

APPLICATIONS

- Stringing New Lines & Reconductoring Old Lines
- Maintenance operations (services, inspection, repairing & replacing catenary parts)
- Diagnostic
- Specialized non standard applications



RAILWAY EQUIPMENT

INNOVATION

- Design and development of high performance multifunction machines
- Advanced safety system (BL3)
- Customized solutions

Trenching Services

NEW

**Trenching
Services**

Special
Contracting

DESIGN

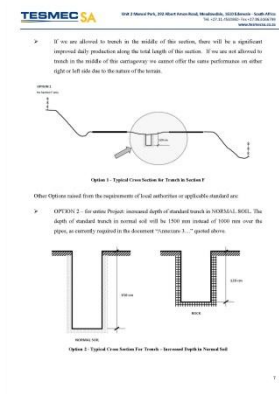
- Tender Analysis, Feasibility Study, Preliminary Survey, Route Detailed Survey, Preliminary and detailed Infrastructure Design for Civil Works, Bill of Quantities

OPERATIONS

- Trenching, Ducts/Cable Laying, Bedding and Padding, Backfilling

SUPPORT TO OPERATIONS

- Planning, Civil Works Supervision, Trenchers Operation & Maintenance, Project Management Staff



TRENCHERS

Development of Middle East Platform for advanced digging services

Power and Smart Grids

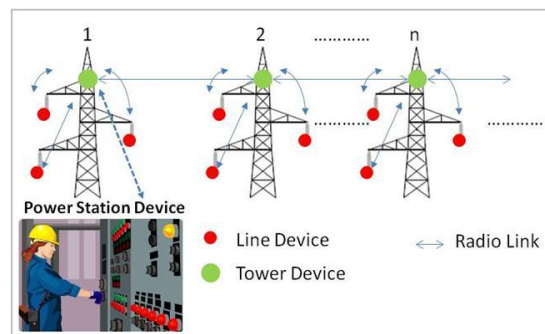
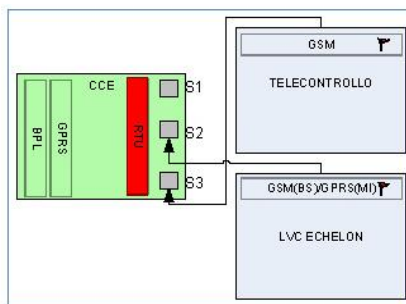
NEW

APPLICATIONS

- Transmission Lines (High Voltage)
- Distribution Lines (Medium and Low Voltage)

Power and Smart Grids

Transmission & Distribution Networks



INTEGRATED SYSTEMS

- Sensing, Analytics and Control
- Tele-protection
- Remote Monitoring

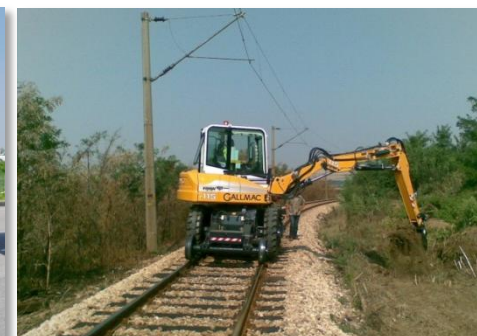
Gallmac machines

Urban Construction

Road Jobs
Construction
Utilities

APPLICATIONS

- Road jobs
- Construction
- Utilities
- Railway application



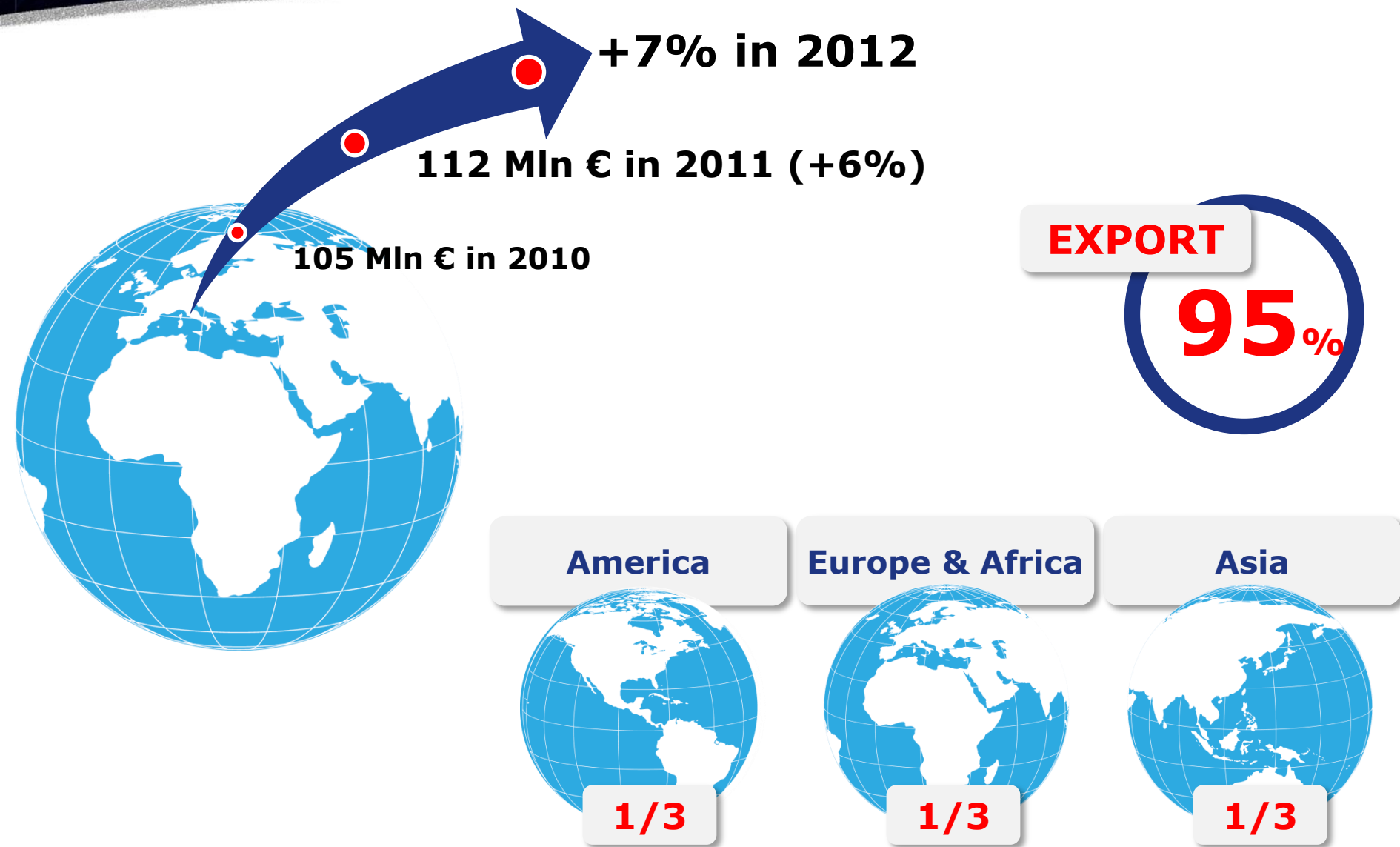
MULTIPURPOSE MACHINES

USA: new target market

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International Presence by Revenues



Key Projects



STRINGING
Big Projects in USA
(Tesmec-Condux)

RAILWAY
Strategic Project
with Amtrak in USA



RAILWAY
New technologies
for RFI in Italy

GRIDS EFFICIENCY
Agreement with FSK
in Russia



RAILWAY
Catenary
Installation in China

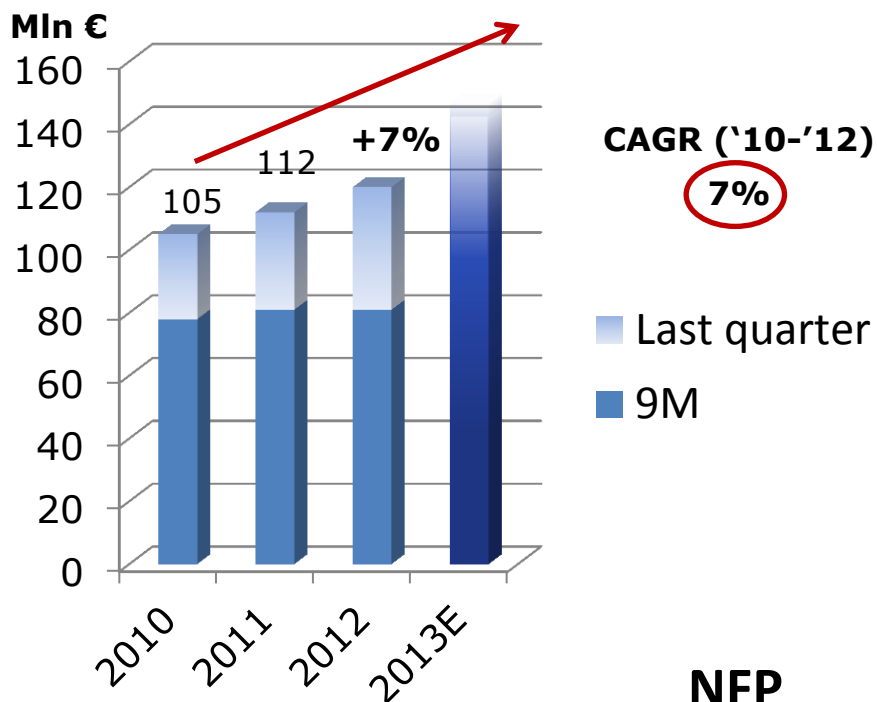
TRENCHERS
Development in
Qatar&Saudi Arabia

SPECIALIST
SERVICES
Platform in MiddleEast

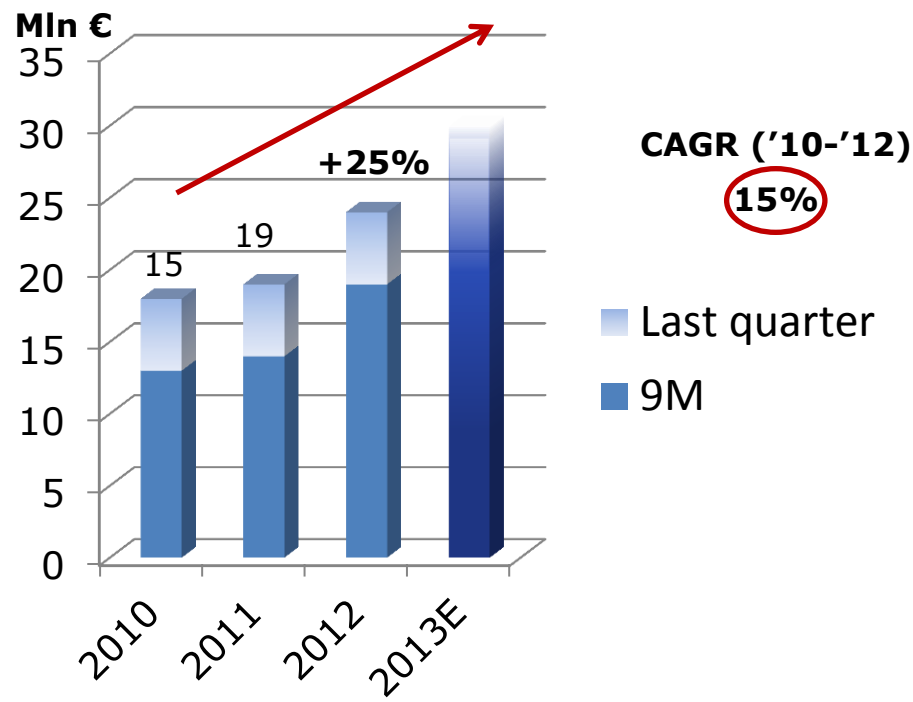


Tesmec Group key numbers 2010 - 2012

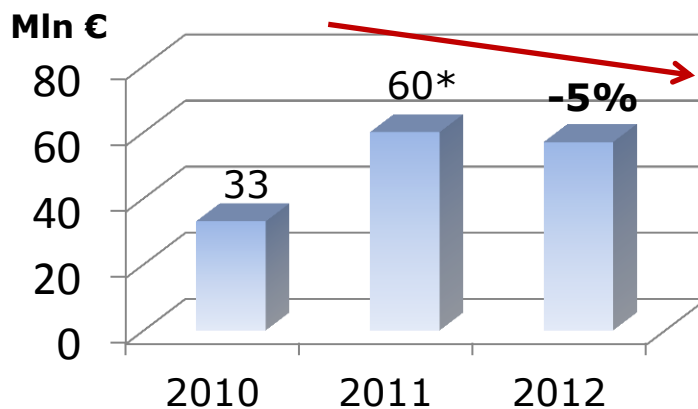
REVENUE



EBITDA



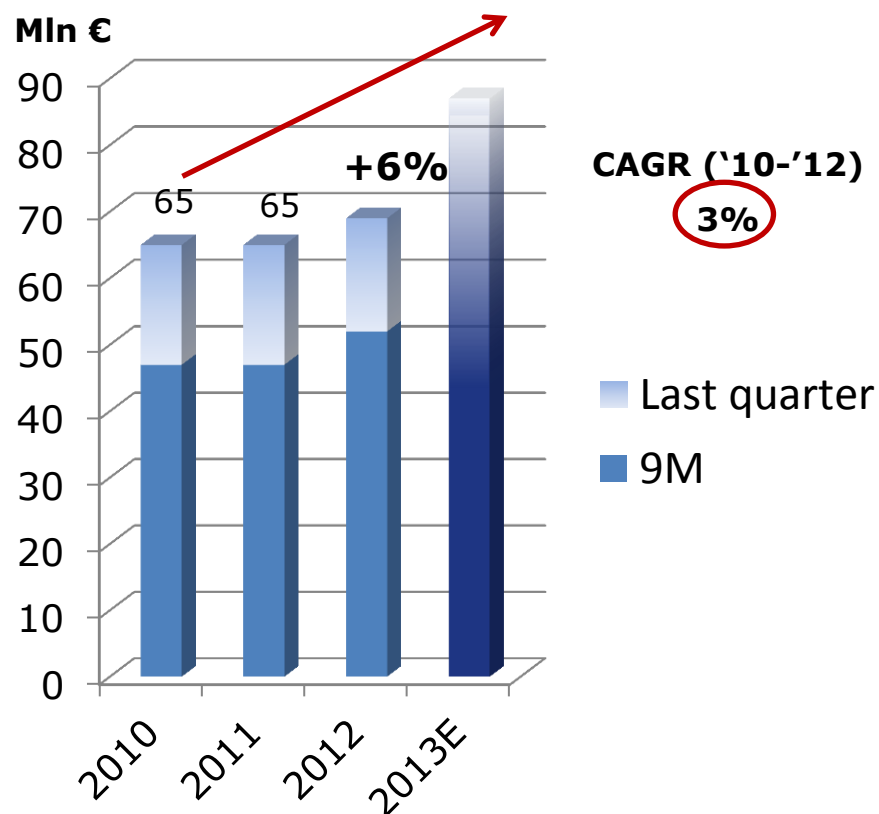
NFP



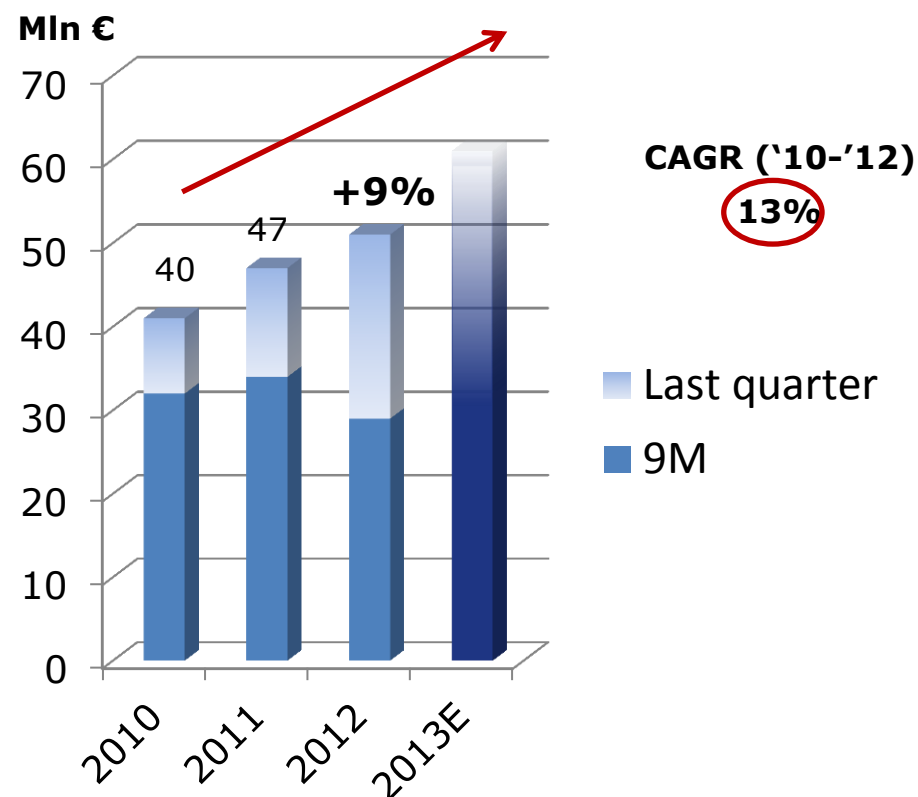
(*) IAS 17 for Grassobbio premises has an increase effect on NFP equal to 21,8 Euro Mln

Revenue by Division numbers 2010 - 2012

STRINGING



TRENCHER



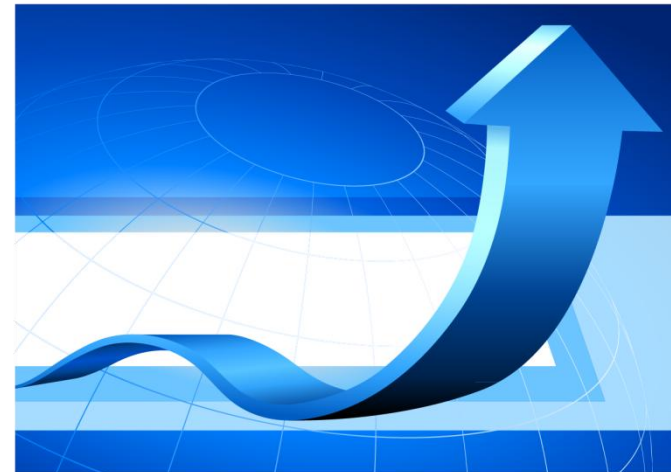
Outlook 2013 - 2015

Revenue increase in all lines of business for the **next 3 years:**

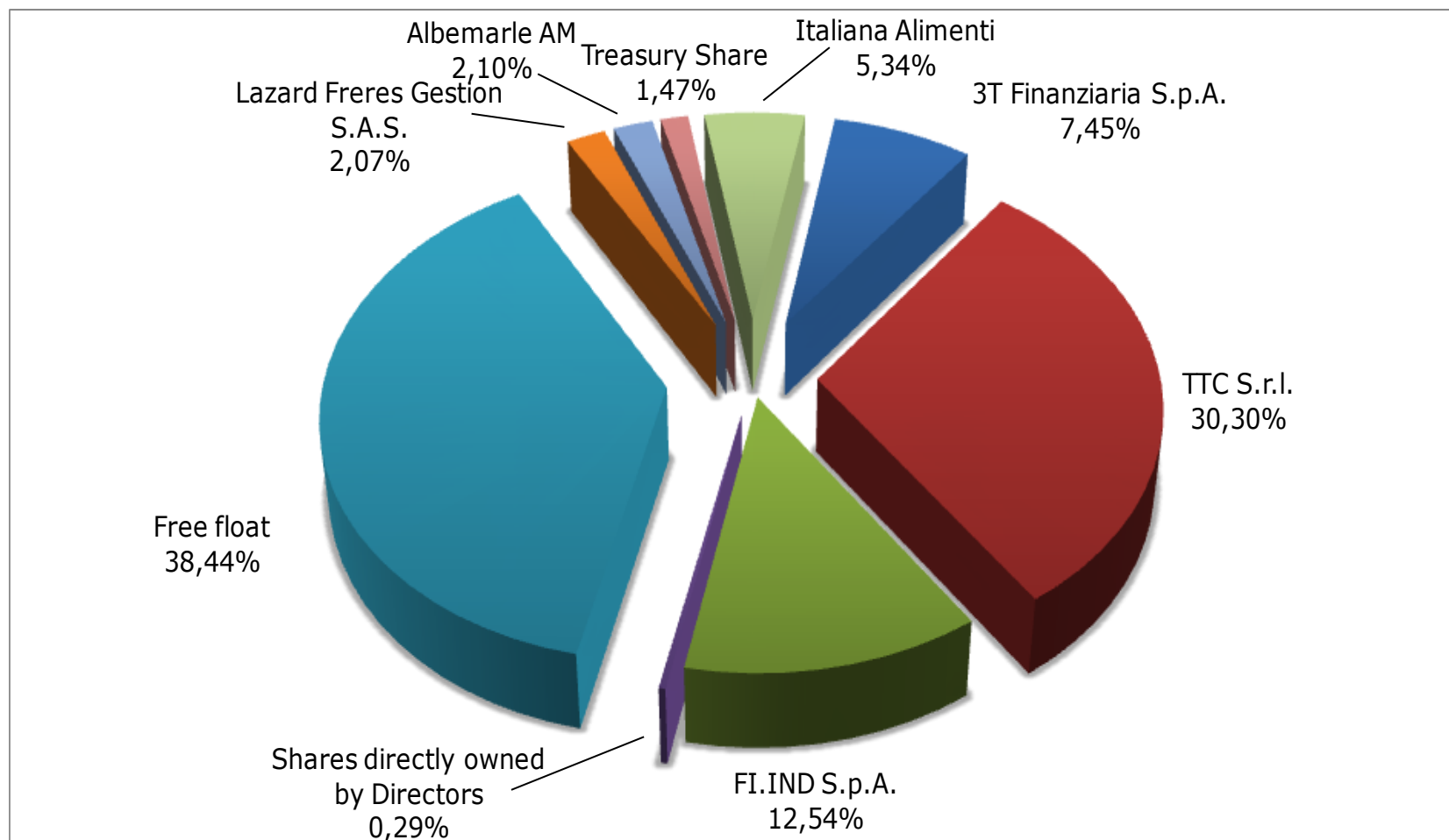
- **Single digit** in *Stringing and Trencher*;
- **Double digit in new business lines** (*Railway, Efficiency and Special Contracting*).

Financial:

- No increase in Share Capital;
- Dividend pay-out ratio increasing;
- Capex in line with previous years.



Shareholding Structure





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