

Bonatti Group

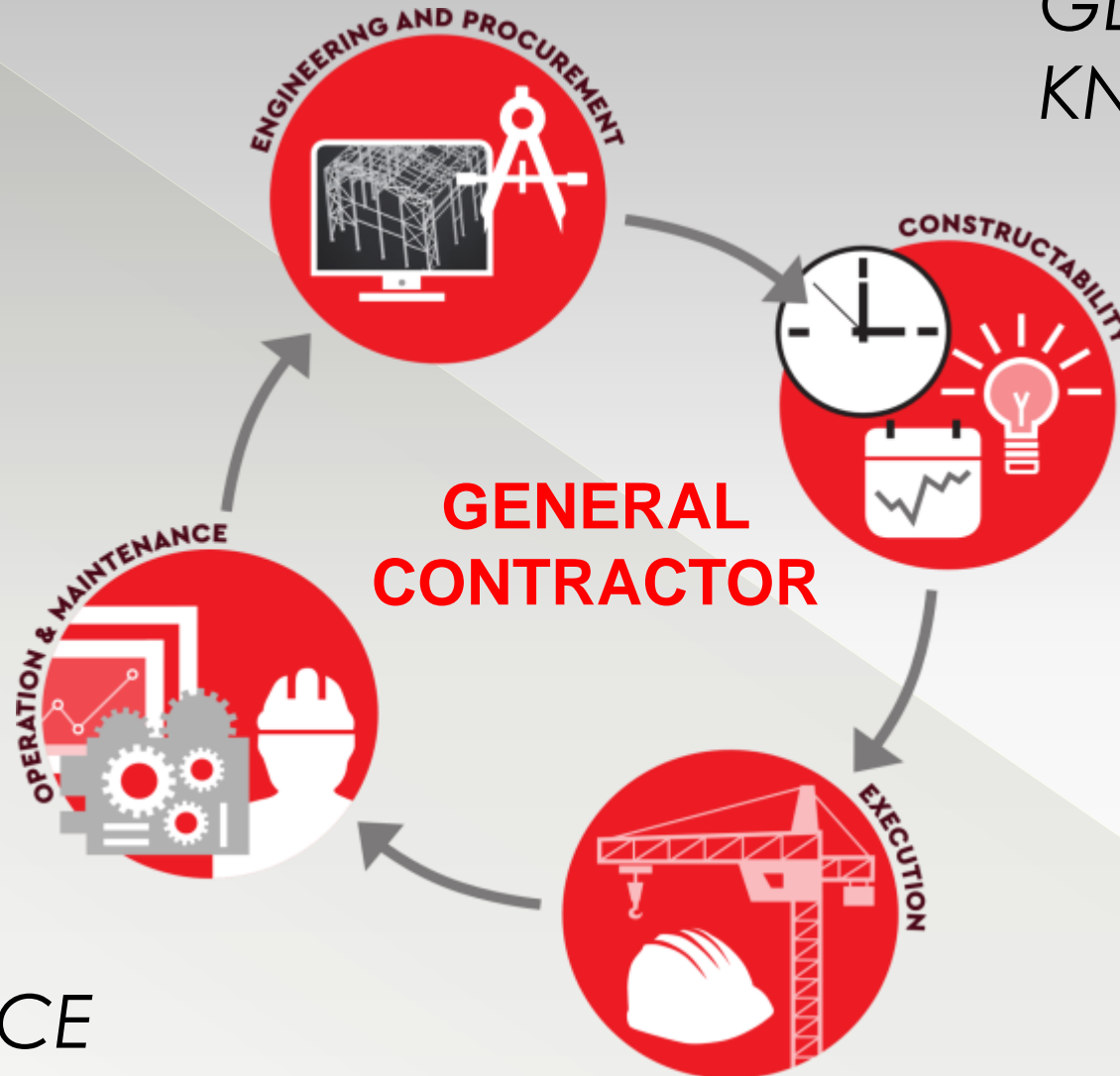
**FROM CONSTRUCTION COMPANY TO OIL & GAS
INTEGRAL SOLUTIONS PROVIDER**



 **Bonatti**

OUR VALUE PROPOSITION: A “LOOP CYCLE” SERVICE COMPANY ...

GLOBAL
KNOWLEDGES



LOCAL
PRESENCE

... WORKING IN CHALLENGING AREAS WITH LOCAL APPROACH ...



KAZAKHSTAN - FROZEN STEPPE



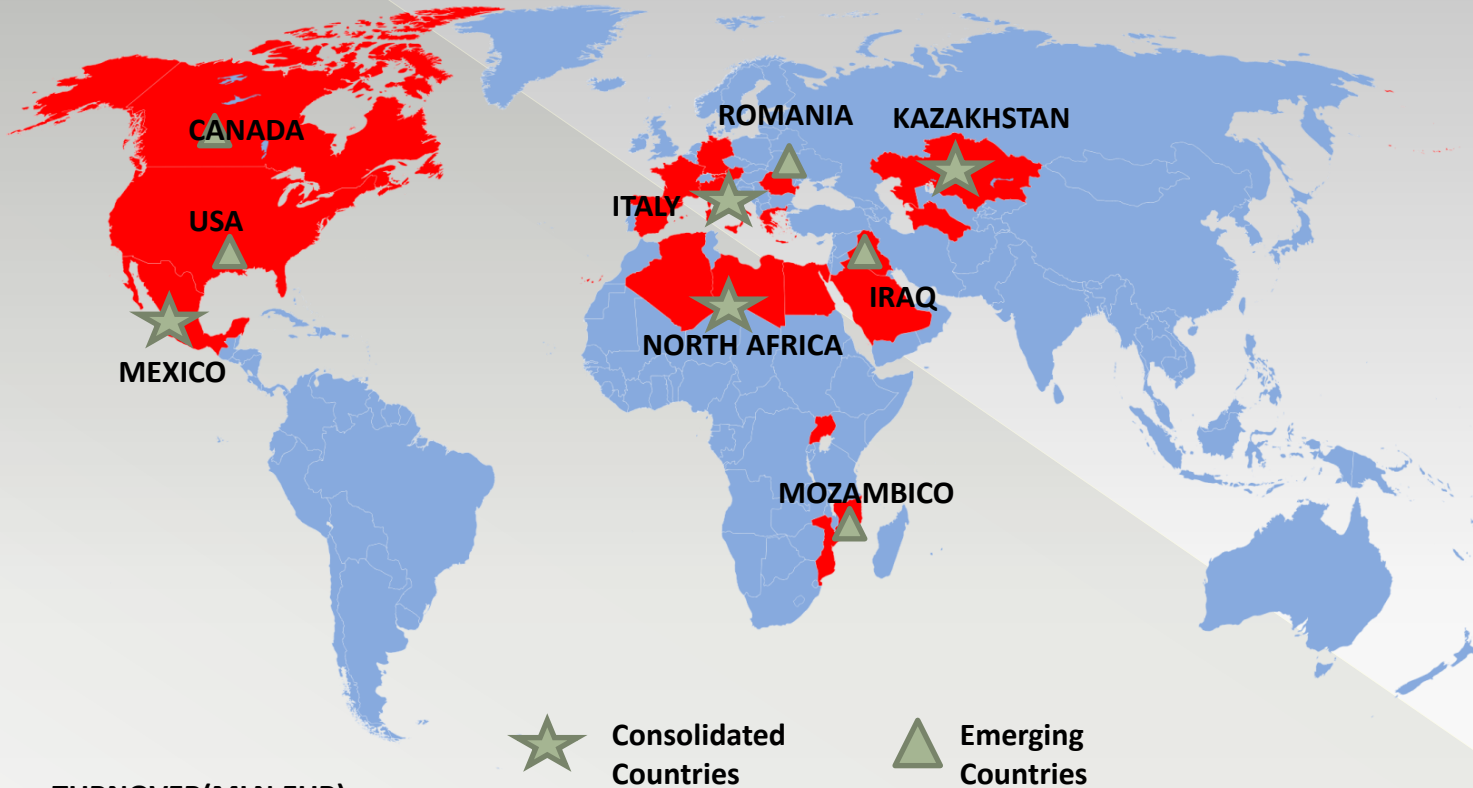
ALGERIA - SAHARA DESERT



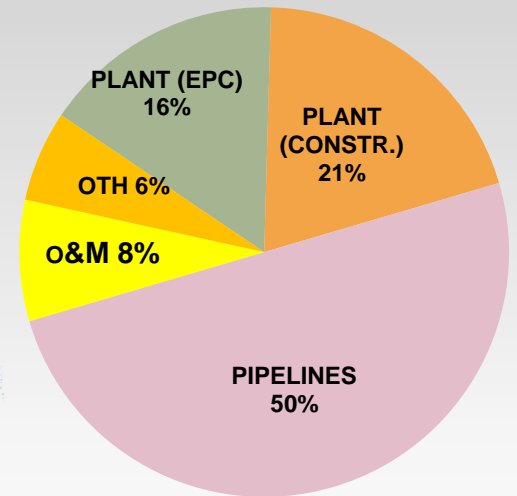
MOZAMBICO - AFRICAN BUSH

... A **GLO-CAL** GENERAL CONTRACTOR WITH 7,000 EMPLOYEES AROUND THE WORLD

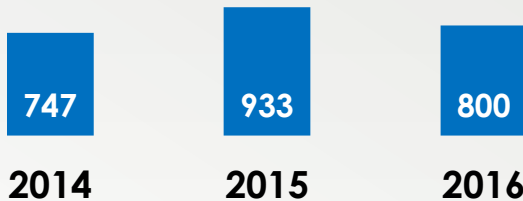
GLOBAL PRESENCE



TURNOVER BY BUSINESS UNIT



TURNOVER (MLN EUR)

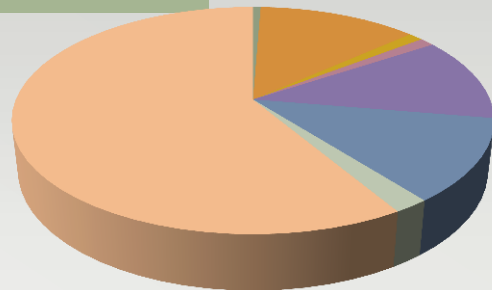


MLN EUR	31/12/2016	30/06/2016	31/12/2015
Backlog	1,376	1,416	1,278

WHAT WE BUY ... AND FROM WHERE GOODS AND SERVICES ARE REQUIRED

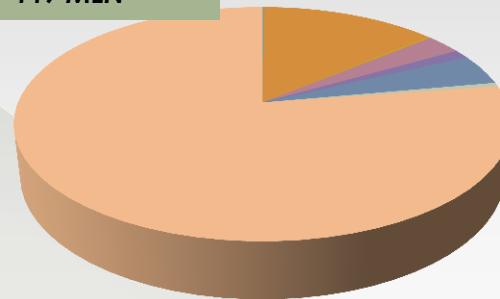
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Asset	0,77	6,38	3,37	1,10	4,01	1,27	5,03	1,00	3,31	3,66
Consumables	20,49	32,18	33,61	31,40	20,17	38,17	56,48	61,53	53,97	35,12
Equipment	11,12	14,54	18,42	11,37	17,61	13,14	9,29	10,12	21,33	16,44
Material installed	25,87	20,52	12,26	6,80	12,14	10,27	14,96	6,96	5,68	3,82
Machines	4,41	0,12	0,31	15,99	0,35	23,17	43,70	48,26	13,93	6,96
Project Materials	20,64	36,64	12,66	12,13	45,31	55,60	50,14	35,87	49,52	24,22
Spare Parts	6,57	6,40	5,83	4,85	3,45	3,45	4,87	4,59	9,40	4,41
Subcontracting	175,64	274,86	278,08	211,17	202,70	142,98	289,92	433,53	256,78	104,96
Overall Total	265,51	391,65	364,53	294,80	305,73	288,06	474,37	601,85	413,93	199,61

ALGERIA - 589 MLN



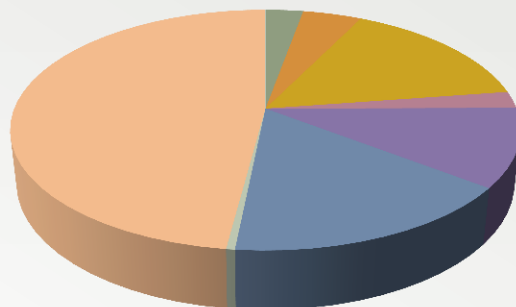
- ASST
- CONS
- EQPM
- FIEM
- MACH
- PRJM
- SPAR
- SUBC

MEXICO- 449 MLN



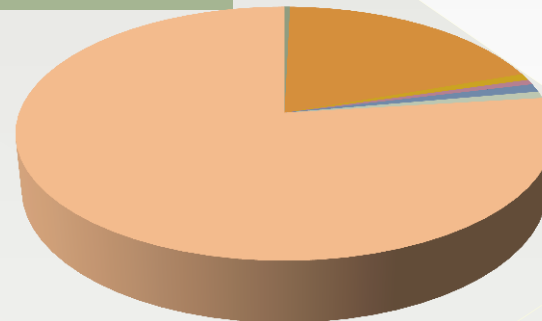
- ASST
- CONS
- EQPM
- FIEM
- MACH
- PRJM
- SPAR
- SUBC

ITALIA - 273 MLN



- ASST
- CONS
- EQPM
- FIEM
- MACH
- PRJM
- SPAR
- SUBC

KZ- 168 MLN

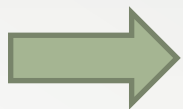


- ASST
- CONS
- EQPM
- FIEM
- MACH
- PRJM
- SPAR
- SUBC

WHERE WE BUY ... ITALY AND LOCAL MARKETS

Country	FY12	FY13	FY14	FY15	FY16	FY17	Total
IT	117,75	131,64	157,89	125,46	110,03	52,94	695,71
DZ	42,82	45,55	86,59	113,85	146,84	42,60	478,26
MX	0,01	8,10	111,35	141,80	92,86	74,90	429,02
SA	100,90	73,61	41,99	20,55	3,14	0,98	241,16
KZ	0,82	0,26	0,79	108,71	11,26	1,48	123,32
EU	30,80	12,45	27,09	33,44	19,32	7,30	130,40
LY	0,66	2,73	2,42	5,64	10,54	0,09	22,08
US	0,23	0,95	5,55	4,69	6,11	2,56	20,09
AE	0,02	0,44	1,91	12,57	1,19	2,21	18,33
RO	-	-	3,34	3,08	2,95	3,91	13,28
IQ	-	0,02	5,98	2,13	-	4,39	12,52
MZ	-	-	0,04	7,68	0,97	-	8,69
CA	0,20	0,72	5,36	0,98	0,74	0,41	8,41
CN	-	0,01	-	8,04	-	-	8,05
TN	-	0,37	0,32	3,05	2,56	0,03	6,32
OTHER	11,53	11,24	23,74	10,18	5,43	5,81	67,93
TOTAL	305,73	288,06	474,37	601,85	413,93	199,61	2.283,56

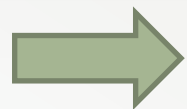
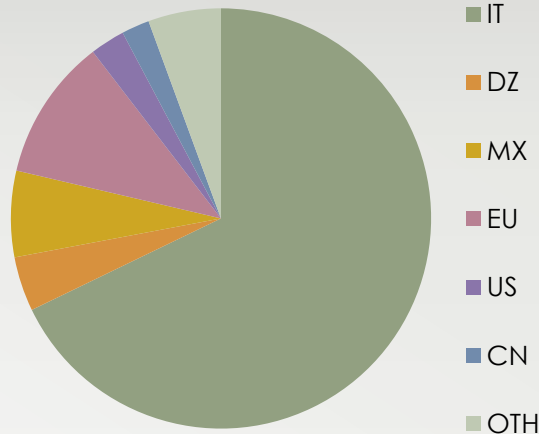
ALL	FY16	FY17
30,47%	26,58%	26,52%
20,94%	35,47%	21,34%
18,79%	22,43%	37,52%
10,56%	0,76%	0,49%
5,40%	2,72%	0,74%
5,71%	4,67%	3,66%
0,97%	2,55%	0,04%
0,88%	1,48%	1,28%
0,80%	0,29%	1,11%
0,58%	0,71%	1,96%
0,55%	0,00%	2,20%
0,38%	0,24%	0,00%
0,37%	0,18%	0,21%
0,35%	0,00%	0,00%
0,28%	0,62%	0,01%
2,97%	1,31%	2,91%
100,00%	100,00%	100,00%



In the last two years around 85% of Bonatti procured GOODS and Services has been provided by Suppliers located in Italy / Algeria / Mexico

Assets / Projects Material

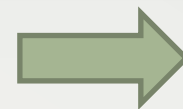
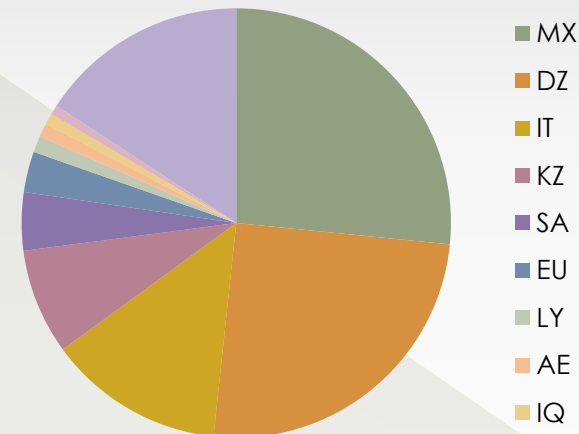
Country	Amount	%
IT	248.297.081	67,83%
DZ	15.364.854	4,20%
MX	24.279.702	6,63%
EU	39.921.831	10,91%
US	9.812.595	2,68%
CN	7.859.404	2,15%
OTH	20.510.054	5,60%
Total	366.045.522	100,00%



Strongly focused on Italian Market

Consumables / Subcontracts

Country	Amount	%
MX	396.628.889	26,59%
DZ	374.522.267	25,10%
IT	198.025.858	13,27%
KZ	118.764.323	7,96%
SA	65.398.764	4,38%
EU	45.672.402	3,06%
LY	18.640.407	1,25%
AE	15.235.084	1,02%
IQ	12.492.415	0,84%
RO	10.697.284	0,72%
OTH	235.777.220	15,80%
Total	1.491.854.913	100,00%



Locally Purchased

Procurement and Material Management: our path

STARTING POINT: PROCUREMENT AND MATERIAL MGMT

Engineering:

- Design realized through stand alone tools and -2D application

Procurement:

- Focus on Purchasing
- Expediting in charge to Projects
- Inspection in charge to QA/QC dept

Construction

- Information on deliveries “off-line” with xls reports
- Piping Feasibility not integrated with material mgmt system

PROCESSES

ORGANIZATION

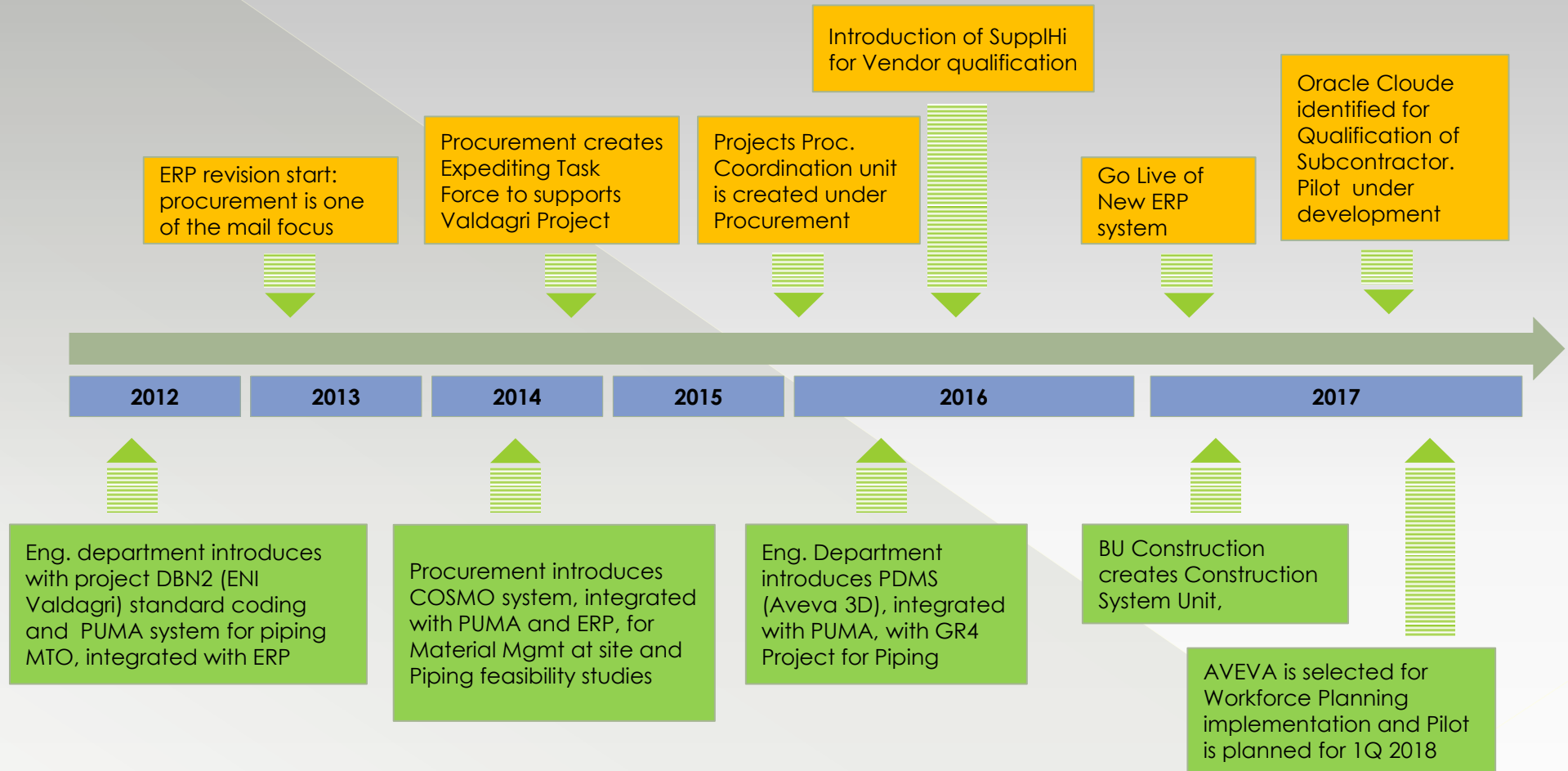
SYSTEMS

Extension of Procurement responsibility from Purchasing to the Overall Procurement cycle

Material Management Flow Integration from Engineering Design to Construction Execution

MAIN EVENTS

Procurement Department evolution



Material Management system and process evolution

WHERE WE ARE NOW ...

Engineering:

- *Design realized through overall 3D model*
- *Piping MTO and Spooling automatically derived by 3D model*

Procurement:

- Procurement fully responsible from the MR receipt to the site arrival
- *Expediting and Inspection executed and coordinated by Procurement*

Construction

- Costructability issue within 3D model review
- Piping Feasibility automatically derived by crossing 3D Model and purchase orders

... and where we are going...

3D MULTI –
DISCIPLINARY
MODELING

VENDOR RATING

ADV. WAREHOUSE
(Stock mgmt /
Barcode)

SMART
CONSTRUCTION

WORKFORCE
PLANNING

OUR CHALLENGE: END USERS ASK US TO CONTINUOUSLY REDUCE PROJECTS TIME TO MARKET

Our main focus

... *Coordination and Integration:*

- Reduce work inefficiency and make reliable plan, ensuring **availability of the right resource at the right moment**
- Focus on **total time of delivery**, choosing solutions that minimize installation effort at Site
- **Minimize reworks due to conflicts** between WORKS done internally and externally

What we ask to our Supplier

... *GOODS delivery optimization:*

- Immediate mobilization after purchase order receipt: Focus on **Bid for Bid** and **quick start-up**
- Flexibility in move on also in uncertain environment: consider Delivery Dates as Mandatory and **assume reasonable risks to meet the target**
- **Control of the Supplier Supply Chain**, including internal facilities, sub-supplier and sub-contractors
- Availability to provide **Support at Site** in flexible and timely way

... *Complete Reliability in Quality and Conformity:*

- Attention to the details in order to **ensure total conformity** of GOODS provided
- Focus on **completeness of the documentation and compliance with Local Regulations**, in order to avoid issue in transportation, clearance and GOODS acceptance

OUR TECHNOLOGICAL EXCELLENCES



WELLS PRODUCTION SERVICES

MULTIPHASE PUMPING SYSTEMS

**70.000 BEPD of oil and over
5.000.000 m³/d of gas**

PIPELINE CONSTRUCTION

MECHATRONIC WELDING SYSTEM

Average of 130 Joints per Day

Peak of 302 Joints per Day

Final repair percentage rate 0.6%

Data from Project El-Oro Mazatlan, dia 24"

