



December 2005

Great Challenging Times......

I am particularly honoured to welcome you to this third edition of our Group Newsletter. As you will see in the next pages of this issue, important projects have been completed in all segments of our activities during the second half of 2005 and we are proud to say that recent important awards have been achieved by the group to start in 2006.

From the completion, with the spectacular erection of the Flare Stack, of the prestigious Hammerfest project in Northern Norway, to the delivery, in the middle of the historical centre in Milan, of the submarine "Enrico Toti", to the "hot RSG summer" with 11 new replacement steam generators timely delivered to the US utilities and completion of major achievements of our Project Logistics and Heavy Transport & Lifting Business Units, the year 2005 was particularly successful.

Along with significant investments undertaken by the Group on both, highly qualified engineering resources, who brought Fagioli to a new top HSE and QA certification, and new state-ofthe-art equipment, we have continued our global expansion project consolidating our network of own presences in the US, the Middle East as well as the Mediterranean Area. Important project related strategic alliances with highly qualified partners, like the Transoceanic Shipping Company of the US, are synergic to this development.

Another important keyword in our development is the integration of the different services within the group leading to our unique seamless package service. Our clients are consequently "one-hand" supported; from the air freighting of spare parts for a specific project, throughout a fully managed project logistics coordination, up to the ultra heavy transport, lifting and installation process of any component for the different industries.....safely, on time and wherever in the world.

Great challenging times have just begun.....

Happy reading and, from all our team, thank you for your trust in us and our sincere best wishes for a splendid 2006!!

Riccardo Tippmann, Director World Wide Group Development

IN THIS ISSUE

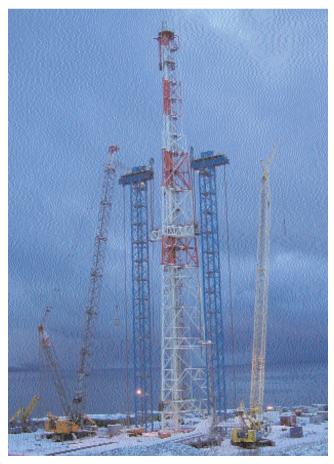
- Great Challenging Times
- Heavy Lifting and Transportation
- Project Logistics and Freight Forwarding
- New Websites
- Fagioli SpA Moves Premises
- IATA Registered
- Group Integration
- Transoceanic Alliance
- More Axles for MPSC





Up she goes!





Following on from the report in our last Newsletter, Fagioli after 1 year and half of transportation and lifting activities at Hammerfest LNG plant, in Northern Norway, has completed the project finishing with the spectacular erection of a 137 metre high flare stack. This 609-tonne stack was raised into a vertical position by two of Fagioli PSC's 80-metre-high lifting towers, with one L450 Strand Jack on top of each tower which carried out the lifting of the flare stack and two L300s at ground level which were used as tie backs. Two SPMTs (20 axles) were used for tailing.

It took about seven hours to bring the structure to an angle of 80 degrees from the horizontal. The SPMTs were then disconnected and the stack placed vertically on a foundation attached to the bedrock. In order to keep the centre of gravity as low as possible, three additional 'flare shoes' (about 7 tons each) were attached to the foot of the stack.

Throughout the SNØHVIT project Fagioli's top priority was to execute all activities onsite under high safety standards as such Fagioli were awarded by the client the 3rd quarter SNØHVIT HSE AWARD.

Here it is a list of the pieces installed by Fagioli on the island throughout the whole project!!

| Unit Type | Total no. of installed unit | Total weights (t) |
|-----------|-----------------------------|----------------------|
| PAR | 44 | 5,784 |
| PAU | 69 | 15,717 |
| VAU | 14 | 2,026 |
| PAS | 5 | 153 |
| SL | 3 | 1,953 |
| Cold Box | 1 | 2,700 |
| Flare | 1 | 607 |
| TOTAL | 187 | 28,940 |



"Sub and the City"

Back in May 2001 submarine Toti reached the inland port of Cremona where Fagioli raised it out of the water. It wasn't until August 2005 that Fagioli were asked to transport the submarine 100 km from the port to its final resting place at the Leonardo da Vinci museum in Milan centre.

Toti is 46.2 metres long, 4.75 metres wide and up to 4.3 metres high. The original weight was 536 tonnes but this was reduced to 408 tonnes by removing some parts of the submarine. Over 200,000 people followed the convoy to Milan.





The Enrico Toti submarine trip agenda:

8th of August: 9 p.m. leaving Cremona port. Arrival in Corte Madama (CR) during the night

9th of August: 10 p.m. leaving Corte Madama. Arrival in Settala (Mi) during the night 10th of August: Stand-by in Settala for the whole day

11th of August: 10 p.m. leaving Settala. Arrival in Milan (Via Toffetti) during the night

12th of August: Stand-by in Milan (Via Toffetti) for the whole day

13th of August: 9 p.m. leaving Via Toffetti and heading to "Science and Technology Museum" through Via Olona.

14th of August: The submarine Toti entered into the yard of the Museum.





2005 was a record year for transportation of steam generators. From June to September Fagioli transported 11 generators weighing between 360 and 730 tonne from Europe to the USA. The first 4 replacement steam generators were loaded at a manufacturing plant in France, together with a mock-up head. Clients requested for this 'door-to-door' project to be delivered within 6 weeks from the loading on the barges in France. The major challenge being the navigation and roll-off along the Missouri River. It took time to study available hydrologic data to relate stream flow, and identify transport and ancillary equipment for navigation, berthing and offloading but at the end Fagioli performed the whole operation on time!!

In the meantime back in France, other generators were loaded as Fagioli was awarded to transport two one-through steam generators (OTSG), each weighing 520 tonnes to Entergy's Arkansas Nuclear One facility. The generators were transported by river in France, by sea to New Orleans and then by river to the plant. It took 5 weeks from start to finish, once again within schedule and without problems.



On 28th August in Spain, a geared ship began the loading of 3 steam generators, each weighing 360 tonnes and a 52 tonne reactor vessel closure head in Maliaño. In the meantime the arrival port of New Orleans was precluded by hurricane Katrina so Fagioli needed the development of a contingency plan to re-route the ship to the port of Mobile, where a special barge was mobilised. The offload and fastening was successfully and safely completed in only 46 hours and the barge was then able to begin upriver navigation soon enough to avoid weather complications caused by the next hurricane. The items were then discharged reaching their final destination in Beaver Valley.

Amazingly the project was completed in the time scheduled and avoided both the Katrina and Rita hurricanes.

Other transport projects for steam generator replacement are to be performed in the next few years.

Full Steam Ahead



In Italy the river transport of the steam generators manufactured in Milan and destined to Arizona was threatened by record low water (see article "Artificial Dams to Raise The Po River"). After assembling the 2 RSGs (810 te Each) in Mantua, they were taken to Venice by barge. After the sea voyage to the port of Guaymas, Mexico, the geared ship offloaded the cargo on 2 sets of 32 axle lines of SPMT on an ocean going deck barge for the prosecution to a location called Playa Encanto where a docking facility was specially built. Client requested to move both generators at the same time and in the middle of the summer, with peak temperatures over 50°C. During the 198 miles length transport a total of 104 axle lines of SPMT's propelled by 8 Power Pack Units were used.





Jamnagar, India



The Fagioli Group performed the transportation and erection of a C-3 Splitter, weighing 1,500 tonnes, 98 metres long and 14 metres diameter for Reliance Industries Ltd. The splitter was manufactured by Doosan at their factory in Masan, Korea and shipped across the Indian Ocean.

Once the vessel reached the jetty at Sikka, it took only two days to transport the splitter to the refinery using two of Fagioli SpA's 36 axle SPMTs.

When the splitter reached the refinery it was delivered underneath Fagioli PSC Towerlift system where it was jacked using the trailer hydraulic suspension onto temporary steel supports.

It was then erected using four L750 Strand Jacks on top of Fagioli PSC's square format towers. The towers were installed in eight 12 metre section each side.

Loadout of Yoho Topside, Malaysia



Fagioli PSC was subcontracted by SDE to do the complete loadout including skidding, ballasting, calculation and the control of the loadout. The 11,700 tonnes Yoho Topside was skidded over a distance of 140 metres by four Fagioli PSC L450 Strand Jacks in July 2005. Two L2/70D diesel engine power packs were mounted on platforms above the jacks to control the pulling operation at a speed of 18m/hr. The module was skidded to the transportation barge in 12 hours, stopping in between for barge ballasting adjustments.

In a separate contract, Fagioli PSC performed the lifting of the deck assembly weighing 3,800 tonnes to mate with the lower deck section delivered underneath in the earlier stage of construction.

PetroCanada, Canada

Fagioli PSC USA successfully lifted a 525 tonne reactor vessel for SNC Lavalin at the PetroCanada Plant, Canada with two L450 jacks on August 27th. The lift took five hours from start to finish. SNC provided technical support as the jacks were placed on an existing structure, which saved the additional cost of tower equipment. Two Fagioli PSC operatives were on hand to supervise the Fagioli PSC equipment operation.





Gas Turbine Shipped to Teverola



The 284 tonne gas turbine positioned onto Fagioli SPMTs in Civitavecchia was transported into a storage area in order to be transhipped onto 15+15 axles lines fitted with girder beams.

Due to the road restrictions, it was decided to transport the gas turbine by sea to a jetty in Formia outside the port with the low draft Fagioli M/V Storman Asia. Once in the port, the cargo was transported by road to site.

Fagioli also performed the final installation onto foundation by Gantry Cranes.

Launch of Andrea Doria

In October Fagioli was contracted by an Italian client for the launching of the new anti-aircraft frigate Andrea Doria, a "jewel" commissioned by the Italian MARINE MILITARY department.

This is not the first time Fagioli has been involved in projects like this. As a matter of fact last year we reported the launch of another impressive ship, but this time, Fagioli with its huge range of SPMTs guaranteed the launch of the entire vessel.

The huge ship is 153 metres long, 20.3 metres wide and weighs 5,500 tonnes. Fagioli used 232 axles of self-propelled modular transporters, with 6 power packs to move the vessel.



Boiler Destined to Qatar



The first stage was the transportation of the boiler 13.72 metres x 8 metres x 11.54 metres weighing 230 tons from Taranto NE / CCT premises to Taranto port using 2 x10 axles SPMTs. Other parts were assembled onto the structure with a different configuration reaching a width of 11.15 metres and a weight of 350 tons.

The boiler was loaded on a self-geared vessel and unloaded in port on SPMTs transported to site and positioned onto foundations at 2.7 metres height.



Cilegon CCPP Unit 1 & 2, Indonesia



Construction of Cilegon CCPP in Indonesia involved the installation of a Starting Unit, Generator and Gas Turbine using a Fagioli PSC Telescopic Gantry.

The 80 tonnes starting unit was lifted off the trailer and traversed to the centre line of its foundation. It was then lowered to rest on concrete blocks temporarily for the rearrangement of tracks and gantry in a 90° direction. The starting unit was then re-lifted and carried to its final position and lowered on base.

The generator weighing 253 tonnes was carried-in by a similar method. However, the 370 tonnes Gas Turbine onbase works only required one direction movement, thus eliminating the need of altering the tracks and gantry arrangement.

Cochin Crane, India

Lifting of the 1,000 tonne box girder at Cochin Shipyard in India. This lift utilised the crane leg at one end to support a cantilever beam arrangement and the Towerlift system at the other end. Prior to this operation Fagioli PSC had lifted both the legs using inclined Towerlift masts.

Since lifting the Cochin crane we are now working on another, smaller crane scheduled for erection in March/April 2006. Expect to see this in our next Newsletter.



Sakhalin PA/B



Further to our last Newsletter we have now transferred the loads for both the LUN/A and PA/B topsides for Samsung Heavy Industries so that they are now on four support points. Additionally, the weighing of both decks has now been completed with the LUN/A deck weighing 15,900 tonnes and the PA/B deck weighing 22,100 tonnes. The main lifting operations are scheduled to commence in March 2006 starting with the LUN/A deck which may have gained a little weight to 23,500 tonnes.

Later in 2006 the PA/B deck will be lifted to 24m and this could weigh as much as 31,000 tonnes.



Jacket and Deck Transport, Lifting and Mobilisation, Ravenna Italy



In Ravenna, Italy Fagioli performed a couple of interesting loadouts: a 900 tonne Jacket tripod (left picture) by means of 3 x 12 axles SPMTs and a 425 tonne deck (right picture) moved by means of 2 x 12 axles SPMTs.

The "Tripod" had previously been assembled with a group owned lattice boom crane TC3,000.



Artificial Dams to Raise the Po River!!

Fagioli transported two steam generators weighing 550 tonnes from Milan to Mantua. Once in Mantua they were assembled, increasing the weight of each generator to 750 tonnes and then transported by barge via the Po river to Venice. Due to the extremely dry summer the water level in the river had dropped. This unforeseen problem meant less time for Fagioli to deliver the generators before the outage at the Palo Verde Nuclear Power Station, Arizona, USA

Nevertheless Fagioli immediately developed plans and engineering studies (approved by local authorities) to build an artificial temporary dam using "rock cages" and other special materials, positioned on the Mincio river bed in order to drastically reduce the water flow. Consequently, the dam raised the Mincio river from 0.6 metres to 2.2 metres (for a length of approximately 2,600 metres) allowing the passage of the barge.



This astounding in-house hydro-dynamic engineering and nautical performance, performed in only 48 hours, allowed Fagioli to complete the delivery of the steam generators to Arizona several days ahead of schedule.

Rail Transport



Itef division is Fagioli's specialised department for the heavy haulage rail transportation with a large fleet of wagons which can load up to 500 tons. The picture shows one of the last projects performed in Italy using 32 axles to transport a 375 tonne generator from Sesto San Giovanni to Venezia Mestre. The item was originally transported by 2 x 12 SPMT axles from point of origin and loaded onto rail wagons. In Venezia Fagioli completed the transportation to final destination. This is a typical full door-to-door project providing the rail and road transportation. Itef division is also involved in all the tests for the "Alta Velocità" activities concerning new fast tracks for "high speed trains" on Italian territory.



Fagioli is proud to have recently completed two important projects which lasted more than 2 years each: the "Oman India Fertiliser Project" and the "Western Libya Project Wafa Plant". The FAGIOLI Group has vast experience of project forwarding and door to door transport of heavy and complex items on a world-wide basis.

For the **OMAN INDIA PROJECT** FAGIOLI transported more than 200,000 freight tons with items weighing up to 370 tons with material coming from all over the world.

Fagioli was responsible for all the following activities:

- Issuing all documentation
- Planning for all different modes of transport (trailers, spmt's, ships, barges)
- Providing status reports on condition of goods
- Custom clearing
- Insurance
- Storage and Warehouse management.

Picture on the right shows the mooring of a local barge with items heading to their destination.



After two years and a half Fagioli completed the forwarding and heavy transport activities for the **WESTERN LIBYA PROJECTS WAFA PLANTS** project involving sea transportation and inland transportation for both the Coastal and Desert sites.

To perform all the transport activities within Lybia and surrounding territories, Fagioli used their own equipment in order to provide the client with a turn-key package. With material coming from all over the world, the existing Lybian office was reinforced with an in-house engineering department that helped with the technical aspects of the sea and inland transport.



This was the first project to be performed in Lybia with more than 320,000 freight tonnes forwarded with pieces up to 260 tons. Being the owners and operators of the heavy duty trailers, Fagioli was in an ideal position, having direct control over all the operations and thus not reliant on third parties. (Picture shows Fagioli trailers in the middle of the Libyan desert).

Through our own delegated office in Libya we have over 30 years of local expertise and a deep knowledge of the local market relating to customs clearance, laws and regulations and Libyan language requirements.

For the Wafa project Fagioli handled the entire transport documentation and we are well informed and constantly updated by our network about the complex international customs regulations. Transport assignments were managed and monitored tightly throughout the transport process of the goods to final point guaranteeing delivery in Lybia. Currently there are some other relevant on-going projects in the Middle East area involving Fagioli project department.

Two important milestones for Fagioli Project Forwarding and Logistics!



Project Forwarding



Fagioli forwarding department is moving in some other different directions due to the continuous evolution of the market. Over the last few months Fagioli has been involved in humanitarian logistics support for New York U.N. association and representatives all over the world, concerning the transport and forwarding of logistical equipment.

In particular we would like to mention 3 projects recently performed by Fagioli:

- Military structures for Brazilian Army from Rio de Janeiro to Haiti (6,500 c/mts of equipment and vehicles)
- Shipping of all Jordanian military equipment from Kossovo to Aqaba (4,000 c/mts)
- Door-to-door project of ablution modules from North Italy to Burundi (7.500 c/mts).

Fagioli shipped more than 50,000 c/mts of humanitarian ablution modules and structure to Iraq, Turkey and Afghanistan and other forwarding activities to Sudan. Another important job was the transportation of a processing ceramic granite production plant from Formigine (Italy) to Kazakhstan. More

than 150 containers and loose parts with items up to 67 tons. In less than 4 days under Fagioli responsibility and supervision the items were transported by road to Genoa, embarked to Mariupol, unloaded and re-loaded onto rail wagons to their final destination.





New Websites

New Websites have been launched by Fagioli Group: time and market requests are changing faster and faster and Fagioli does not want to stay behind the times!! Fagioli's new Website has been carefully designed to make it easier for you to find information, news and all you want to know about our world.

www.fagioligroup.com features all the activities of the group, equipment, technical information, project references, contact information, history of the company, links to other companies within the group and many more interesting

items to see and discover.



Fagioli Milan Moves Premises

AMPLIANCE INVESTIGATION.

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Fagioli PSC (the groups heavy lifting division), has also revamped their website. Its not only cleaner and fresher in appearance also faster to use.

Visit **www.fagiolipsc.com** for more information on our heavy lifting activities.

To help us keep improving our sites, we welcome any comments and suggestions!!

Fagioli Milan Office has moved from its location in Via Montalbino to Opera in the south-east part of Milan. These huge premises were originally the head quarters of the acquired Fumagalli Trasporti company. (Please see page 12 for more information)

The new address details are:

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Fax: +39 02 57690404

There are several reasons why Fagioli is moving. Long-lasting success depends on our ability to satisfy (or anticipate) the need of our Clients: we will commit

FAGIOLI GROUP STRATEGY HEAVY TRANSPORT FAIR ACTIVITIES LIFTING FAGIOLI -PROJECT INTEGRATED LOGISTICS SERVICE (FIS *RAILWAY TRANSPORT CENERAL LOGISTIC & STORAGE > MARITIME, RIVER TRANSPORT & NAUTICAL ENGINEERING

ourselves to being innovative on all levels by responding to all commercial, technical and management demands and maintaining a constant level of services at high added value. Markets are becoming ever more dynamic. Competing in different markets means having the courage to continuously adapt your organisation. This is the main reason why Management has decided to move Fagioli Milan premises in order to have not only more space but a more rational approach to what Fagioli calls the F.I.S. strategy. F.I.S. stands for Fagioli integrated system, a let's call it "package" of activities that allows the company to grant a door-to-door service satisfying all clients requirements. The new premises will include shipping office, heavy transport and shipping commercial offices, project forwarding activities, rail and air transportation, warehouses either for the equipment and for the air transportation storage.

Fagioli becomes IATA Registered



Fagioli has become a registered IATA member, an important requirement in providing International air freight services. Fagioli's trained staff are able to provide International air-freight quotes, routing and logistics, following all the activities involved in airfreight operations and eventual prosecution. Upon receipt of the freight (dangerous goods as well), our customer services will initiate the shipping schedule, air freight routing and make appropriate bookings. For all the activities Fagioli team issues all documentation and custom clearance, Insurance, appliance of Fumigation Certificate (if required).

Fagioli can provide a complete door-to-door service from point of origin to the closest airport and after the air transportation till the point of destination, anywhere in the world, including storage and warehouse facilities.

Integration of the Fagioli Group

Two of the most important Italian companies of heavy transport and lifting, Fumagalli Trasporti S.p.A. and Universale have merged with the Fagioli Group.

Fumagalli, a company established in 1924, has accumulated over 80 years experience in solving all kind of transport problems with a fleet of more than 300 vehicles (tractors, trailers, semi-trailers, modular axles...). Universale S.p.A. is specialised in heavy lifting with cranes capacity up to 350 tonnes and storage area for warehousing activities.

Fagioli is becoming even more and more specialised with these 2 companies, improving even more the great potentiality of the group integrating the long-standing experience of the merged companies!!!!





More Axles for Almajdouie PSC

Almajdouie PSC Heavy Lift has placed an order for additional brand new 64 axles of Scheuerle SPMTs and 3 PPUs. This addition to the fleet increases their capacity to 160 axles of Scheuerle SPMTs and 8 PPUs.

Strategic Alliance

Fagioli - Transoceanic Alliance!!!

Fagioli Group and Transoceanic shipping have mutually agreed to enter into a cooperation and strategic alliance giving a combined enhanced global reach, scale and market service offerings on global project activities. The joint cooperation between Transoceanic (specialised in global logistics projects with a world-wide network) and Fagioli group (known in the world for its long-standing technological know-how in heavy transport, lifting, shipping and barging with group-owned equipment and in-house engineering studies), provides to client a full range of possible solutions such as door-to-door activities, project forwarding logistics, heavy haulage transport and lifting, warehousingon a world-wide basis!!!

A great and important alliance!!!!! TRANS@CEANIC

Contributions & Comments

Thank you to all those who contributed to this News Letter. Our next issue will be the end of June 2006.

Please continue to send any suggestions and comments to n.mowatt@fagiolipsc.co.uk or r.corbetta@fagioli.it

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