

## 2004 full year consolidated results

### **Growing Sales, Profit and Cash Flow**

**Sales: € 320,8 ml (+7,5%)**

**Net profit: € 16,9 ml (+11,4%)**

**Cash flow: € 53,9 ml (+7,7%)**

**Proposed dividend of € 0,067 per share (+9,8% on 2003)**

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The Board of Directors of SOL S.p.A. approved the 2004 consolidated results.

Consolidated sales € 320,8 ml (+7,5% vs € 298,5 ml in 2003), EBITDA € 74,9 ml (23,4% on sales, € 74,3 ml in 2003), EBIT € 34,8 ml (10,9% on sales, € 33,2 ml in 2003), consolidated profit before taxes € 31 ml (+6% on € 29,3 ml in 2003) and consolidated net profit of € 16,9 ml (+11,4% vs € 15,2 ml in 2003). Cash flow amounted to € 53,9 ml (+7,7% on € 50 ml in 2003).

These are highlights of the consolidated figures approved earlier today by the Board of Directors of SOL S.p.A., a listed company on the Italian Stock Exchange that acts as holding company to a multination group of 46 companies, with 1,447 employees, involved in the area of technical gases and home-care assistance, operating in 15 European countries.

At the upcoming shareholders' meeting, called for April 29, 2005 in Monza, the company's Board of Directors will propose distribution of a dividend of Euro 0,067 per ordinary share (+9,8% on 2003), to be paid from May 19, 2005.

The growth of sales is due to the positive trend of the activity both in Italy and abroad, supported by the investments realized, despite of the unfavourable macroeconomic scenario.

In particular in the technical gas sector, the Group performed good results in sales (+4,4%) thanks to the increased volume of liquid and compressed gases and to the development of the services offered to the customers.

In the home-care business, in which the Group operates through Vivisol, was confirmed the strong trend seen over the last few years (+17,2%).

Good growth of EBIT to € 34,8 ml compared with € 33,2 ml of 2003, although the unfavourable macroeconomic scenario. The consolidated net profit of € 16,9 ml, (+11,4% vs 2003) is affected by a tax burden of 45,5% (48,1% in 2003) due to the heavy Italian tax charge.

In financial terms, operating consolidated cash flow amounted to € 53,9 ml, compared to € 50 ml in 2003, while the net financial debt is € 75,2 ml, increasing by € 9,8 ml vs 2003 despite of the capital expenditures of the Group during the current year were € 53,4 ml (CAPEX 16,6%) which confirmed the strong trend to development and to technological innovation of SOL Group.

The net debt / equity ratio is equal to 32,4%.

Regarding the transition to the International Accounting Standards (IFRS), the SOL Group is defining all the activities to apply the IFRS starting from the interim financial statement at 30/06/2005.

*“The results achieved in the year 2004”, said Marco Annoni Vice-president of SOL S.p.A., “confirmed the positive trend of our Group. We shall continue to firm up our presence in the foreign markets, where we are growing in technical gases and home care assistance businesses, which represent more than 30% of total turnover of the Group.”*

*“We forecast a first half 2005 characterized by the difficult and steady current economic situation with an expected recovery during the second half of the year.” concluded Aldo Fumagalli Romario President of SOL S.p.A. “Our target is to increase the turnover and profitability of the Group, thanks also to new production plants being operative in the second half of 2005.”*

## SOL GROUP– Consolidated Profit and Loss (Thousand Euro)

	31/12/2004	% on net turnover	31/12/2003	% on net turnover
<b>NET TURNOVER</b>	<b>320.804</b>	100,0	<b>298.499</b>	100,0
Other revenues	2.966	0,9	2.528	0,8
Work in progress	5.748	1,8	4.082	1,4
<b>TOTAL REVENUES</b>	<b>329.518</b>	102,7	<b>305.109</b>	102,2
Raw materials	96.001	29,9	85.596	28,7
Services	96.248	30,0	86.846	29,1
Stocks	(3.506)	(1,1)	487	0,2
Other costs	9.766	3,0	7.527	2,5
<b>TOTAL COSTS</b>	<b>198.510</b>	61,9	<b>180.456</b>	60,5
<b>ADDED VALUE</b>	<b>131.008</b>	40,8	<b>124.653</b>	41,8
Labour costs	56.076	17,5	50.388	16,9
<b>EBITDA</b>	<b>74.932</b>	23,4	<b>74.265</b>	24,9
Depreciation & Amortization	36.975	11,5	34.869	11,7
Other provisions	3.111	1,0	6.227	2,1
<b>EBIT</b>	<b>34.847</b>	10,9	<b>33.169</b>	11,1
Financial income	1.461	0,5	1.596	0,5
Financial charges	5.268	1,6	5.302	1,8
Net financial income	(3.807)	(1,2)	(3.706)	(1,2)
<b>ORDINARY INCOME</b>	<b>31.040</b>	9,7	<b>29.463</b>	9,9
Extraordinariy	(31)	(0,0)	(201)	(0,1)
<b>PBT</b>	<b>31.009</b>	9,7	<b>29.262</b>	9,8
Taxes	14.107	4,4	14.089	4,7
<b>NET INCOME BEFORE MINORITIES</b>	<b>16.902</b>	5,3	<b>15.173</b>	5,1
Minorities	397	0,1	(31)	(0,0)
<b>NET INCOME</b>	<b>16.505</b>	5,1	<b>15.203</b>	5,1

## SOL Group – Consolidated Balance Sheet (Thousand Euro)

	31/12/2004	31/12/2003
<b>ASSETS</b>		
<i>Current assets</i>		
Cash and banks	21.888	24.310
Trade debtors	134.604	128.545
Stocks	28.842	25.272
Prepayments and accrued income	838	636
Other current assets	10.677	10.774
<b>Total current assets</b>	<b>196.849</b>	<b>189.537</b>
<i>Fixed assets</i>		
Tangibles	225.202	204.079
Intangibles	4.478	5.143
Financials	3.365	3.352
Other fixed assets	1.071	1.323
<b>Total fixed assets</b>	<b>234.116</b>	<b>213.897</b>
<b>Total assets</b>	<b>430.965</b>	<b>403.435</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<i>Current liabilities</i>		
Due to banks	3.744	5.016
Trade creditors	52.070	46.566
Other current liabilities	12.017	12.650
Short term financial debts	15.867	14.906
Accruals and deferred income	3.067	3.169
Taxes	3.552	4.803
<b>Total current liabilities</b>	<b>90.318</b>	<b>87.110</b>
<i>Long term liabilities and provisions</i>		
Provision for liabilities and charges	20.643	18.043
Staff leaving indemnities	9.652	8.921
Other liabilities	78.455	69.583
<b>Total long term liabilities and provisions</b>	<b>108.750</b>	<b>96.548</b>
<i>Shareholders' equity</i>		
Share capital	47.164	47.164
Reserves	160.938	150.427
Net profit	16.505	15.203
<b>Shareholders' equity</b>	<b>224.607</b>	<b>212.795</b>
Minorities	6.893	7.013
Net income attributable to minority shareholders	397	(31)
<i>Shareholders' equity to minority shareholders</i>	<b>7.290</b>	<b>6.982</b>
<b>Total shareholders' equity</b>	<b>231.897</b>	<b>219.777</b>
<b>Total liabilities and shareholders' equity</b>	<b>430.965</b>	<b>403.435</b>