

SOL GROUP

PRESS RELEASE

FIRST HALF 2006 RESULTS

SALES + 12.8%, EBITDA + 13.8%

The Board of Directors has approved the first half 2006 results.

Consolidated sales € 196,4 ml, up 12.8% on the same period of 2005, gross operating margin of € 45,5 ml, equal to 23.2% on sales, consolidated net profits of € 8,4 ml and cash flow of € 29,7 ml.

Consolidated sales of **€ 196,4 ml**, up 12.8% on the same period of 2005 (€ 174,2 ml at 30.06.05), gross operating margin of **€ 45,5 ml** (23.2% on sales) +13.8% increasing vs. **€ 40 ml** of 30.06.05, consolidated net profits of **€ 8,4 ml**, slightly decreasing vs. € 9,4 ml of 30.06.05 following a prudential provision of *€ 6,8 ml* relating to the action of the Italian Antitrust Authority vs. most of the Companies operating in Italy involved in production and distribution of technical gases, included the mother company SOL SPA, for annulment of which SOL appealed to the Court.

These are the highlights specified in the first half 2006 results, approved 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 multinational group of 43 companies, with more than 1,500 employees, involved in the area of technical gases and home-care assistance, operating in 15 European countries.

The excellent growth of sales is due to the strong development on sales abroad (**+16.2%**) and in Italy (**+11,2%**), in both area: in comparison to the first half 2005, the technical gases business increased the sales by **11.4%**, while the home-care business, in which the Group operates through VIVISOL, by **16.2%**.

In financial terms, operating cash flow is **€ 29.7 ml** (€ 28 ml in the same period of 2005), the total net debt is **€ 102.6 ml**, increased by € 11,8 ml vs. 31.12.05, due to the investments made in the first six months for **€ 23,9 ml** and to the increase of working capital.

There are no subsequent relevant events after 30.06.2006.

"We consider positive the results achieved in these first six months of 2006" affirmed Marco Annoni, Vice-President of SOL S.p.A. *"The results show a significant growth and good profitability, despite the continuous increase of the energy costs. It is a significant signal that confirms our choices about production plant strengthening, product and service range enlargement, internationalization and diversification in home-care business."*

"In the year 2006", concluded SOL Chairman Aldo Fumagalli Romario, *"we expect to consolidate the increasing trend of turnover and to maintain the profitability of the Group."*

Monza, September 12, 2006

Enclosure: Consolidated Profit and Loss and Balance sheet

SOL Group – Profit and loss account

(thousands Euro)

	30/06/2006	%	30/06/2005	%
Net revenues	196.374	100,0%	174.152	100,0%
Other revenues	1.369	0,7%	1.467	0,8%
Work in progress	3.295	1,7%	3.025	1,7%
Total revenues	201.038	102,4%	178.644	102,6%
Purchases	61.808	31,5%	53.616	30,8%
Services	56.808	28,9%	50.427	29,0%
Change in inventories	(1.699)	-0,9%	(796)	-0,5%
Other costs	6.350	3,2%	5.365	3,1%
Total costs	123.267	62,8%	108.612	62,4%
Added value	77.771	39,6%	70.032	40,2%
Labour cost	32.268	16,4%	30.038	17,2%
EBITDA	45.503	23,2%	39.994	23,0%
Depreciation & amortization	20.726	10,6%	18.297	10,5%
Other provisions	8.011	4,1%	1.312	0,8%
EBIT	16.766	8,5%	20.385	11,7%
Financial income	325	0,2%	503	0,3%
Financial charges	2.497	1,3%	2.958	1,7%
Net financial income / (charges)	(2.172)	-1,1%	(2.455)	-1,4%
PBT	14.594	7,4%	17.930	10,3%
Income taxes	5.655	2,9%	8.239	4,7%
Net profit from ongoing operations	8.939	4,6%	9.691	5,6%
Net profit from discontinuous operations	-		-	
Minorities	(535)	-0,3%	(284)	-0,2%
Net profit	8.404	4,3%	9.407	5,4%
EPS	0,094		0,105	

SOL Group – Balance sheet

(thousands Euro)

	30/06/2006	31/12/2005
Tangible assets	256.297	252.991
Goodwill and differences arising from consolidation	3.604	2.855
Other intangible assets	1.833	1.414
Equity investments	535	538
Other financial assets	1.626	1.699
Deferred tax assets	7.295	5.157
NON CURRENT ASSETS	271.190	264.654
Non current assets available for sale		
Inventories	25.700	23.733
Trade receivables	169.785	146.851
Other current assets	6.451	7.796
Current financial assets	306	443
Prepayments and accrued income	2.423	1.528
Cash and banks	16.818	16.422
CURRENT ASSETS	221.483	196.773
TOTAL ASSETS	492.673	461.427
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	5.220	4.864
Reserve for treasury stock held	-	-
Other reserves	118.749	107.408
Retained earnings	-	-
Net profit	8.404	17.308
Shareholders' equity	242.872	240.079
Minorities	7.884	7.243
Net income attributable to minority shareholders	535	716
Shareholders' equity to minority shareholders	8.419	7.959
SHAREHOLDERS' EQUITY	251.291	248.038
Employee benefits	10.697	10.425
Deferred tax liabilities	23.564	24.013
Provision for liabilities and charges	7.518	848
Debts and other financial liabilities	87.153	84.011
NON CURRENT LIABILITIES	128.932	119.297
Non current liabilities available for sale	-	-
Due to banks	13.546	6.695
Trade payables	62.108	56.202
Current financial liabilities	19.765	17.445
Taxes payable	6.585	3.121
Accrued expenses and deferred income	4.061	3.390
Other current liabilities	6.385	7.239
CURRENT LIABILITIES	112.450	94.092
TOTAL LIABILITIES AND SHAREHOLDERS'	492.673	461.427