

SOL GROUP

PRESS RELEASE

FIRST HALF 2008 RESULTS

Growth of sales, EBIT and net profit

SALES € 230.9 ml (+ 8.1%) - EBIT € 27.5 ml (+ 19.5%)

NET PROFIT € 23.1 ml (+112.2%)

The Board of Directors has approved the first half 2008 results.

Consolidated sales € 230.9 ml, +8.1% on the same period of 2007 (€ 213.6 ml at 30/06/07), EBITDA € 53.5 ml (+12.5% compared with € 47.6 ml at 30/06/07), EBIT € 27.5 ml (+19.5% vs € 23 ml of the 1H 2007), consolidated net profit of € 23.1 (+112.2% vs € 10.9 ml on 1H 2007).

These are the highlights specified in the first half 2008 results 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 42 companies, with more than 1,750 employees, involved in the area of technical gases and home-care assistance, operating in 17 European countries.

The increase of the sales (+8.1%) has been mostly realized abroad (+17.1%); in Italy the growth (+3.3%) was affected by the economic stagnation. The technical gases business increased the sales by 6.8%, while the home-care business, in which the Group operates through VIVISOL, by 11.6%.

The gross operating profit (€ 53.5 ml, equal to 23.2% on sales vs € 47.6 ml at 30/06/07), in despite of the continuous increase of energy and distribution costs, has been positively influenced by the good performance of the Group outside of Italy.

The first half 2008 EBIT increased significantly by 19.5%, in despite of the growth of the depreciation costs.

The consolidated net profit includes the one off positive effect of € 8 ml on the tax charge arising from the alignment by the Italian companies of the book and tax values of their assets (2008 government Budget).

In financial terms, operating cash flow is € 48,5 ml (€ 34.7 ml in the same period of 2007); the total net debt is € 133.5 ml, increased by € 19.3 ml vs 31/12/07, due to the investments made in the first six months of € 37.7 ml, to the payment of the dividends of € 7.3 ml and to the increase of working capital.

There are no subsequent relevant events after June 30, 2008.

"We consider positive the results achieved in the first half of 2008" affirmed Marco Annoni, Vice-President of SOL S.p.A. "The results show a significant growth, 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 the home-care business."

"In the year 2008", concluded SOL Chairman Aldo Fumagalli Romario, "we expect to consolidate the increasing trend of turnover and to maintain the profitability of the Group despite the economic framework is continuously getting worse."

Pursuant to paragraph 2 of Article 154-bis of the Unified Financial Act of February 24,1998, the manager responsible for preparing the financial reports Marco Filippi declares that the accounting information contained in this press release corresponds to the results documented in the books, accounting and other records.

Enclosure: Consolidated Profit and Loss, Balance Sheet.

Monza, August 28, 2008

SOL Group – Profit and loss account

(Thousands Euro)

	30/06/2008	%	30/06/2007	%
Net revenues	230.919	100,0%	213.599	100,0%
Other revenues	1.069	0,5%	1.072	0,5%
Internal work capitalized	5.373	2,3%	5.197	2,4%
Total revenues	237.361	102,8%	219.868	102,9%
Purchases	68.842	29,8%	66.677	31,2%
Services	69.788	30,2%	62.019	29,0%
Change in inventories	(1.554)	-0,7%	750	0,4%
Other costs	7.359	3,2%	6.737	3,2%
Total costs	144.435	62,5%	136.183	63,8%
Added value	92.926	40,2%	83.685	39,2%
Labour cost	39.380	17,1%	36.074	16,9%
EBITDA	53.546	23,2%	47.611	22,3%
Depreciation & amortization	24.693	10,7%	23.171	10,8%
Other provisions	1.378	0,6%	1.444	0,7%
Non recurring (Income) / Charges	-		-	
EBIT	27.475	11,9%	22.996	10,8%
Financial income	877	0,4%	380	0,2%
Financial charges	3.821	1,7%	3.245	1,5%
Net financial income / (charges)	(2.944)	-1,3%	(2.865)	-1,3%
PBT	24.531	10,6%	20.131	9,4%
Income taxes	706	0,3%	8.607	4,0%
Net profit from ongoing operations	23.825	10,3%	11.524	5,4%
Net profit from discontinuous operations	-		-	
Minorities	(711)	-0,3%	(633)	-0,3%
Net profit	23.114	10,0%	10.891	5,1%
EPS	0,255		0,120	

SOL Group – Balance sheet

(Thousands Euro)

	30/06/2008	31/12/2007
Tangible assets	297.695	284.338
Goodwill and differences arising from consolidation	6.300	5.166
Other intangible assets	1.696	1.772
Equity investments	546	546
Other financial assets	1.115	1.198
Deferred tax assets	2.822	3.235
NON CURRENT ASSETS	310.174	296.255
Non current assets available for sale		
Inventories	25.089	23.529
Trade receivables	195.958	185.018
Other current assets	11.043	9.356
Current financial assets	368	547
Prepayments and accrued income	2.678	1.071
Cash and banks	27.139	24.602
CURRENT ASSETS	262.275	244.123
TOTAL ASSETS	572.449	540.378
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	5.695	5.285
Other reserves	150.589	133.129
Net profit	23.114	26.732
Shareholders' equity	289.897	275.645
Minorities	8.548	7.946
Net income attributable to minority shareholders	711	1.146
Shareholders' equity to minority shareholders	9.259	9.092
SHAREHOLDERS' EQUITY	299.156	284.737
Employee benefits	9.732	10.036
Deferred tax liabilities	4.226	19.038
Provision for liabilities and charges	1.113	714
Debts and other financial liabilities	125.496	105.281
NON CURRENT LIABILITIES	140.567	135.069
Non current liabilities available for sale	-	-
Due to banks	14.231	12.940
Trade payables	69.536	67.212
Current financial liabilities	21.849	21.705
Taxes payable	12.122	7.213
Accrued expenses and deferred income	3.888	3.367
Other current liabilities	11.100	8.135
CURRENT LIABILITIES	132.726	120.572
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	572.449	540.378