

SOL GROUP

PRESS RELEASE

FIRST HALF 2012 RESULTS

The Board of Directors has approved the First Half 2012 results.

Consolidated sales € 290.3 ml, (+3.5% vs 1H 2011, € 280.4 ml), EBITDA € 65.5 ml being 22.5% on sales (€ 66.6 ml at 1H 2011), EBIT € 29.8 ml being 10.3% on sales (€ 33.9 ml at 1H 2011), Net Profit € 14.9 ml (20.1 ml at 1H 2011).

These are the highlights disclosed in the First Half 2012 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 an Italian multinational group, with more than 2,400 employees, involved in the area of technical gases and home-care assistance, operating in Europe and in India.

In a climate of economic slow down, in the first half of 2012 Sol Group achieved growth of 3.5 % in sales volume compared with the same period of 2011. The positive result is due to the growth of sales abroad and to the positive trend of less cyclical sectors as food and health .

EBITDA and EBIT were satisfactory, although with a slight reduction due to the great increase of energy costs, to higher depreciation costs and to the start up costs of the new home care activities in UK.

The consolidated net profit was € 14.9 ml, in reduction compared to the net profit of 1H 2011 (€ 20.1 ml), due also to the increase of the depreciation costs and financial charges as regards to last year.

In comparison to 1H 2011, the sales increased by 8.9% abroad and were stable in Italy (-0.6%).

The technical gases business increased sales by 1.1% while the home-care business, in which the Group operates through VIVISOL, marked a growth of 8.5%.

In financial terms, operating cash flow was € 49.4 ml (€ 51.8 ml in the same period of 2011); the total net debt was € 208.2 ml, increased by € 33.9 ml vs 31/12/11, due to the investments made in the first six months of € 45.5 ml, the payment of the dividends of € 9.1 ml and the increase of working capital.

The Net Debt/Equity ratio was 0.547 (0.464 at the end of 2011).

We inform that in August 2012 was acquired a Turkish company acting in the home care business. This acquisition enables the SOL Group to reach the Turkish market directly.

"We consider positive the results achieved in the first half year of 2012" affirmed Marco Annoni, Vice-President of SOL S.p.A. "The results confirm the solidness and dynamism of SOL Group in a deteriorated economic contest".

"In a very uncertain economic and financial situation, especially in Europe", concluded SOL S.p.A. Chairman Aldo Fumagalli Romario, "in the year 2012 our target is to pursue the positive trend of growth of sales and try to maintain the profitability of the Group close to the level of 2011 and to continue the investment program sustaining the development, diversification and innovation".

Pursuant to paragraph 2 of Article 154-bis of the Unified Finance 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 Income Statement and Statement of Financial Position.

Monza, August 28, 2012

SOL Group - Profit and loss account

(Thousands Euro)

	30/06/2012	%	30/06/2011	%
Net revenues	290.325	100,0%	280.423	100,0%
Other revenues	2.706	0,9%	2.908	1,0%
Internal work capitalized	5.178	1,8%	6.498	2,3%
Total revenues	298.209	102,7%	289.829	103,4%
Purchases	77.578	26,7%	76.197	27,2%
Services	87.395	30,1%	82.307	29,4%
Change in inventories	(1.131)	-0,4%	2.056	0,7%
Other costs	11.934	4,1%	11.478	4,1%
Total costs	175.776	60,5%	172.038	61,3%
Added value	122.433	42,2%	117.791	42,0%
Labour cost	56.968	19,6%	51.155	18,2%
EBITDA	65.465	22,5%	66.636	23,8%
Depreciation & amortization	34.087	11,7%	31.078	11,1%
Other provisions	1.516	0,5%	1.514	0,5%
Non recurring (Income) / Charges	20	0,0%	132	0,0%
EBIT	29.842	10,3%	33.912	12,1%
Financial income	481	0,2%	1.113	0,4%
Financial charges	5.626	1,9%	3.995	1,4%
Net financial income / (charges)	(5.145)	-1,8%	(2.882)	-1,0%
PBT	24.697	8,5%	31.030	11,1%
Income taxes	9.409	3,2%	10.357	3,7%
Net profit from ongoing operations	15.288	5,3%	20.673	7,4%
Net profit from discontinuous operations	-		-	
Minorities	(399)	-0,1%	(594)	-0,2%
Net profit	14.889	5,1%	20.079	7,2%
EPS	0,164		0,221	

SOL Group - Statement of financial position

(Thousands Euro)

	30/06/2012	31/12/2011
Tangible assets	356.418	343.655
Goodwill and differences arising from consolidation	23.648	22.374
Other intangible assets	8.120	5.576
Equity investments	805	753
Other financial assets	2.690	2.192
Deferred tax assets	5.491	4.490
NON CURRENT ASSETS	397.172	379.040
Non current assets available for sale		
Inventories	33.110	31.747
Trade receivables	260.493	249.187
Other current assets	17.794	20.320
Current financial assets	2.132	1.087
Prepayments and accrued income	5.364	2.408
Cash and banks	44.994	47.815
CURRENT ASSETS	363.887	352.564
TOTAL ASSETS	761.059	731.604
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	8.615	7.957
Other reserves	-	-
Retained earnings	234.679	214.719
Net profit	14.889	31.146
Shareholders' equity	368.682	364.321
Minorities	11.210	10.179
Net income attributable to minority shareholders	399	893
Shareholders' equity to minority shareholders	11.609	11.072
SHAREHOLDERS' EQUITY	380.291	375.393
Employee benefits	8.536	8.744
Deferred tax liabilities	3.526	3.562
Provision for liabilities and charges	2.088	2.597
Debts and other financial liabilities	216.066	183.009
NON CURRENT LIABILITIES	230.216	197.912
Non current liabilities available for sale	-	-
Due to banks	5.064	4.419
Trade payables	79.137	85.960
Current financial liabilities	35.995	33.540
Taxes payable	9.244	7.629
Accrued expenses and deferred income	8.221	8.355
Other current liabilities	12.891	18.396
CURRENT LIABILITIES	150.552	158.299
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	761.059	731.604