

SOL GROUP

PRESS RELEASE

FIRST NINE MONTHS 2006 RESULTS

SALES + 12.9%, EBITDA + 12.1%

The Board of Directors has approved the third quarter 2006 results.

Consolidated sales € 292,2 ml, up 12.9% on the same period of 2005, gross operating margin of € 66,5 ml, equal to 22.7% on sales, consolidated net profits of € 13 ml and cash flow of € 44,7 ml.

Consolidated sales of € 292,2 ml, up 12.9% on the same period of 2005 (€ 258,8 ml at 30.09.05), gross operating margin of € 66,5 ml (22.7% on sales) +12.1% increasing vs. € 59,3 ml of 30.09.05, consolidated net profits of € 13 ml, slightly decreasing vs. € 14,1 ml of 30.09.05.

These are the highlights specified in the third quarter 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 42 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, confirming the first half results, is due to the strong development on sales abroad (+17.6%) and in Italy (+10.7%), in both area: in comparison to the third quarter 2005, the technical gases business increased the sales by 10.8%, while the home-care business, in which the Group operates through VIVISOL, by 17.9%.

In financial terms, operating cash flow is € 44,7 ml (€ 42,2 ml in the same period of 2005), the total net debt is € 101.8 ml, increased by € 11,1 ml vs. 31.12.05, due to the investments made in the first nine months for € 36,7 ml and to the increase of working capital.

There are no subsequent relevant events after 30.09.2006.

"We consider positive the results achieved in these first nine 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, specially in Italy of the energy and transport costs, the most important costs of our activity. 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, November 14, 2006

Enclosure: Consolidated Profit and Loss and Balance sheet

SOL Group – Profit and loss account (*)

(thousands Euro)

	30/09/2006	%	30/09/2005	%
Net revenues	292.162	100,0%	258.791	100,0%
Other revenues	1.620	0,6%	1.803	0,7%
Work in progress	4.806	1,6%	4.110	1,6%
Total revenues	298.588	102,2%	264.704	102,3%
Purchases	91.337	31,3%	78.443	30,3%
Services	86.291	29,5%	76.047	29,4%
Change in inventories	(2.528)	-0,9%	(1.120)	-0,4%
Other costs	9.157	3,1%	7.637	3,0%
Total costs	184.257	63,1%	161.007	62,2%
Added value	114.331	39,1%	103.697	40,1%
Labour cost	47.865	16,4%	44.432	17,2%
EBITDA	66.466	22,7%	59.265	22,9%
Depreciation & amortization	31.716	10,9%	28.050	10,8%
Other provisions	8.413	2,9%	1.663	0,6%
EBIT	26.337	9,0%	29.552	11,4%
Financial income	487	0,2%	611	0,2%
Financial charges	4.003	1,4%	4.325	1,7%
Net financial income / (charges)	(3.516)	-1,2%	(3.714)	-1,4%
PBT	22.821	7,8%	25.838	10,0%
Income taxes	9.020	3,1%	11.267	4,4%
Net profit from ongoing operations	13.801	4,7%	14.571	5,6%
Net profit from discontinuous operations	-		-	
Minorities	(840)	-0,3%	(443)	-0,2%
Net profit	12.961	4,4%	14.128	5,5%
EPS	0,145		0,158	

SOL Group – Balance sheet (*)

(thousands Euro)

	30/09/2006	31/12/2005
Tangible assets	257.639	252.991
Goodwill and differences arising from consolidation	3.622	2.855
Other intangible assets	1.849	1.414
Equity investments	536	538
Other financial assets	1.610	1.699
Deferred tax assets	7.229	5.157
NON CURRENT ASSETS	272.485	264.654
Non current assets available for sale		
Inventories	26.523	23.733
Trade receivables	171.945	146.851
Other current assets	6.703	7.796
Current financial assets	305	443
Prepayments and accrued income	1.906	1.528
Cash and banks	17.885	16.422
CURRENT ASSETS	225.267	196.773
TOTAL ASSETS	497.752	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	117.988	107.408
Retained earnings	-	-
Net profit	12.961	17.308
Shareholders' equity	246.668	240.079
Minorities	7.793	7.243
Net income attributable to minority shareholders	840	716
Shareholders' equity to minority shareholders	8.633	7.959
SHAREHOLDERS' EQUITY	255.301	248.038
Employee benefits	10.962	10.425
Deferred tax liabilities	23.457	24.013
Provision for liabilities and charges	7.642	848
Debts and other financial liabilities	85.458	84.011
NON CURRENT LIABILITIES	127.519	119.297
Non current liabilities available for sale	-	-
Due to banks	13.838	6.695
Trade payables	58.277	56.202
Current financial liabilities	21.458	17.445
Taxes payable	9.651	3.121
Accrued expenses and deferred income	4.213	3.390
Other current liabilities	7.495	7.239
CURRENT LIABILITIES	114.932	94.092
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	497.752	461.427

(*) The report to 30 September 2006 is not subject to certification by the external auditors