

SOL GROUP

PRESS RELEASE

FIRST QUARTER 2006 RESULTS

SALES + 13.3%, EBITDA + 12.6%, NET PROFIT 26.4%

The Board of Directors has approved the First Quarter Report 2006 results, prepared according to IAS/IFRS accounting standards. In order to obtain a correct comparison with the previous year figures, the First Quarter 2005 has been converted into IAS/IFRS.

Consolidated sales € 95,8 ml, +13.3% on the same period of 2005 (€ 84,5 ml at 31/03/05), EBITDA € 22,1 ml (+12.6% compared with € 19,6 ml at 31/03/05), EBIT € 11 ml (+10,7% vs € 9,9 ml of the 1Q 2005), consolidated net profit of € 5,7 (+26.4% on 1Q 2005).

Strong increase of consolidated sales (+13.3% on the same period of 2005) and good performance of gross operating profit, equal to 23,1% on sales.

Despite the increase of the depreciation costs, due to the considerable investments made in 2005 and in the 1Q 2006, the net operating profit of € 11 ml, equal to 11,4% on sales (€ 9,9 ml at 31/03/05) and net profit of € 5,7 ml, equal to 6% on sales, (€ 4,5 ml at 31/03/05) performed a good increase vs. first quarter 2005.

These are the highlights specified in the First Quarter 2006 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 1.500 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 (+16.1%) and to the good trend of the activity in Italy (+12%). In comparison to the 31/03/05, the technical gases business increased the sales by 11.3%, while the home-care business, in which the Group operates through VIVISOL, by 18.3%.

In the First Quarter 2006 the investments made are equal to € 10,8 ml.

The net financial debt is € 89,1 ml (€ 90,7 at 31/12/05).

"We consider positive the results achieved in these first three 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 confirm 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 improve the profitability of the Group."

Monza, May 12, 2006

Enclosure: Consolidated Profit and Loss and Balance Sheet.

SOL Group – Profit and loss account

(thousands Euro)

	31/03/2006	%	31/03/2005	%
Net revenues	95.771	100,0%	84.517	100,0%
Other revenues	427	0,4%	472	0,6%
Work in progress	1.790	1,9%	1.348	1,6%
Total revenues	97.988	102,3%	86.337	102,2%
Purchases	30.343	31,7%	25.311	29,9%
Services	28.247	29,5%	24.573	29,1%
Change in inventories	(1.285)	-1,3%	(373)	-0,4%
Other costs	2.757	2,9%	2.478	2,9%
Total costs	60.062	62,7%	51.989	61,5%
Added value	37.926	39,6%	34.348	40,6%
Labour cost	15.842	16,5%	14.739	17,4%
EBITDA	22.084	23,1%	19.609	23,2%
Depreciation & amortization	10.155	10,6%	8.962	10,6%
Other provisions	974	1,0%	755	0,9%
EBIT	10.955	11,4%	9.892	11,7%
Financial income / (charges)	(903)	-0,9%	(1.157)	-1,4%
Income / (charges) from investments	-	0,0%	-	0,0%
Net financial income / (charges)	(903)	-0,9%	(1.157)	-1,4%
PBT	10.052	10,5%	8.735	10,3%
Income taxes	4.108	4,3%	4.036	4,8%
Net profit from ongoing operations	5.944	6,2%	4.699	5,6%
Net profit from discontinuous operations		0,0%		0,0%
Minorities	(199)	-0,2%	(153)	-0,2%
Net profit	5.745	6,0%	4.546	5,4%
EPS	0,064		0,051	

SOL Group – Balance sheet

(thousands Euro)

	31/03/2006	31/12/2005
Tangible assets	253.374	252.991
Goodwill and differences arising from consolidation	2.855	2.855
Other intangible assets	1.741	1.414
Equity investments	1.122	538
Other financial assets	1.688	1.699
Deferred tax assets	4.894	5.157
NON CURRENT ASSETS	265.674	264.654
Non current assets available for sale		
Inventories	25.021	23.733
Trade receivables	155.630	146.851
Other current assets	6.383	7.796
Current financial assets	444	443
Prepayments and accrued income	2.542	1.528
Cash and banks	27.125	16.422
CURRENT ASSETS	217.145	196.773
TOTAL ASSETS	482.819	461.427
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	4.864	4.864
Reserve for treasury stock held	-	-
Other reserves	124.416	107.408
Net profit	5.745	17.308
Shareholders' equity	245.524	240.079
Minorities	7.945	7.243
Net income attributable to minority shareholders	199	716
Shareholders' equity to minority shareholders	8.144	7.959
SHAREHOLDERS' EQUITY	253.668	248.038
Employee benefits	10.529	10.425
Deferred tax liabilities	23.668	24.013
Provision for liabilities and charges	790	848
Debts and other financial liabilities	90.217	84.011
NON CURRENT LIABILITIES	125.204	119.297
Non current liabilities available for sale		
Due to banks	7.763	6.695
Trade payables	57.809	56.202
Current financial liabilities	19.505	17.445
Taxes payable	6.186	3.121
Accrued expenses and deferred income	4.103	3.390
Other current liabilities	8.581	7.239
CURRENT LIABILITIES	103.947	94.092
TOTAL LIABILITIES AND SHAREHOLDERS'	482.819	461.427