

# **SOL GROUP**

PRESS RELEASE

## **FIRST QUARTER 2007 RESULTS**

**SALES + 9.9%, EBITDA + 10.1%, EBIT + 9.7%**

**The Board of Directors has approved the First Quarter Report 2007 results.**

**Consolidated sales € 105,3 ml, +9.9% on the same period of 2006 (€ 95,8 ml at 31/03/06), EBITDA € 24,3 ml (+10.1% compared with € 22,1 ml at 31/03/06), EBIT € 12 ml (+9,7% vs € 11 ml of the 1Q 2006), consolidated net profit of € 6,1 (+6,2% vs € 5,7 ml on 1Q 2006).**

These are the highlights specified in the First Quarter 2007 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 40 companies, with more than 1.600 employees, involved in the area of technical gases and home-care assistance, operating in 15 European countries.

Excellent increase of consolidated sales (+9.9% on the same period of 2006) and good performance of gross operating profit, equal to €24,3ml (23,1% on sales). The net operating profit of € 12 ml, equal to 11,4% on sales (€11 ml at 31/03/06) and cash flow of €17,6 ml (16,7% on sales) performed a good increase vs. first quarter 2006, despite the increase of the depreciation costs, due to the considerable investments made in 2006 and in the 1Q 2007 and the continuous increase of energy costs.

The excellent growth of sales is due to the strong development on sales abroad (+17.4%) and to the good trend of the activity in Italy (+6.3%). In comparison to the 31/03/06, the technical gases business increased the sales by 7.4%, while the home-care business, in which the Group operates through VIVISOL, by 16.1%.

In the First Quarter 2007 the investments made are equal to € 16,7 ml.

The net financial debt is € 105,1 ml (€ 104,8 ml at 31/12/06).

*"We consider positive the results achieved in the first quarter of 2007" 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 the home-care business."*

*"In the year 2007", 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 15, 2007

*Enclosure: Consolidated Profit and Loss and Balance Sheet.*

## SOL Group – Profit and loss account

(Thousands Euro)

	31/03/2007	%	31/03/2006	%
<b>Net revenues</b>	<b>105.257</b>	<b>100,0%</b>	<b>95.771</b>	<b>100,0%</b>
Other revenues	338	0,3%	427	0,4%
Internal work capitalized	2.034	1,9%	1.790	1,9%
<b>Total revenues</b>	<b>107.629</b>	<b>102,3%</b>	<b>97.988</b>	<b>102,3%</b>
Purchases	33.875	32,2%	30.343	31,7%
Services	30.102	28,6%	28.247	29,5%
Change in inventories	(1.567)	-1,5%	(1.285)	-1,3%
Other costs	3.232	3,1%	2.757	2,9%
<b>Total costs</b>	<b>65.642</b>	<b>62,4%</b>	<b>60.062</b>	<b>62,7%</b>
<b>Added value</b>	<b>41.987</b>	<b>39,9%</b>	<b>37.926</b>	<b>39,6%</b>
Labour cost	17.679	16,8%	15.842	16,5%
<b>EBITDA</b>	<b>24.308</b>	<b>23,1%</b>	<b>22.084</b>	<b>23,1%</b>
Depreciation & amortization	11.202	10,6%	10.155	10,6%
Other provisions	1.085	1,0%	974	1,0%
Non recurring (Income) / Charges	-		-	
<b>EBIT</b>	<b>12.021</b>	<b>11,4%</b>	<b>10.955</b>	<b>11,4%</b>
Financial income	191	0,2%	181	0,2%
Financial charges	1.450	1,4%	1.084	1,1%
Net financial income / (charges)	<b>(1.259)</b>	<b>-1,2%</b>	<b>(903)</b>	<b>-0,9%</b>
<b>PBT</b>	<b>10.762</b>	<b>10,2%</b>	<b>10.052</b>	<b>10,5%</b>
Income taxes	4.354	4,1%	4.108	4,3%
<b>Net profit from ongoing operations</b>	<b>6.408</b>	<b>6,1%</b>	<b>5.944</b>	<b>6,2%</b>
Net profit from discontinuous operations	-		-	
Minorities	(304)	-0,3%	(199)	-0,2%
<b>Net profit</b>	<b>6.104</b>	<b>5,8%</b>	<b>5.745</b>	<b>6,0%</b>
<b>EPS</b>	<b>0,067</b>		<b>0,064</b>	

# SOL Group – Balance sheet

(thousands Euro)

	31/03/2007	31/12/2006
Tangible assets	269.003	263.585
Goodwill and differences arising from consolidation	3.622	3.622
Other intangible assets	1.902	1.848
Equity investments	547	539
Other financial assets	1.308	1.285
Deferred tax assets	4.028	4.365
<b>NON CURRENT ASSETS</b>	<b>280.410</b>	<b>275.244</b>
<b>Non current assets available for sale</b>	-	-
Inventories	27.480	25.948
Trade receivables	180.174	177.648
Other current assets	9.318	10.951
Current financial assets	510	408
Prepayments and accrued income	3.363	1.563
Cash and banks	23.044	17.481
<b>CURRENT ASSETS</b>	<b>243.889</b>	<b>233.999</b>
<b>TOTAL ASSETS</b>	<b>524.299</b>	<b>509.243</b>
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	5.220	5.220
Reserve for treasury stock held	-	-
Other reserves	139.248	123.997
Retained earnings	1.298	-
Net profit	6.104	16.613
<b>Shareholders' equity</b>	<b>262.369</b>	<b>256.329</b>
Minorities	8.859	8.142
Net income attributable to minority shareholders	304	1.069
<b>Shareholders' equity to minority shareholders</b>	<b>9.163</b>	<b>9.211</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>271.532</b>	<b>265.540</b>
Employee benefits	11.366	11.330
Deferred tax liabilities	22.499	22.708
Provision for liabilities and charges	442	358
Debts and other financial liabilities	93.991	86.625
<b>NON CURRENT LIABILITIES</b>	<b>128.298</b>	<b>121.021</b>
<b>Non current liabilities available for sale</b>	-	-
Due to banks	13.508	13.001
Trade payables	67.483	62.944
Current financial liabilities	20.815	22.706
Taxes payable	9.174	6.022
Other current liabilities	9.532	14.657
Accrued expenses and deferred income	3.957	3.352
<b>CURRENT LIABILITIES</b>	<b>124.469</b>	<b>122.682</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>524.299</b>	<b>509.243</b>