

SOL GROUP

PRESS RELEASE

FIRST HALF 2011 RESULTS

The Board of Directors has approved the First Half 2011 results.

Consolidated sales € 280.4 ml, (+9.8% vs 1H 2010, € 255.3 ml), EBITDA € 66.6 ml (+10.4% compared with € 60.4 ml at 1H 2010), EBIT € 33.9 ml (+11.3% compared with € 30.5 ml at 1H 2010).

These are the highlights specified in the First Half 2011 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 55 companies, with 2,200 employees, involved in the area of technical gases and home-care assistance, operating in 20 European countries and in India.

In a climate of uncertain recovery of the economy, in the first half of 2011 Sol Group achieved a growth of 9.8 % in sales volume compared with the same period of 2010. The positive result is due to the growth of sales abroad, to the positive trend of less cyclical sectors as food, environment and health ones and to the consolidation of the acquisitions of 2010.

The growth of EBITDA and EBIT is due to the efficiency in production and distribution costs, even if the energy and raw material costs restarted to grow.

The consolidated net profit is € 20.1 ml, increasing of 29.3% compared to the net profit of 1H 2010 (€ 15.5 ml).

In comparison to 1H 2010, the sales increased of 5.4% in Italy and of 16.2% abroad. The technical gases business increased the sales by 7.4% while the home-care business, in which the Group operates through VIVISOL, marked a growth of 14.7%.

In financial terms, operating cash flow is € 51.8 ml (€ 44.4 ml in the same period of 2010); the total net debt is € 176.4 ml, increased by € 15.2 ml vs 31/12/10, due to the investments made in the first six months of € 35.0 ml, the payment of the dividends of € 8.6 ml and the increase of working capital.

“We consider positive the results achieved in the first half year of 2011” affirmed Marco Annoni, Vice-President of SOL S.p.A. *“The results confirm the solidness of SOL Group in a slow economic recovery”*.

“In the year 2011”, concluded SOL S.p.A. Chairman Aldo Fumagalli Romario, *“our target is to pursue the positive trend of growth of sales and profitability of the Group and to continue the investment program sustaining the development, the diversification and the innovation”*.

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 Income Statement and Statement of Financial Position.

Monza, August 29, 2011

SOL Group - Profit and loss account

(Thousands Euro)

	30/06/2011	%	30/06/2010	%
Net revenues	280.423	100,0%	255.281	100,0%
Other revenues	2.908	1,0%	1.080	0,4%
Internal work capitalized	6.498	2,3%	6.881	2,7%
Total revenues	289.829	103,4%	263.242	103,1%
Purchases	76.197	27,2%	73.289	28,7%
Services	82.307	29,4%	74.694	29,3%
Change in inventories	2.056	0,7%	103	0,0%
Other costs	11.478	4,1%	8.560	3,4%
Total costs	172.038	61,3%	156.646	61,4%
Added value	117.791	42,0%	106.596	41,8%
Labour cost	51.155	18,2%	46.219	18,1%
EBITDA	66.636	23,8%	60.377	23,7%
Depreciation & amortization	31.078	11,1%	28.351	11,1%
Other provisions	1.514	0,5%	1.545	0,6%
Non recurring (Income) / Charges	132	0,0%	-	
EBIT	33.912	12,1%	30.481	11,9%
Financial income	1.113	0,4%	387	0,2%
Financial charges	3.995	1,4%	4.695	1,8%
Net financial income / (charges)	(2.882)	-1,0%	(4.308)	-1,7%
PBT	31.030	11,1%	26.173	10,3%
Income taxes	10.357	3,7%	10.118	4,0%
Net profit from ongoing operations	20.673	7,4%	16.055	6,3%
Net profit from discontinuous operations	-		-	
Minorities	(594)	-0,2%	(530)	-0,2%
Net profit	20.079	7,2%	15.525	6,1%
EPS	0,221		0,171	

SOL Group - Statement of financial position

(Thousands Euro)

	30/06/2011	31/12/2010
Tangible assets	327.216	322.261
Goodwill and differences arising from consolidation	22.154	21.586
Other intangible assets	6.761	5.827
Equity investments	496	493
Other financial assets	3.828	1.694
Deferred tax assets	3.418	3.439
NON CURRENT ASSETS	363.873	355.300
Non current assets available for sale		
Inventories	29.674	31.686
Trade receivables	253.204	225.596
Other current assets	13.775	11.854
Current financial assets	967	266
Prepayments and accrued income	3.813	1.842
Cash and banks	39.487	32.314
CURRENT ASSETS	340.920	303.558
TOTAL ASSETS	704.793	658.858
Share capital	47.164	47.164
Share premium reserve	63.335	63.335
Legal reserve	7.957	7.133
Other reserves	215.072	193.200
Retained earnings	-	-
Net profit	20.079	31.880
Shareholders' equity	353.607	342.712
Minorities	10.456	10.271
Net income attributable to minority shareholders	594	947
Shareholders' equity to minority shareholders	11.050	11.218
SHAREHOLDERS' EQUITY	364.657	353.930
Employee benefits	8.724	8.968
Deferred tax liabilities	3.297	3.411
Provision for liabilities and charges	1.811	1.485
Debts and other financial liabilities	177.038	150.885
NON CURRENT LIABILITIES	190.870	164.749
Non current liabilities available for sale	-	-
Due to banks	9.157	10.472
Trade payables	78.504	69.209
Current financial liabilities	29.905	33.506
Taxes payable	9.730	8.698
Accrued expenses and deferred income	7.787	8.093
Other current liabilities	14.183	10.201
CURRENT LIABILITIES	149.266	140.179
TOTAL LIABILITIES AND SHAREHOLDERS'	704.793	658.858