

Board of Directors approves the draft of 2002 consolidated accounts

Consolidated sales growing considerably to € 267,2 ml (+13,3% compared to 2001), consolidated net profits of € 15,5 ml (+18,3% up from 2001), net operating profit at € 28,4 ml (+20,9% up from 2001).

Proposal for dividend of € 0,061 to be paid on 22 May 2003.

Consolidated sales € 267,2 ml (+13,3% up from € 235,7 ml in 2001), cash flow amounted to € 49,3 ml (+15,7% up from 2001), the net operating profit came in at € 28,4 ml (+20,9% on the € 23,5 ml in 2001) and consolidated net profits of € 15,5 ml compared to € 13,1 ml in 2001.

These are highlights of the consolidated figures approved earlier today by the Board of Directors of SOL S.p.A., a company listed on the Italian Stock Exchange that acts as holding company to a multinational group involved in the area of technical gases and home-care assistance.

At the upcoming shareholders' meeting, called for April 29, 2003 in Monza, the company's Board of Directors will propose distribution of a dividend of Euro 0,061 per ordinary share (+12,3% up from 2001), to be paid from May 22, 2003.

The growing sales abroad and the wide development in home-care business produced the best performance of the sales increase of the Group in the last five years, despite of the economic situation.

In particular in the technical gas sector, the Group performed excellent sales with the steady and continuous working of the plants, specially Feluy in Belgium and with the start up of the new CO₂ plant in Macedonia and the new air fractionating plant in Mantua.

In the home-care business, in which the Group operates through Vivisol, was confirmed the upward trend seen over the last few years.

Moreover good performance of the net operating profit for € 28,4 ml (10,6% on sales) compared with € 23,5 ml of 2001, (10% on sales), considering € 4,2 ml more of depreciation than the last year and the continuing great increase of the energy costs, specially in Italy.

In financial terms, operating consolidated cash flow amounted to € 49,3 ml (18,5% on sales), compared to € 42,6 ml in 2001 (18,1% on sales), while the net financial debt is € 69,3 ml (€ 43 ml at 31.12.01) registered an increase firstly due to the relevant investment in production activity and partially to the working capital increase.

Strong the net debt / equity ratio equal to 32,9%.

The capital expenditures of the Group during the current year were € 48 ml (€ 47,7 ml in 2001) confirmed the strong trend to development and to technological innovation of SOL Group.

"The results achieved in the year 2002", said Marco Annoni Vice-president of SOL S.p.A., "confirmed the positive trend of our Group; we achieved a solid growth in terms of sales and improving profitability, despite of the economic situation slowdown. We shall continue to firm up our presence in Europe and constantly strengthen our home care activities."

"In the year 2003 ", concluded Aldo Fumagalli Romario President of SOL S.p.A., "we expect a further growth of turnover and profitability of the Group, even if it's difficult to have a reliable and detailed forecast in the actual scenario of the Middle East war."

Enclosure: Consolidated Profit and Loss and Balance Sheet.

SOL GROUP– Consolidated Profit and Loss
(Thousand Euro)

	31/12/02	% on net turnover	31/12/01	% on net turnover
NET TURNOVER	267.160	100,0	235.731	100,0
Other revenues	2.745	1,0	1.888	0,8
Work in progress	5.514	2,1	4.326	1,8
TOTAL REVENUES	275.419	103,1	241.945	102,6
Raw materials	83.206	31,1	74.434	31,6
Services	76.983	28,8	69.598	29,5
Stocks	(2.454)	(0,9)	(3.410)	(1,4)
Other costs	6.280	2,4	5.644	2,4
TOTAL COSTS	164.015	61,4	146.266	62,0
ADDED VALUE	111.404	41,7	95.679	40,6
Labour costs	45.844	17,2	41.076	17,4
EBITDA	65.561	24,5	54.603	23,2
Depreciation & Amortization	33.558	12,6	29.385	12,5
Other provisions	3.610	1,4	1.741	0,7
EBIT	28.392	10,6	23.477	10,0
Financial income	1.192	0,4	1.539	0,7
Financial charges	5.180	1,9	4.662	2,0
Net financial income	(3.988)	(1,5)	(3.122)	(1,3)
ORDINARY INCOME	24.404	9,1	20.355	8,6
Extraordinary	96	0,0	(78)	(0,0)
PBT	24.500	9,2	20.277	8,6
Taxes	8.766	3,3	7.093	3,0
NET INCOME BEFORE MINORITIES	15.734	5,9	13.185	5,6
Minorities	207	0,1	121	0,1
NET INCOME	15.527	5,8	13.064	5,5

SOL Group – Consolidated Balance Sheet
(Thousand Euro)

	31/12/02	31/12/01
ASSETS		
<i>Current assets</i>		
Cash and banks	23.901	21.308
Trade debtors	110.102	93.672
Stocks	25.834	23.193
Prepayments and accrued income	541	916
Other current assets	10.527	7.960
Total current assets	170.905	147.049
<i>Fixed assets</i>		
Tangibles	202.884	184.854
Intangibles	6.988	7.073
Financials	3.968	4.493
Other fixed assets	1.527	4.337
Total fixed assets	215.368	200.756
Total assets	386.273	347.805
LIABILITIES AND SHAREHOLDERS' EQUITY		
<i>Current liabilities</i>		
Due to banks	5.352	4.290
Trade creditors	43.196	47.211
Other current liabilities	6.925	5.764
Short term financial debts	15.141	8.450
Accruals and deferred income	3.707	3.976
Taxes	3.956	4.576
Total current liabilities	78.277	74.268
<i>Long term liabilities and provisions</i>		
Provision for liabilities and charges	15.495	14.274
Staff leaving indemnities	8.071	7.286
Other liabilities	73.929	52.716
Total long term liabilities and provisions	97.495	74.276
<i>Shareholders' equity</i>		
Share capital	47.164	47.164
Reserves	139.711	128.587
Net profit	15.527	13.064
Shareholders' equity	202.402	188.815
Minorities	7.893	10.325
Net income attributable to minority shareholders	207	121
<i>Shareholders' equity to minority shareholders</i>	8.099	10.445
Total shareholders' equity	210.501	199.260
Total liabilities and shareholders' equity	386.273	347.805