

The Board of Directors has examined the quarterly report as of September 30 2003

**Consolidated sales € 223 ml, up 14% on the same period of 2002 (€ 195.7 ml at 30.09.02), gross operating profit of € 57.6 ml (+18% on € 48.8 ml in the same period in 2002) and net operating profit of € 27.8 ml (+24.7% on € 22.3 ml at 30.09.02).**

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These are the highlights specified in the third quarter 2003 results, examined 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 46 companies, with more than 1,300 employees, involved in the area of technical gases and home-care assistance, operating in 15 European countries.

Specifically, the positive trend of the consolidated sales is especially due to the good results achieved both in Italy and in the European countries where the Group operates also supported by the capital expenditures made.

The increase of the net operating profit, equal to € **27.8 ml** (12.5% on sales) on € 22.3 ml relating to 30.09.02, is mainly due to the good performances in the foreign countries, to the positive influence of the new air fractionating plant in Mantua and to the good results achieved in the home-care area.

Capital expenditures made in the first nine month of 2003, € 22.1 ml, confirm the strong trend to development and to European expansion of the Group.

In financial terms, the total net debt is € **66.6** ml (compared to € 69.3 ml as at 31.12.02), decreased also in comparison to € 74.7 ml at 30.06.03.

*“The constant increase of the turnover with the improvement of the operating profit”* commented SOL Vice-Chairman Marco Annoni, *“confirms the validity of the project in act and the capital expenditures made by SOL Group.”*

*“In the year 2003”*, concluded SOL Chairman Aldo Fumagalli Romario, *“we expect to reach the goal of further growth of turnover and profitability, even if in the actual difficult scenario.”*

Enclosure: Consolidated Profit and Loss and Net Financial Position.

## SOL Group – Profit and loss account

Thousands Euro	3 <sup>rd</sup> quarter				Nine months			
	2003	%	2002	%	2003	%	2002	%
<b>Net turnover</b>	<b>74.020</b>	<b>100,0</b>	<b>65.573</b>	<b>100,0</b>	<b>223.028</b>	<b>100,0</b>	<b>195.716</b>	<b>100,0</b>
Other revenues	1.022	1,4	1.045	1,6	2.569	1,2	2.067	1,1
Work in progress	800	1,1	1.539	2,3	2.885	1,3	4.125	2,1
<b>Total revenues</b>	<b>75.842</b>	<b>102,5</b>	<b>68.157</b>	<b>103,9</b>	<b>228.482</b>	<b>102,4</b>	<b>201.908</b>	<b>103,2</b>
Raw materials	22.008	29,7	21.328	32,5	65.519	29,4	63.429	32,4
Services	21.525	29,1	18.393	28,0	64.066	28,7	56.150	28,7
Stocks	(875)	(1,2)	(2.314)	(3,5)	(1.682)	(0,8)	(4.855)	(2,5)
Other costs	1.704	2,3	1.516	2,3	5.278	2,4	4.741	2,4
<b>Total costs</b>	<b>44.362</b>	<b>59,9</b>	<b>38.923</b>	<b>59,4</b>	<b>133.181</b>	<b>59,7</b>	<b>119.465</b>	<b>61,0</b>
<b>Added Value</b>	<b>31.480</b>	<b>42,5</b>	<b>29.234</b>	<b>44,6</b>	<b>95.301</b>	<b>42,7</b>	<b>82.443</b>	<b>42,1</b>
Labour Costs	12.496	16,9	10.751	16,4	37.671	16,9	33.622	17,2
<b>EBITDA</b>	<b>18.984</b>	<b>25,6</b>	<b>18.483</b>	<b>28,2</b>	<b>57.630</b>	<b>25,8</b>	<b>48.821</b>	<b>24,9</b>
Depreciation & Amortization	8.494	11,5	9.022	13,8	25.412	11,4	24.313	12,4
Other provisions	1.523	2,1	1.554	2,4	4.389	2,0	2.184	1,1
<b>EBIT</b>	<b>8.967</b>	<b>12,1</b>	<b>7.907</b>	<b>12,1</b>	<b>27.829</b>	<b>12,5</b>	<b>22.324</b>	<b>11,4</b>

## SOL Group – Net Financial Position

Thousands Euro	30/09/2003	30/06/2003	31/12/2002
Cash and cash at bank	23.613	20.318	23.901
Securities	1.799	1.226	340
Loans – current portion	(13.452)	(13.214)	(13.905)
Leases – current portion	(1.276)	(1.263)	(1.236)
Short – term bank loans and overdraft	(4.593)	(5.669)	(5.352)
<b>Short – term liquidity – Net</b>	<b>6.091</b>	<b>1.398</b>	<b>3.748</b>
Investment securities	491	491	561
Loans – long-term portion	(68.240)	(71.358)	(69.167)
Bank loans – long-term portion	(11)	(17)	(31)
Due to Financiers for Leasing	(2.961)	(3.288)	(2.644)
Due to shareholders for the purchase of equity investments	(1.936)	(1.936)	(1.785)
<b>Medium/Long term debt, net</b>	<b>(72.657)</b>	<b>(76.108)</b>	<b>(73.066)</b>
<b>Total net liquidity / debt</b>	<b>(66.566)</b>	<b>(74.710)</b>	<b>(69.318)</b>