

Board of Directors approves the First Quarter 2005 consolidated accounts

Consolidated sales € 84.7 ml (+7.7% up from € 78.6 ml in 1Q 2004), the gross operating profit came in at € 19.7 ml (23.3% on sales) and net operating profit at € 9.9 ml (11.7% on sales).

Consolidated sales € 84.7 ml (+7.7% up from € 78.6 ml in 1Q 2004), the gross operating profit came in at € 19.7 ml (substantially unchanged compared to the € 19.8 ml of the 1Q 2004) and net operating profit at € 9.9 ml (€ 10.4 ml in 1Q 2004), after depreciation and accruals for € 9.8 ml (€ 9.3 ml in 1Q 2004).

The net operating profit of 1Q 2004 was affected by a capital gain of € 1,1 ml realized on the sale of material fixed assets not used anymore; net of this effect the gross operating profit and the net operating profit register a growth respectively of 5.7% and 6.3%.

These are highlights of the first quarter 2005 consolidated figures 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 45 companies with 1,470 employees, involved in the area of technical gases and home-care assistance, operating in 15 European countries.

In the technical gases business the Group achieved a growth of +4.5%, due to the development of the activity abroad.

The growth was better in the home care business, in which the Group operates through VIVISOL, with an increase of 16.7%.

The capital expenditures of the Group during the first quarter 2005 were € 15.3 ml.

The total net debt of the Group is € 72.7 ml (€ 75.2 ml at 31/12/04).

“Despite the lasting uncertain climate which continue to characterize the economic contest, particularly unfavorable during the first quarter specially in Italy, the positive results achieved underline our capacity to growing, based on innovation and diversification.” affirmed Marco Annoni, Vice-President of SOL S.p.A.

“In the year 2005”, concluded Aldo Fumagalli Romario, President of SOL S.p.A., *“our target is to confirm the increasing trend of turnover and to improve the profitability of the Group.”*

Enclosure: Consolidated Profit and Loss and Net Financial Position.

SOL Group – Profit and loss account

Thousands Euro

	31/03/2005	% on net turnover	31/03/2004	% on net turnover
Net turnover	84.703	100,0	78.640	100,0
Other revenues	442	0,5	1.461	1,9
Work in progress	1.348	1,6	1.084	1,4
Total revenues	86.493	102,1	81.185	103,2
Raw materials	25.311	29,9	23.800	30,3
Services	24.771	29,2	23.078	29,3
Stocks	(573)	(0,7)	(1.392)	(1,8)
Other costs	2.448	2,9	2.143	2,7
Total costs	51.957	61,3	47.629	60,6
Added Value	34.536	40,8	33.556	42,7
Labour Costs	14.796	17,5	13.788	17,5
EBITDA	19.740	23,3	19.768	25,1
Depreciation & Amortization	9.045	10,7	8.400	10,7
Other provisions	755	0,9	919	1,2
EBIT	9.939	11,7	10.449	13,3

SOL Group – Net Financial Position

In migliaia di Euro

	31/03/2005	31/12/2004
Cash and cash at bank	22.444	21.888
Securities	218	218
Loans – current portion	(14.319)	(14.422)
Leases – current portion	(1.330)	(1.445)
Short – term bank loans and overdraft	(2.811)	(3.744)
Due to shareholders for loans	(44)	(44)
Short – term liquidity – Net	4.158	2.451
Investment securities	448	521
Loans – long-term portion	(71.408)	(74.705)
Bank loans – long-term portion	(29)	(9)
Due to Financiers for Leasing	(1.301)	(1.584)
Due to shareholders for the purchase of equity investments	(4.606)	(1.903)
Medium/Long term debt - Net	(76.895)	(77.681)
Total net liquidity / debt	(72.738)	(75.230)