

## SOL GROUP

PRESS RELEASE

### FIRST HALF 2018 RESULTS

The Board of Directors has approved the First Half 2018 results.

Consolidated Sales € 411.6 ml, (+11.1% vs 1H 2017, € 370.4 ml), EBITDA € 94.0 ml being 22.8% on sales (€ 79.6 ml at 1H 2017), EBIT € 47.1 ml being 11.5% on sales (€ 34.6 ml at 1H 2017), Net Profit € 27.8 ml (16.9 ml at 1H 2017).

These are the highlights disclosed in the First Half 2018 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 an Italian multinational group, with more than 3,900 employees, involved in the area of technical gases and home-care assistance, operating in Europe, Turkey, Morocco, India and Brazil.

In a climate of moderate economic recovery, in the first half of 2018 Sol Group achieved a growth of 11.1 % in sales volume compared with the 1H 2017 (7.9% at the same perimeter). The positive result is due to the growth of sales either in Italy with an increase of 12.6% and abroad where the growth was of 9.9%.

With reference to the two businesses of the Group, the Technical Gases Division registered an increase of sales of 14.2% in respect to the first semester of 2017, whereas the Home Care Division, in which the Group operates through VIVISOL, marked a growth of 8.2%.

The growth in profitability in terms of both EBITDA (+ 18.1%) and EBIT (+ 36.3%) is due to the significant and generalized development of sales, the regular and efficient functioning of the main plants and to the high energy production of hydroelectric plants, much higher than in the same period of 2017.

The Consolidated Net Profit was € 27.8 ml, showing an increase of € 10.9 ml compared with the first half of 2017 (€ 16.9 ml).

In financial terms, Operating Cash Flow was € 72.1 ml (€ 59.6 ml in the same period of 2017); the Total Net Debt was € 270.1 ml, increased by € 15.5 ml vs 12/31/17, due to the investments and acquisitions made in the first semester for € 67.0 ml and the payment of dividends for € 14.8 ml.

The Net Debt/Equity ratio was 0.52 (0.52 at the end of June 2017).

There are no relevant events occurred after June 30, 2018.

*“We consider in a positive way the results achieved in the first semester of 2018,”* affirmed Marco Annoni, Vice-President of SOL S.p.A. *“which confirm the capacity of SOL Group and its vocation for growth, even in a very complex economic context”.*

*“In the year 2018”,* concluded SOL Chairman Aldo Fumagalli Romario, *“our target is to pursue the trend of growth of sales and to maintain the profitability of the Group at a good level, continuing the investment program to support the development, the internationalization, the diversification and the innovation”.*

Pursuant to paragraph 2 of Article 154-bis of the Unified Finance 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, September 11th, 2018

## SOL Group - Consolidated income statement

(Thousands Euro)

	30/06/2018	%	30/06/2017	%
<b>Net sales</b>	<b>411,624</b>	<b>100.0%</b>	<b>370,395</b>	<b>100.0%</b>
Other revenues and proceeds	3,157	0.8%	3,301	0.9%
Internal works and collections	5,925	1.4%	5,362	1.4%
<b>Revenues</b>	<b>420,706</b>	<b>102.2%</b>	<b>379,059</b>	<b>102.3%</b>
Purchase of materials	103,191	25.1%	92,186	24.9%
Services rendered	120,193	29.2%	113,256	30.6%
Change in inventories	(2,783)	-0.7%	(3,612)	-1.0%
Other expenses	16,119	3.9%	15,735	4.2%
<b>Total costs</b>	<b>236,719</b>	<b>57.5%</b>	<b>217,565</b>	<b>58.7%</b>
<b>Added value</b>	<b>183,987</b>	<b>44.7%</b>	<b>161,493</b>	<b>43.6%</b>
Payroll and related costs	89,950	21.9%	81,850	22.1%
<b>EBITDA</b>	<b>94,037</b>	<b>22.8%</b>	<b>79,644</b>	<b>21.5%</b>
Depreciation & amortization	43,420	10.5%	41,814	11.3%
Other provisions	2,539	0.6%	2,802	0.8%
Non recurring (Income) / Charges	940	0.2%	439	0.1%
<b>EBIT</b>	<b>47,138</b>	<b>11.5%</b>	<b>34,589</b>	<b>9.3%</b>
Financial income	1,170	0.3%	1,391	0.4%
Financial expense	(5,382)	-1.3%	(5,676)	-1.5%
Result of investments	(273)	-0.1%	(625)	-0.2%
<b>Net financial Income / (Charges)</b>	<b>(4,485)</b>	<b>-1.1%</b>	<b>(4,910)</b>	<b>-1.3%</b>
<b>PBT</b>	<b>42,653</b>	<b>10.4%</b>	<b>29,679</b>	<b>8.0%</b>
Tax on profit	13,947	3.4%	11,865	3.2%
<b>Net profit from ongoing operations</b>	<b>28,706</b>	<b>7.0%</b>	<b>17,814</b>	<b>4.8%</b>
Net profit from discontinuous operations	0	0.0%	0	0.0%
Minorities	(869)	-0.2%	(882)	-0.2%
<b>Net profit</b>	<b>27,837</b>	<b>6.8%</b>	<b>16,932</b>	<b>4.6%</b>
<b>EPS</b>	<b>0.307</b>	<b>0.0%</b>	<b>0.187</b>	<b>0.0%</b>

## SOL Group - Statement of financial position

(Thousands Euro)

	<b>30/06/2018</b>	<b>31/12/2017</b>
Tangible assets	476,067	462,903
Goodwill and consolidation differences	93,724	84,377
Other intangible assets	16,179	15,892
Equity investments	12,579	13,102
Other financial assets	12,361	12,653
Tax advances	7,955	8,333
<b>NON CURRENT ASSETS</b>	<b>618,865</b>	<b>597,261</b>
<b>Non current assets held for sale</b>	<b>0</b>	<b>0</b>
Inventories	49,380	46,450
Trade receivables	278,647	260,108
Other current assets	35,945	34,864
Current financial assets	3,741	4,126
Cash and banks	126,008	117,175
<b>CURRENT ASSETS</b>	<b>493,721</b>	<b>462,723</b>
<b>TOTAL ASSETS</b>	<b>1,112,586</b>	<b>1,059,985</b>
Share capital	47,164	47,164
Share premium reserve	63,335	63,335
Legal reserve	10,459	10,459
Reserve for treasury shares in portfolio	0	0
Other reserves	353,432	327,221
Retained earnings	1,616	1,895
Net profit	27,837	40,239
<b>Shareholders' equity - Group</b>	<b>503,844</b>	<b>490,314</b>
Minorities	16,460	13,588
Net income attributable to minority shareholders	869	1,982
<b>Shareholders' equity - minority interests</b>	<b>17,329</b>	<b>15,570</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>521,173</b>	<b>505,884</b>
Employee benefits	15,429	15,351
Provision for deferred tax liabilities	3,462	3,314
Provision for risks and charges	825	861
Payables and other financial liabilities	351,401	334,137
<b>NON CURRENT LIABILITIES</b>	<b>371,117</b>	<b>353,664</b>
<b>Non current liabilities held for sale</b>	<b>0</b>	<b>0</b>
Due to banks	3,251	2,035
Trade accounts	111,225	105,494
Current financial liabilities	50,809	43,647
Taxes payables	13,431	10,963
Other current liabilities	41,580	38,298
<b>CURRENT LIABILITIES</b>	<b>220,296</b>	<b>200,437</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,112,586</b>	<b>1,059,985</b>