

ASIAN MARKET GENERATES STRONG INCREASE IN TURNOVER IN FIRST QUARTER

During the first quarter of 2010, the Picanol Group (Euronext: PIC) recorded a consolidated turnover of 78.53 million euros. This is an increase of 87% compared to 41.95 million euros in the very weak first quarter of 2009, but a decrease of 20% compared to the first quarter in 2008 (100.60 million euros).

The Weaving Machines division experienced a clearly improved first quarter with the demand for new Picanol weaving machines remaining high, as expected, following strongly rising demand in Asia. Other regions have recently shown a tentative recovery in the demand for Picanol weaving machines. The Industries division was also able to profit from a gradually improving market in the first quarter, resulting in an increase of activities in various industries like compressors, earthmoving machines, railway equipment and textile machines.

Outlook

The Picanol Group is anticipating an increase in the demand for Picanol weaving machines over the coming months, and expects that this will have a positive impact on the group's activities for the remainder of 2010. As a result of a well-filled order book for weaving machines, the Picanol Group in Ypres is currently recruiting an additional 50 temporary employees to be able to meet the higher production demand.

The Picanol Group will announce its results for the first six months of 2010 on Tuesday 31 August 2010 (after closing of the stock exchange).

Annual General Meeting Picanol NV 2009

The General Meeting of Picanol NV for the financial year 2009 was held today. On a total of 17,700,000 shares, 15,360,594 shares were present or represented at the meeting.

The General Meeting approved the annual accounts, the annual report and the proposed appropriation of the result. The General Meeting also granted discharge to the members of the Board of Directors and the statutory auditor.

At the proposal of the Board of Directors, the General Meeting has appointed Mr. Luc Tack and Mr. Stefaan Haspeslagh as non-independent directors. The Board of Directors has appointed Mr. Stefaan Haspeslagh as Chairman.

The presentation and the minutes of the general meeting can be consulted on the website of the Picanol Group (www.picanolgroup.com).

About the Picanol Group

The Picanol Group is an international, customer-oriented group specialized in development, production and sale of weaving machines and other high-technology products, systems and services.

Division Weaving Machines

The division Weaving Machines (Picanol) develops, manufactures and sells high-tech weaving machines based on air (airjet) or rapier technology (rapier). Picanol supplies weaving machines to weaving mills worldwide, and also offers its customers such products and services as training, upgrade kits, spare parts and service contracts. For more than seventy years, Picanol has played a pioneering role in the industry worldwide, and is one of the current world leaders in weaving machine production. It also markets accessories via GTP Global Textile Partner.

Division Industries

The division Industries covers all activities not related to weaving machines: Proferro comprises the foundry and the group's machining activities. It produces cast iron parts for e.g. compressors, pumps and agricultural machinery, and parts for Picanol weaving machines. Through PsiControl Mechatronics, the group specializes in the design, development, manufacturing and support of technological components, services and mechatronical system solutions for original equipment manufacturers in various industries. Melotte develops and produces innovative product solutions using Direct Digital Manufacturing (DDM) and Near-to-Net-Shape Manufacturing (NNSM) technologies.

In addition to the head office in Ypres (Belgium), the Picanol Group has production facilities in Asia, Europe and the United States, linked to its own worldwide sales and service network. In 2009, the Picanol Group realized a consolidated turnover of 250.23 million euros. The Picanol Group employs 1,983 employees worldwide and has been listed on Euronext Brussels (PIC) since 1966.

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This press release is also available on the Picanol Group's corporate website: www.picanolgroup.com