

PICANOL GROUP REMAINS ON COURSE TO REALIZE TURNOVER TARGET FOR 2010

During the third quarter of 2010, the Picanol Group (Euronext: PIC) recorded a consolidated turnover of 96.51 million euros. This represented an increase of 63% compared to the consolidated turnover of 59.34 million euros realized in the third quarter of 2009.

Following on from the first half of this year, demand for new Picanol weaving machines also continued at a high level in the third quarter of 2010. Amongst other things, this is a consequence of continued strong demand in Asia (mainly China) and the effect of the favorable euro exchange rate. Furthermore, sales of spare parts and weaving accessories also profited from the positive market situation in the third quarter.

The Industries Division also experienced an increase of activities in the third quarter. Through making full use of the advantages delivered by its new molding line (Proferro) and by focusing on the continued development of its controller competences (PsiControl Mechatronics), the group was able to complete several new projects across various different sectors.

During the third quarter of 2010, the Picanol Group recruited 150 additional temporary workers for its production unit in Ypres – taking the total of temporary workers being hired in Ypres to 200 since the start of 2010. The Picanol Group remains on the lookout for skilled technicians and CNC operators. The third quarter also saw the registered office of the group moved to the Karel Steverlyncklaan 15 in Ypres.

Outlook

As announced previously, the Picanol Group remains on course to realize for the complete 2010 financial year a turnover in line with the previous quarters. The group is also taking into account increasing material costs. However, the continually increasing cotton prices and the volatile exchange rates have led to more uncertainty in the market, mainly in China. Subject to this, decisions regarding investments in new weaving machinery may be delayed.

Financial calendar

Announcement of annual results 2010	9 March 2011 (before opening of the stock exchange)
Annual General Meeting	20 April 2011

The Picanol Group will celebrate its 75th anniversary in 2011.

About the Picanol Group

The Picanol Group is an international, customer-oriented group specialized in the 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 headquarters 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 more than 2,000 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