

## **PICANOL GROUP CONTINUES STRONG TURNOVER GROWTH OF Q1 AND REPORTS LARGE INCREASE IN PROFIT**

### **INVESTMENT PROGRAM IN YPRES ON SCHEDULE**

- During the first half of 2013, the Picanol Group (NYSE Euronext: PIC) realized a consolidated turnover of 304.1 million euros, an increase of 39% compared to 219.1 million euros in the weaker first half of 2012.

As expected and as announced previously, the Weaving Machines division had a strong start to 2013, based on the well-filled order book at the end of 2012. The first half of 2013 was characterized by a high global demand for Picanol weaving machines, forcing the group to focus heavily on flexibility in order to handle production peaks. The Industries division also realized a strong first half, thanks to higher demand from Weaving Machines and projects for other customers.

The group closed the first half of 2013 with a net result of 42.4 million euros, compared to 25.4 million euros in the same period in 2012.

- Based on the current order book, the Picanol Group expects to realize in the second half of 2013 a slight turnover increase in comparison to the stronger second half of 2012.
- The planned investments in Ypres for an amount of 12 million euros are on track. In addition to this, the Board of Directors has approved a further investment of 5.5 million euros in new CNC machines. The preparatory work for the new production facilities in Ypres has been started and the expansion of the HWS molding line for Industries was realized. In combination with further productivity and quality improvements, the Picanol Group wants to increase its competitiveness with these targeted investments in Ypres.
- SNPE SA and Picanol Group (NYSE Euronext: PIC) have signed on 25 July 2013 an agreement for the sale by SNPE SA to the Picanol Group of a stake held by SNPE SA in Tessengerlo Chemie NV, representing 27.6% of the share capital of Tessengerlo Chemie NV for a price per share of EUR 22.

## Half-yearly information – H1 2013 figures in accordance with IFRS accounting standards

### I. KEY FIGURES

<b>Consolidated results</b> (in '000 euros)	<b>30/06/2013</b>	<b>30/06/2012</b>
Sales	304,057	219,086
Cost of sales	-227,702	-168,265
<b>GROSS PROFIT</b>	<b>76,355</b>	<b>50,821</b>
<b>Gross profit as % of sales</b>	<b>25.11%</b>	<b>23.20%</b>
General and administrative expenses	-8,358	-8,197
Selling and marketing expenses	-7,894	-8,419
Other operating income	34	413
Other operating expenses	7	-104
<b>EBITDA*</b>	<b>62,355</b>	<b>38,370</b>
<b>EBIT**</b>	<b>60,144</b>	<b>34,514</b>
Net financing expenses	1,694	903
Other financial result	-17	-80
<b>PROFIT OR LOSS BEFORE TAXES</b>	<b>61,821</b>	<b>35,336</b>
Income taxes	-19,395	-9,983
<b>PROFIT OR LOSS</b>	<b>42,426</b>	<b>25,353</b>
<b>Balance sheet information</b> (in '000 euros)	<b>30/06/2013</b>	<b>30/06/2012</b>
<b>SHAREHOLDERS' EQUITY</b>	261,029	217,661
<b>BALANCE SHEET TOTAL</b>	437,239	349,812
<b>Key figures per share</b> (in euros, except number of shares)	<b>30/06/2013</b>	<b>30/06/2012</b>
Basic earnings per share	2.40	1.43
Diluted earnings per share	2.40	1.43
<b>Number of shares</b>	<b>17,700,000</b>	<b>17,700,000</b>

\* EBITDA: EBIT + depreciation and impairment of assets  
+ adjustments of write-offs on inventories and trade receivables  
+ adjustments of other provisions.

\*\*EBIT: Operating result

## II. ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED INCOME STATEMENT

PICANOL GROUP (in '000 euros)	30/06/2013	30/06/2012
Sales	304,057	219,086
Cost of sales	-227,702	-168,265
<b>GROSS PROFIT</b>	<b>76,355</b>	<b>50,821</b>
	<b>25.1%</b>	<b>23.2%</b>
<b>Gross profit % on sales</b>		
	-8,358	-8,197
General and administrative expenses	-7,894	-8,419
Selling and marketing expenses	34	413
Other operating income	7	-104
Other operating expenses		
<b>OPERATING RESULT</b>	<b>60,144</b>	<b>34,514</b>
Total interest income	2,735	1,824
Total interest expenses	-1,041	-921
Other financial income	507	219
Other financial expenses	-524	-300
<b>PROFIT OR LOSS BEFORE TAXES</b>	<b>61,821</b>	<b>35,336</b>
Income taxes	-19,395	-9,983
	<b>42,426</b>	<b>25,353</b>
<b>PROFIT OR LOSS</b>		
	<b>42,426</b>	<b>25,353</b>
<b>SHARE OF THE GROUP IN PROFIT OR LOSS</b>		
<b>PICANOL GROUP (in euros)</b>	<b>30/06/2013</b>	<b>30/06/2012</b>
Basic earnings per share	2.40	1.43
Diluted earnings per share	2.40	1.43

### ABBREVIATED CONSOLIDATED OVERVIEW OF THE TOTAL RESULT

PICANOL GROUP (in '000 euros)	30/06/2013	30/06/2012
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	<b>42,426</b>	<b>25,353</b>
<b>Other elements of the total result for the period</b>	<b>942</b>	<b>734</b>
Exchange rate differences as a result of the translation of foreign activities	942	734
<b>Other elements of the overall results after taxes for the period</b>	<b>942</b>	<b>734</b>
<b>TOTAL RESULT</b>	<b>43,368</b>	<b>26,087</b>

## CONSOLIDATED BALANCE SHEET

<b>PICANOL GROUP</b> (in '000 euros)	<b>30/06/2013</b>	<b>31/12/2012</b>
<b>FIXED ASSETS</b>	<b>55,523</b>	<b>59,365</b>
Intangible assets	4,123	4,733
Goodwill	0	0
Tangible fixed assets	50,441	51,162
Other financial investments	58	58
Non-current receivables	224	1,329
Deferred tax assets	677	2,083
<b>CURRENT ASSETS</b>	<b>381,716</b>	<b>290,447</b>
Inventories and contracts in progress	54,620	48,300
Trade receivables	100,058	62,982
Other receivables	23,687	33,839
Cash and cash equivalents	203,351	145,326
<b>TOTAL ASSETS</b>	<b>437,239</b>	<b>349,812</b>
<b>SHAREHOLDER'S EQUITY</b>	<b>261,029</b>	<b>217,661</b>
Share capital	21,720	21,720
Share premiums	1,518	1,518
Reserves	232,423	189,997
Translation differences	5,368	4,426
<i>Equity attributable to the shareholders of the group</i>	<i>261,029</i>	<i>217,661</i>
Minority interests	0	0
<b>NON-CURRENT LIABILITIES</b>	<b>22,329</b>	<b>22,482</b>
Employee benefit obligations	8,068	8,602
Provisions	1,692	1,699
Deferred tax liabilities	8,937	7,708
Interest-bearing debt	3,632	4,473
Financial leases	3,482	4,220
Credit institutions	150	253
Other liabilities	0	0
<b>CURRENT LIABILITIES</b>	<b>153,882</b>	<b>109,668</b>
Employee benefit obligations	1,631	1,631
Provisions	6,340	6,752
Interest-bearing debt	12,455	5,705
Trade payables	85,765	56,077
Income taxes payable	6,621	2,636
Other current liabilities	41,070	36,867
<b>TOTAL LIABILITIES</b>	<b>437,239</b>	<b>349,812</b>

## CONSOLIDATED CASH FLOW STATEMENT

PICANOL GROUP (in '000 euros)	30/06/2013	30/06/2012
<b>Operating result</b>	<b>60,144</b>	<b>34,514</b>
Depreciation on intangible and tangible fixed assets	4,376	4,366
Impairment losses of assets	0	21
Increase/(decrease) of write-offs on current assets	-1,240	-687
Changes in provisions	-953	55
Profit/(loss) on disposals of assets	28	102
<b>Gross cash flow from operating activities</b>	<b>62,355</b>	<b>38,370</b>
Changes in working capital	2,993	323
<b>Cash flow from operating activities</b>	<b>65,348</b>	<b>38,694</b>
Income taxes	-12,778	-5,878
<b>Net cash flow from operating activities</b>	<b>52,570</b>	<b>32,815</b>
Interest received	2,735	1,824
Acquisitions of intangible fixed assets	-36	-214
Acquisitions of tangible fixed assets	-2,879	-3,882
<b>Net cash flow from investment activities</b>	<b>-180</b>	<b>-2,272</b>
Interest paid	-1,041	-921
Increase/(Decrease) of export financing	6,646	-160
Repayments of interest-bearing financial debt	-738	-810
<b>Cash flow from financing activities</b>	<b>4,867</b>	<b>-1,891</b>
Effect of exchange rate fluctuations	767	518
<b>Adjustments to cash and cash equivalents</b>	<b>58,025</b>	<b>29,170</b>
Net cash position – opening balance	145,326	110,623
Net cash position – closing balance	203,351	139,793
	<b>58,025</b>	<b>29,170</b>

## SHAREHOLDERS' EQUITY

The modifications in shareholders' equity can be detailed as follows:

Per 30 June 2013

PICANOL GROUP (in '000 euros)	Share capital	Share premiums	Retained earnings	Translation differences	Total before minority interests	Minority interests	Total after minority interests
<b>At the end of the preceding period</b>	<b>21,720</b>	<b>1,518</b>	<b>189,997</b>	<b>4,426</b>	<b>217,661</b>	<b>0</b>	<b>217,661</b>
Changes in scope of consolidation	0	0	0	0	0	0	0
Result over the reporting period	0	0	0	0	0	0	0
Other elements of the total result	0	0	42,426	0	42,426	0	42,426
Other	0	0	0	942	942	0	942
<i>Total recognized profits and losses</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Dividends	0	0	42,426	942	43,368	0	43,368
Changes in scope of consolidation	0	0	0	0	0	0	0
Capital increase *	0	0	0	0	0	0	0
<b>At the end of the reporting period</b>	<b>21,720</b>	<b>1,518</b>	<b>232,423</b>	<b>5,368</b>	<b>261,029</b>	<b>0</b>	<b>261,029</b>

Per 30 June 2012

PICANOL GROUP (in '000 euros)	Share capital	Share premiums	Retained earnings	Translation differences	Total before minority interests	Minority interests	Total after minority interests
<b>At the end of the preceding period</b>	<b>21,720</b>	<b>1,518</b>	<b>134,696</b>	<b>4,895</b>	<b>162,829</b>	<b>0</b>	<b>162,829</b>
Changes in scope of consolidation	0	0	0	0	0	0	0
Result over the reporting period	0	0	25,353	0	25,353	0	25,353
Other elements of the total result	0	0	0	734	734	0	734
Other	0	0	0	0	0	0	0
<i>Total recognized profits and losses</i>	<i>0</i>	<i>0</i>	<i>25,353</i>	<i>734</i>	<i>26,087</i>	<i>0</i>	<i>26,087</i>
<i>Dividends</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>At the end of the reporting period</b>	<b>21,720</b>	<b>1,518</b>	<b>160,048</b>	<b>5,629</b>	<b>188,915</b>	<b>0</b>	<b>188,915</b>

## STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

The abbreviated interim consolidated statements comprise the financial statements of Picanol NV and all the subsidiaries over which the group has control. The abbreviated interim consolidated statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as applied by the European Union. The abbreviated interim consolidated statements have been approved by the Board of Directors for publication on 26 August 2013. The amounts are expressed in thousands of euros, unless stated otherwise.

The accounting standards applied in the preparation of this abbreviated consolidated intermediate financial information are in line with the standards used in preparing the consolidated annual accounts closed on 31 December 2012.

In comparison to the consolidated annual report on 31 December 2012, the following Standards and Interpretations came into application. These had only a minor impact on the financial position and results of the group:

### Standards and interpretations applicable for the annual period beginning on 1 January 2013

- IFRS 13 *Fair Value Measurement* Improvements to IFRS (2009-2011)
- Amendments to IFRS 1 *First Time Adoption of IFRS – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
- Amendments to IFRS 1 *First Time Adoption of IFRS – Government Loans*
- Amendments to IFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*

- Amendments to IAS 1 *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income* (applicable for annual periods beginning on or after 1 July 2012)
- Amendments to IAS 12 *Income Taxes – Deferred Tax: Recovery of Underlying Assets*
- Amendments to IAS 19 *Employee Benefits*
- IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*

### **Changes in the scope of consolidation**

In the first half of 2013 there were no changes in the scope of consolidation.

## **III. HALF-YEARLY REPORT**

### **1. NOTES TO THE INCOME STATEMENT**

During the first half of 2013, the Picanol Group realized a consolidated turnover of 304.1 million euros, a 39% increase in comparison to 219.1 million euros in the weaker first half of 2012. Both divisions saw their turnover increase based on the strong order book by the end of 2012 and the high volumes in the first half of 2013.

Gross profit increased in the first half of 2013 to 76.4 million euros in comparison to 50.8 million euros in the first six months of 2012. The gross margin percentage increased from 23.2% to 25.1%, mainly because the fixed production costs did not increase in line with the higher volume.

The operating result (EBIT) increased from +34.5 million euros to +60.1 million euros or an EBIT-margin of +19.8% versus +15.7% in the first half of last year.

The net financial result amounted to +1.7 million euros versus +0.8 million euros last year, mainly as a result of the increased income from cash investments.

Income taxes amounted to -19.4 million euros compared to -9.9 million euros last year or an effective tax rate of 31.4% versus 28.2% last year. The increase is a result of the increased tax rate in China.

The Picanol Group closed the first half of 2013 with a net result of +42.4 million euros in comparison to +25.4 million euros over the same period in 2012.

## 2. SEGMENT INFORMATION

### H1 2013

PICANOL GROUP (in '000 euros)	2013 H1			Consolidated
	Weaving Machines	Industries	Eliminations	
External sales	267,048	37,010		304,057
Inter-segment sales	617	40,987	-41,605	0
<b>TOTAL SALES</b>	<b>267,665</b>	<b>77,997</b>	<b>-41,605</b>	<b>304,057</b>
<b>OPERATING PROFIT</b>	<b>50,418</b>	<b>9,726</b>		<b>60,144</b>
Financial result				1,677
<b>PROFIT OR LOSS BEFORE TAXES</b>				<b>61,821</b>
Income taxes				-19,395
<b>PROFIT OR LOSS AFTER TAXES</b>				<b>42,426</b>
Share of minority interests				0
<b>SHARE OF THE GROUP</b>				<b>42,426</b>

### H1 2012

PICANOL GROUP (in '000 euros)	2012 H1			Consolidated
	Weaving Machines	Industries	Eliminations	
External sales	185,428	33,658		219,086
Inter-segment sales	460	27,533	-27,993	0
<b>TOTAL SALES</b>	<b>185,889</b>	<b>61,191</b>	<b>-27,993</b>	<b>219,086</b>
<b>OPERATING PROFIT</b>	<b>30,311</b>	<b>4,203</b>		<b>34,514</b>
Financial result				822
<b>PROFIT OR LOSS BEFORE TAXES</b>				<b>35,336</b>
Income taxes				-9,983
<b>PROFIT OR LOSS AFTER TAXES</b>				<b>25,353</b>
Share of minority interests				0
<b>SHARE OF THE GROUP</b>				<b>25,353</b>

### NOTES TO THE INCOME STATEMENT PER SEGMENT

In accordance with the organizational structure and the internal reporting process, the two divisions - Weaving Machines and Industries - form the primary segmentation basis of the group. The supporting Finance, IT, HR and Corporate activities were allocated to the business segments on the basis of various factors (activity, contribution to turnover %, etc.), in accordance with the management reporting.



### **WEAVING MACHINES**

The turnover of the Weaving Machines division amounted to 267.6 million euros, an increase of 44% compared to the same period last year. Weaving Machines experienced a strong start based on the well-filled order book at the end of 2012. The first half of 2013 was characterized by a high global demand for Picanol weaving machines. Sales of spare parts and weaving accessories increased in line with the sales of weaving machines. The operating result of the Weaving Machines division amounted to +50.4 million euros versus +30.3 million euros last year.

### **INDUSTRIES**

The turnover of the Industries division amounted to 78.0 million euros, an increase of 27% compared to the same period in 2012. The increase in turnover was mainly driven by a strong demand from the Weaving Machines Division. Despite the difficult economic situation, sales to other customers also increased by 10%. The Industries division is successfully focusing on its *engineered casting solutions* (Proferro) and its controller competencies (PsiControl Mechatronics) in order to attract new projects. The operating result of the Industries division amounted to +9.7 million euros in comparison to +4.2 million euros in the first half of 2012.

### **3. NOTES TO THE BALANCE SHEET AND CASH FLOW**

The balance sheet total of the Picanol Group increased by 25% from 349.8 million euros on 31 December 2012 to 437.2 million euros on 30 June 2013. The elements of working capital remained stable as the increase in trade receivables and trade payables (as a result of the increased production) balanced each other out. Cash rose from 145.3 million euros to 203.4 million euros, an increase of 58 million euros. During the first half of the year, the net cash flow from operational activities amounted to 52.6 million euros. The Picanol Group invested in the first half of the year 2.9 million euros in fixed assets. Net cash flow from financing activities amounted to +4.9 million euros due to an increase in discounting of export financing.

### **4. EVENTS AFTER THE BALANCE SHEET DATE**

SNPE SA and Picanol Group (NYSE Euronext: PIC) have signed on 25 July 2013 a binding agreement for the sale by SNPE SA to the Picanol Group of a stake held by SNPE SA in Tessenderlo Chemie NV, representing 27.6% of the share capital of Tessenderlo Chemie NV for a price per share of EUR 22 (total: 192 mio euros). SNPE SA is for 99.9% owned by the French state.

This transaction is subject to regulatory approval, more in particular competition clearance. The transaction is expected to close at the latest on 8 November 2013. Following the closing of this transaction, SNPE SA will no longer own any share in Tessenderlo Chemie NV. With the participation in Tessenderlo Chemie NV, the Picanol Group wants to increase the diversity and geographical spread of its activities, in order to better protect itself against the cyclical weaving machine business in which it operates today. Another objective of the participation is to secure a stable shareholding for Tessenderlo Chemie NV and to promote the development of the strategies used by Tessenderlo Chemie NV. With the participation, the Picanol Group is also ensuring the sustainable anchoring of an industrial group in Flanders and Belgium.

### **5. RELATED PARTY TRANSACTIONS**

There are no substantial changes in the related party transactions compared to the situation on 31 December 2012.

### **6. OUTLOOK**

The order book is also well filled for the second part of 2013. Based on the current order book, the Picanol Group expects to realize in the second half of 2013 a slight turnover increase in comparison to the stronger second half of 2012.

However, the recent developments in the exchange rate of the yen are creating increasing pressure on the market for airjet weaving machines.

The Picanol Group remains cautious, as it is active as an export-oriented company in a volatile world economy. Moreover, the current uncertain economic and financial situation of the world market does not allow for long-term forecasts.

## **7. INVESTMENT PLAN YPRES**

As improving the competitiveness through further productivity and quality improvements and targeted investments is a top priority, the Board of Directors approved investments for Ypres for an amount of 12 million euros in early 2013. The plan includes the construction of a new test area for weaving machines, the expansion of the HWS molding line and the purchase of several production machines. Finally, Picanol will also invest in a training center for weaving machines in Ypres. The planned investments are on track and in addition to this the Board of Directors has approved a further investment of 5.5 million euros in new CNC machines.

## **8. RISKS AND UNCERTAINTIES**

The risks and uncertainties for the remaining months of the financial year are described below. In the annual report a full overview can be found.

### ***Picanol's operating results are influenced by exchange rate fluctuations.***

Picanol earns a majority of its income from countries that use currency other than the euro. Consequently, since Picanol presents its consolidated results in euros, any fluctuation in the exchange rates between the operating currencies of its competitors and the euro has an impact on its consolidated income statement and balance sheet when the results of these operating companies are converted into euros for reporting purposes. The appreciation of the Chinese Yuan in the first half of 2013 had a positive effect on the consolidated figures.

### ***Risk associated with the state of the economy and business cycles***

The company's future results are strongly dependent on developments in the textile industry. Unexpected changes in the economic climate, the investment cycles of customers, significant developments in the field of production and the acceptance of technology by the market can all have an influence on this industry, and consequently on the company's results.

### ***Picanol is exposed to risks associated with growth economies***

A significant proportion of Picanol's activities is derived from rapidly-developing Asian and South American markets. Picanol's activities in these markets are subject to the usual risks associated with doing business in developing economies, such as political and economic uncertainties, currency controls, exchange rate fluctuations and shifts in government policy.

### ***Risk associated with suppliers***

Picanol's products are made up of materials and components from various suppliers. To be able to produce, sell and deliver its products, Picanol has to rely on correct and timely delivery by third parties. Should the company's suppliers fail to supply correctly, in time or indeed at all, this could lead to Picanol's deliveries in turn being delayed or incomplete, which could lead to lower turnover.

## **FINANCIAL CALENDAR**

Trading update Q3	29 October 2013 (after market closing)
Publication of annual results 2013	25 February 2014
General Meeting	16 April 2014

## **STATEMENT BY THE MANAGEMENT**

Mr. Stefaan Haspeslagh (Chairman) and Mr. Luc Tack (Managing Director) declare, on behalf and for the account of the Picanol Group, that, in as far as they know,

- the abbreviated financial overviews dated 30 June 2013 have been drawn up according to IFRS, and that they provide a true and fair view of the assets, the financial status and the results of Picanol and the companies included in the consolidation;

- the interim (half yearly) report provides a fair and true view of the notable events and main transactions with affiliated companies that occurred during the first six months of the financial year and of their impact on the abbreviated financial statements, as well as a description of the most significant risks and uncertainties for the remaining months of the financial year.

#### **LIMITED REVIEW ON THE CONSOLIDATED HALF-YEAR FINANCIAL INFORMATION**

We have performed a limited review of the accompanying consolidated condensed balance sheet, condensed income statement, condensed statement of comprehensive income, condensed cash flow statement, condensed statement of changes in equity and selective notes 1 to 8 (jointly the “interim financial information”) of Picanol NV (“the company”) and its subsidiaries (jointly “the group”) for the six-month period ended 30 June 2013.

The board of directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review. The interim financial information has been prepared in accordance with international financial reporting standard IAS 34 – Interim Financial Reporting as adopted by the European Union.

Our limited review of the interim financial information was conducted in accordance with international standard ISRE 2410 – Review of interim financial information performed by the independent auditor of the entity. A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA). Accordingly, we do not express an audit opinion on the interim financial information.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six-month period ended 30 June 2013 is not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union.

Kortrijk, 26 August 2013  
The statutory auditor

DELOITTE Bedrijfsrevisoren  
BV o.v.v.e. CVBA  
Represented by Mario Dekeyser

**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: Picanol develops, manufactures and sells high-tech weaving machines based on air (airjet) or rapier technology. Picanol supplies weaving machines to weaving mills worldwide, and also offers its customers such products and services as weaving accessories, training, upgrade kits and spare parts. For more than 75 years, Picanol has played a pioneering role in the industry worldwide, and is one of the current world leaders in weaving machine production.*

*Division Industries: Proferro comprises the foundry and the group's machining activities. It produces cast iron parts for e.g. compressors, agricultural machinery, and Picanol weaving machines. Through PsiControl Mechatronics, the group specializes in the design, development, manufacturing and support of a.o. controllers for 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 and Europe, linked to its own worldwide sales and service network. In 2012, the Picanol Group realized a consolidated turnover of 461.75 million euros. The Picanol Group employs more than 1,950 employees worldwide and is listed on NYSE Euronext Brussels (PIC). The Picanol Group was founded in 1936 and celebrated its 75th anniversary in 2011.*

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This press release is also available on the Picanol Group's corporate website: [www.picanolgroup.com](http://www.picanolgroup.com)