

STRONG ORDER BOOK FROM THE FIRST HALF OF THE YEAR GENERATES TURNOVER INCREASE IN THIRD QUARTER

INCREASING PRESSURE ON VOLUMES/MARGINS

The Picanol Group (NYSE Euronext: PIC) realized a consolidated turnover of 131.27 million euros in the third quarter of 2013, which represents an increase of 13% compared to 116.62 million euros over the same period in 2012. The Picanol Group confirms its earlier forecast to achieve a slight increase in turnover in the second half of 2013 compared to the stronger second half of 2012.

Based on the strong order book in the first half of 2013, the Weaving Machines division realized another strong quarter. The Industries division also experienced a slight increase in activities in the third quarter of 2013 compared to the same period last year. This was due to an increase in demand from Weaving Machines and projects for other customers.

Investment plan

Since improving 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 17.5 million euros in 2013. The construction of a new test area and training center for weaving machines in Ypres is on schedule. According to the planning, construction in Ypres will be completed in the spring of 2014.

Stake in Tessenderlo Chemie NV

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. This transaction is subject to regulatory approval, more in particular competition clearance. The transaction is expected to close around 8 November 2013.

Outlook

Based on the current market situation, the Picanol Group confirms its earlier forecast to realize a slight turnover increase in the second half of 2013 compared to the stronger second half of 2012.

For the coming months, however, the Picanol Group is expecting increasing pressure on volumes and margins, which is partly due to the strong euro. For 2014, the group takes into account a slowdown of the worldwide weaving machine market.

The Picanol Group remains cautious, as it is active as an export-oriented company in a volatile world economy. In view of the cyclical nature of the textile market, strict cost control remains of the essence.

Financial calendar

Announcement 2013 annual results
Annual General Meeting

27 February 2014
16 April 2014

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 2,000 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