

- Consolidated results H1 2010 -

## PICANOL GROUP'S STRONG TURNOVER GROWTH OF FIRST QUARTER CONTINUES AND GETS THE GROUP BACK INTO PROFIT

- During the first half of 2010, the Picanol Group (Euronext: PIC) realized a consolidated turnover of 179.7 million euros, an increase of 65% compared to 108.8 million euros in the very weak first half of 2009.

The turnover increase was both realized in the Weaving Machines division and the Industries division. In line with expectations and as announced previously, the demand for Picanol weaving machines remained at a high level in first half of 2010, mainly driven by a strong demand in Asia. In other regions the demand for Picanol weaving machines also recovered. In addition, the Industries division saw an increase of activities across various industries.

Thanks to the savings made and the increased turnover, the Picanol Group was able to get back into profit. The group closed the first half of 2010 with a net result of 15.9 million euros compared to a net loss of -19.3 million euros in the same period in 2009.

- In the first half of 2010 Picanol extended its product range with the new airjet weaving machine *OMNIplus-X*. R&D and product innovation continue to play a central role in the further development of the high-technology activities.
- Following the improved market outlook, the Picanol Group has started in July a recruitment campaign to hire 150 extra temporary workers for its production plant in Ypres.
- The Picanol Group has recently moved all Ypres activities and its registered office to the Karel Steverlyncklaan, where its main production and R&D activities are located.
- For the entire financial year 2010, the group expects to realize an increased turnover as compared to 2009 - in line with the turnover increase achieved in the first half of 2010. However, the group also expects increasing material costs.

## Half-yearly information – H1 2010 figures in accordance with IFRS accounting standards

### KEY FIGURES

<b>Consolidated results</b> (in '000 euros)	<b>30/06/2010</b>	<b>30/06/2009</b>
Sales	179,687	108,837
Cost of sales	-140,459	-102,419
<b>GROSS PROFIT</b>	<b>39,228</b>	<b>6,418</b>
<b>Gross profit as % of sales</b>	<b>21.83%</b>	<b>5.90%</b>
General and administrative expenses	-9,478	-12,320
Selling and marketing expenses	-7,463	-8,007
Other operating income	102	33
Other operating expenses	-1,394	-7,022
<b>EBITDA*</b>	<b>23,920</b>	<b>-7,175</b>
<b>EBIT**</b>	<b>20,994</b>	<b>-20,898</b>
Net financing expenses	-93	-628
Other financial result	176	-403
<b>PROFIT OR LOSS BEFORE TAXES</b>	<b>21,077</b>	<b>-21,929</b>
Income taxes	-5,155	2,611
<b>PROFIT OR LOSS</b>	<b>15,921</b>	<b>-19,318</b>
<b>Balance sheet information</b> (in '000 euros)	<b>30/06/2010</b>	<b>30/06/2009</b>
<b>SHAREHOLDERS' EQUITY</b>	82,009	51,093
<b>BALANCE SHEET TOTAL</b>	219,685	175,760
<b>Key figures per share</b> (in '000 euros, except number of shares)		
	<b>30/06/2010</b>	<b>30/06/2009</b>
Basic earnings per share	0.90	-3.27
Diluted earnings per share	0.90	-3.27
<b>Number of shares</b>	<b>17,700,000</b>	<b>5,900,000</b>

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

\*\*EBIT: Operating result

## HALF-YEARLY INFORMATION IAS-34 ANNUAL REPORT

### ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

#### **ABBREVIATED CONSOLIDATED INCOME STATEMENT**

<b>PICANOL GROUP</b> (in '000 euros)	<b>30/06/2010</b>	<b>30/06/2009</b>
Sales	179,687	108,837
Cost of sales	-140,459	-102,419
<b>GROSS PROFIT</b>	<b>39,228</b>	<b>6,418</b>
<b>Gross profit % on sales</b>	<b>21.8%</b>	<b>5.9%</b>
General and administrative expenses	-9,478	-12,320
Selling and marketing expenses	-7,463	-8,007
Other operating income	102	33
Other operating expenses	-1,394	-7,022
<b>OPERATING RESULT</b>	<b>20,994</b>	<b>-20,898</b>
Total interest income	498	127
Total interest expenses	-591	-755
Other financial income	844	456
Other financial expenses	-669	-859
<b>PROFIT OR LOSS BEFORE TAXES</b>	<b>21,077</b>	<b>-21,929</b>
Income taxes	-5,155	2,611
<b>PROFIT OR LOSS</b>	<b>15,921</b>	<b>-19,318</b>
<b>SHARE OF THE GROUP IN PROFIT OR LOSS</b>	<b>15,921</b>	<b>-19,318</b>
<b>PICANOL GROUP</b> (in '000 euros)	<b>30/06/2010</b>	<b>30/06/2009</b>
Basic earnings per share	0.90	-3.27
Diluted earnings per share	0.90	-3.27

#### **ABBREVIATED CONSOLIDATED OVERVIEW OF THE TOTAL RESULT**

<b>PICANOL GROUP</b> (in '000 euros)	<b>30/06/2010</b>	<b>30/06/2009</b>
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	<b>15,921</b>	<b>-19,318</b>
<b>Other elements of the total result for the period</b>	<b>5,154</b>	<b>-413</b>
Exchange rate differences as a result of the translation of foreign activities	5,154	-413
<b>Other elements of the overall results after taxes for the period</b>	<b>5,154</b>	<b>-413</b>
<b>TOTAL RESULT</b>	<b>21,075</b>	<b>-19,731</b>

## ABBREVIATED CONSOLIDATED BALANCE SHEET

PICANOL GROUP (in '000 euros)	30/06/2010	31/12/2009 *
<b>FIXED ASSETS</b>	<b>70,229</b>	<b>76,501</b>
Intangible assets	5,972	5,941
Goodwill	0	0
Tangible fixed assets	58,063	59,068
Other financial investments	77	77
Non-current receivables	1,248	3,281
Deferred tax assets	4,869	8,134
<b>CURRENT ASSETS</b>	<b>149,456</b>	<b>104,770</b>
Inventories and contracts in progress	49,071	39,418
Trade receivables	51,213	32,796
Other receivables	3,667	5,022
Cash and cash equivalents	45,505	27,534
<b>TOTAL ASSETS</b>	<b>219,685</b>	<b>181,271</b>
<b>SHAREHOLDER'S EQUITY</b>	<b>82,009</b>	<b>60,934</b>
Share capital	21,720	21,720
Share premiums	1,518	1,518
Reserves	54,361	38,440
Translation differences	4,410	-744
<i>Equity attributable to the shareholders of the group</i>	<i>82,009</i>	<i>60,934</i>
Minority interests	0	0
<b>NON-CURRENT LIABILITIES</b>	<b>21,459</b>	<b>23,852</b>
Employee benefit obligations	10,032	10,631
Provisions	1,774	1,780
Deferred tax liabilities	268	173
Interest-bearing debt	9,385	11,268
Financial leases	8,179	9,153
Credit institutions	1,206	2,115
Other liabilities	0	0
<b>CURRENT LIABILITIES</b>	<b>116,220</b>	<b>96,486</b>
Employee benefit obligations	1,322	1,322
Provisions	5,368	7,385
Interest-bearing debt	5,726	14,584
Trade payables	55,710	43,737
Income taxes payable	2,268	1,050
Other current liabilities	45,826	28,408
<b>TOTAL LIABILITIES</b>	<b>219,685</b>	<b>181,271</b>

\* The following reclassifications were made on the 2009 figures for comparison:

- Notes receivable: from 'Trade receivables' to 'Cash and cash equivalents': 8.7 mio euros
- Trade receivables – deferred income: from 'Other receivables' to 'Trade receivables': 4.4 mio euros
- Provision early retirements following restructuring: from 'Provisions' to 'Employee benefit obligations': 4.076 KEUR

## ABBREVIATED CONSOLIDATED CASH FLOW STATEMENT

PICANOL GROUP (in '000 euros)	30/06/2010	30/06/2009
<b>Operating result</b>	<b>20,994</b>	<b>-20,899</b>
Depreciation on intangible and tangible fixed assets	4,545	5,105
Impairment losses of assets	260	0
Write-offs on assets	562	1,508
Changes in provisions	-2,622	7,110
Profit/loss on disposals of assets	181	0
<b>Gross cash flow from operating activities</b>	<b>23,920</b>	<b>-7,176</b>
Changes in working capital	5,366	26,388
<b>Cash flow from operating activities</b>	<b>29,286</b>	<b>19,212</b>
Income taxes	-1,664	75
<b>Net cash flow from operating activities</b>	<b>27,621</b>	<b>19,287</b>
Interest received	498	127
Acquisitions of intangible fixed assets	-571	-854
Acquisitions of tangible fixed assets	-1,627	-1,601
Proceeds from disposals of tangible fixed assets	0	26
<b>Net cash flow from investment activities</b>	<b>-1,700</b>	<b>-2,302</b>
Interest paid	-591	-755
Increase/(Decrease) of export financing	-2,773	-2,646
Acquisitions of interest-bearing financial debt	0	1,252
Repayments of interest-bearing financial debt	-7,967	-10,795
<b>Cash flow from financing activities</b>	<b>-11,331</b>	<b>-12,944</b>
Effect of exchange rate fluctuations	3,381	-658
<b>Adjustments to cash and cash equivalents</b>	<b>17,971</b>	<b>3,383</b>
Net cash position – opening balance	27,534	13,103
Net cash position – closing balance	45,505	16,486
	<b>17,971</b>	<b>3,383</b>

## ABBREVIATED SHAREHOLDERS' EQUITY

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

Per 30 June 2010

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>38,440</b>	<b>-744</b>	<b>60,934</b>	<b>0</b>	<b>60,934</b>
Changes in scope of consolidation	0	0	0	0	0	0	0
Result over the reporting period	0	0	15,921	0	15,921	0	15,921
Other elements of the total result	0	0	0	5,154	5,154	0	5,154
Other	0	0	0	0	0	0	0
<i>Total recognized profits and losses</i>	<i>0</i>	<i>0</i>	<i>15,921</i>	<i>5,154</i>	<i>21,075</i>	<i>0</i>	<i>21,075</i>
<b>At the end of the reporting period</b>	<b>21,720</b>	<b>1,518</b>	<b>54,361</b>	<b>4,410</b>	<b>82,009</b>	<b>0</b>	<b>82,009</b>

Per 30 June 2009

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>7,400</b>	<b>1,332</b>	<b>61,967</b>	<b>125</b>	<b>70,824</b>	<b>0</b>	<b>70,824</b>
Changes in scope of consolidation	0	0	0	0	0	0	0
Result over the reporting period	0	0	-19,318	0	-19,318	0	-19,318
Other elements of the total result	0	0	0	-413	-413	0	-413
Other	0	0	0	0	0	0	0
<i>Total recognized profits and losses</i>	<i>0</i>	<i>0</i>	<i>-19,318</i>	<i>-413</i>	<i>-19,731</i>	<i>0</i>	<i>-19,731</i>
<b>At the end of the reporting period</b>	<b>7,400</b>	<b>1,332</b>	<b>42,649</b>	<b>-288</b>	<b>51,093</b>	<b>0</b>	<b>51,093</b>

## NOTES ON THE ABBREVIATED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. 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 27 August 2010. 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 2009.

In comparison to the consolidated annual report on 31 December 2009, the following Standards and Interpretations came into application. These had no impact on the financial position and results of the group:

- IFRS 3 *Business combinations* (applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). This standard replaces IFRS 3 *Business combinations* as issued in 2004.
- Improvements to IFRS (2008-2009) (applicable for financial years as of 1 January 2010).

- Amendment of IFRS 1 *First application of IFRS – Additional exemptions* (applicable for financial years as of 1 January 2010)
- Amendment of IFRS 2 *Share-based payments* (amendments applicable for financial years as of 1 January 2010)
- Amendment of IAS 27 *Consolidated and separate financial statements* (amendments applicable for financial years as of 1 July 2009). This standard is an amendment of IAS 27 *Consolidated and separate financial statements* (revised in 2003).
- Amendment of IAS 39 *Financial instruments: Recognition and measurement – Instruments for which hedging is permitted* (applicable for financial years as of 1 July 2009).
- IFRIC 15 *Agreements for the construction of real estate* (applicable for financial years as of 1 January 2010)
- IFRIC 17 *Distribution of non-cash assets to owners* (applicable for financial years as of 1 July 2009)

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

In the first half of 2010 there were no changes in the scope of consolidation.

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

During the first half of 2010, the Picanol Group realized a consolidated turnover of 179.7 million euros, an increase of 65% in comparison to 108.8 million euros in the very weak first half of 2009. This important turnover increase was realized both in the Weaving Machines division and the Industries division.

Gross profit increased in the first half of 2010 to 39.2 million euros compared to 6.4 million euros in the first six months of 2009. The gross margin percentage increased from 5.9% to 21.8%, mainly because the fixed production costs did not increase in line with the higher turnover.

The operating cash flow (EBITDA) increased from -7.2 million euros to +23.9 million euros. The cash costs include payments for the restructuring made in 2009 for 3.9 million euros. These costs were fully provided in 2009 and have hence no impact on the operating result (EBIT).

The operating result (EBIT) increased from -20.9 million euros to +21.0 million euros, or an EBIT margin of 11.7% versus -19.2% in the first half of last year. The restructuring made resulted in a further decrease of the selling and general costs. Other operating expenses in 2010 include provisions for renting contracts of business premises in Ypres and Romania that are not used, for an amount of 1.2 million euros. In 2009, the other operating expenses included a restructuring provision of 6.9 million euros.

The net financial result amounted to +0.1 million euros versus -1.0 million euros last year, mainly as a result of a drop in financing expenses through the further decrease in straight loans. Income taxes amounted to -5.2 million euros compared to 2.6 million euros last year or an effective tax rate of 24.46% versus 11.91% last year.

The Picanol Group closes the first half with a net result of +15.9 million euros compared to -19.3 million euros over the same period in 2009.

### **Income taxes payable**

The group's effective tax rate amounted to 24.46% for the first half of 2010 versus 11.91% in the same period last year. The negative development in the tax rate is largely the result of the non inclusion of deferred taxation on loss carry forwards of Picanol NV in the first half of 2009.

### 3. SEGMENT INFORMATION

#### H1 2010

<b>PICANOL GROUP</b> (in '000 euros)	<b>Weaving Machines</b>	<b>Industries</b>	<b>Eliminations</b>	<b>Consolidated</b>
External sales	152,455	27,231		179,687
Inter-segment sales	1,971	25,085	-27,056	0
<b>TOTAL SALES</b>	<b>154,426</b>	<b>52,317</b>	<b>-27,056</b>	<b>179,687</b>
<b>OPERATING PROFIT</b>	<b>20,444</b>	<b>550</b>		<b>20,994</b>
Financial result				83
<b>PROFIT OR LOSS BEFORE TAXES</b>				<b>21,077</b>
Income taxes				-5,155
<b>PROFIT OR LOSS AFTER TAXES</b>				<b>15,922</b>
Share of minority interests				0
<b>SHARE OF THE GROUP</b>				<b>15,921</b>

#### H1 2009

<b>PICANOL GROUP</b> (in '000 euros)	<b>Weaving Machines</b>	<b>Industries</b>	<b>Eliminations</b>	<b>Consolidated</b>
External sales	90,639	18,198		108,837
Inter-segment sales	518	17,821	-18,339	0
<b>TOTAL SALES</b>	<b>91,157</b>	<b>36,019</b>	<b>-18,339</b>	<b>108,837</b>
<b>OPERATING PROFIT</b>	<b>-13,595</b>	<b>-7,304</b>		<b>-20,899</b>
Financial result				-1,030
<b>PROFIT OR LOSS BEFORE TAXES</b>				<b>-21,929</b>
Income taxes				2,611
<b>PROFIT OR LOSS AFTER TAXES</b>				<b>-19,318</b>
Share of minority interests				0
<b>SHARE OF THE GROUP</b>				<b>-19,318</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 154.4 million euros, an increase of 69% compared to the same period last year. As mentioned earlier, the first half of 2010 was characterized by a strong recovery of the weaving machine market, mainly driven by the Asian market. Other regions also showed a recovery in the demand for Picanol weaving machines. Sales of spare parts and weaving accessories were also able to profit from the favorable market situation. The results of the international trade show ITMA Asia + CITME 2010 at the end of June in Shanghai confirmed this trend. The trade fair enabled Picanol to once again take the opportunity to present itself as the technological market leader in rapier and airjet weaving machines.

In June Picanol extended its product offering with the new airjet weaving machine OMNI*plus*-X. June saw also the 300,000<sup>th</sup> weaving machine pass the end of the production line since production first commenced in Ypres. This represented yet another milestone in the long history of Picanol, which was founded on 22 September 1936.

The operating result of the Weaving Machines division amounted to +20.4 million euros versus -13.6 million euros last year.

### ***INDUSTRIES***

The turnover of the Industries division amounted to 52.3 million euros, an increase of 45% compared to the same period in 2009. A clear recovery was also visible in the Industries division, resulting in an increase of activities in various industries like compressors, earthmoving machines, railway equipment and textile machines. Sales to customers outside the weaving machine sector increased to the same degree as sales within the group. As a result of higher sales the operating result of the Industries division increased to +0.6 million euros versus -7.3 million euros in the first half of 2009.

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

The balance sheet total of the Picanol Group increased by 21% from 181.3 million euros on 31 December 2009 to 219.7 million euros on 30 June 2010. Inventories and trade receivables increased as a result of the sharp turnover increase. Cash rose from 27.5 to 45.5 million euros, an increase of 17.9 million euros. This is for a large part due to a rise of received customer advance payments in 'Other current liabilities' (from 12.8 million euros in 2009 to 26.9 million euros on 30 June 2010).

During the first six months of the year the gross cash flow from operating activities amounted to 23.9 million euros. This includes payments made in view of the restructuring for an amount of 3.9 million euros. Working capital decreased despite the higher turnover as a result of a strong increase of the received customer advance payments and of trade payables. Net cash flow from operating activities rose hence to 29.3 million euros. The Picanol Group invested in the first half for 2.2 million euros in fixed assets. The net cash flow from financing activities amounted to -11.3 million euros as a result of the repayment of straight loans taken on.

There were no dividend payments for the year 2009.

## 5. EVENTS AFTER THE BALANCE SHEET DATE

There are no important events after balance sheet date.

## 6. RELATED PARTY TRANSACTIONS

There are no substantial changes in the related party transactions compared to the situation on 31 December 2009.

## 7. OUTLOOK

For the entire financial year 2010, the group expects to realize an increased turnover as compared to 2009 - in line with the turnover increase achieved in the first half of 2010. However, the group also expects increasing material costs.

## 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 dollar and the Chinese Yuan in the first half of 2010 had an important 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 expects that the current positive cycle will continue in the second half of 2010.

### ***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	22 October 2010 (after stock exchange)
Announcement annual results 2010	9 March 2011
Annual General Meeting	20 April 2011

## **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 2010 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 7 (jointly the “interim financial information”) of PICANOL NV (“the company”) and its subsidiaries (jointly “the group”) for the six-month period ended 30 June 2010. 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 IAS 34, “Interim Financial Reporting” as adopted by the EU.*

*Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the “Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren”. 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 auditing standards on consolidated annual accounts as issued by the “Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren”. Accordingly, we do not express an audit opinion.*

*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 2010 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.”*

Kortrijk, 27 August 2010

The statutory auditor

DELOITTE Bedrijfsrevisoren / Réviseurs d’Entreprises  
SC s.f.d. SCRL

Represented by Mr. Kurt Dehoorne and Mr. Mario Dekeyser

**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 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 1,904 employees worldwide and has been listed on Euronext Brussels (PIC) since 1966.*

For further information please contact:

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