

PICANOL GROUP REMAINS ON COURSE TO REALIZE 2011 TURNOVER TARGET

In line with the previously outlined forecast, the Picanol Group (NYSE Euronext: PIC) realized a consolidated turnover of 97.88 million euros in the third quarter of 2011. This compares to 96.51 million euros in the third quarter of 2010.

In the third quarter of 2011, the Weaving Machines division was, as expected, confronted with a slowdown in the worldwide demand for new weaving machines. This was due, among other things, to the volatile commodity prices and a limited availability of funding for investments. Meanwhile, the Industries division experienced a slight increase in activities through meeting increased demand for larger and technically more complex cast iron parts (Proferro) and industrial controllers (PsiControl Mechatronics).

Sale of Steel Heddle activities

In September 2011 the Picanol Group signed an agreement with Groz-Beckert KG regarding the sale of the Steel Heddle activities of GTP Greenville. The transaction will result in a non-recurring capital gain of 0.6 euros per share. The Picanol gravity point in Greenville, which is responsible for sales and service of Picanol weaving machines and spare parts in the US, continues its operations as Picanol of America Inc.

R&D and product innovation

R&D and product innovation continue to play a central role in the further development of the high-technology activities of the Picanol Group. The company celebrated its 75th anniversary with the introduction of two new products at ITMA Barcelona, the four-yearly textile machinery exhibition. The new high-end airjet weaving machine OMNI*plus* Summum and the positive rapier (a newer version of the OptiMax) were introduced at this event. The new weaving machines were positively received. More information about the new Picanol weaving machines can be found at <http://fittowin.picanol.be/> and <http://www.picanol.be>.

Purchase of machinery of TBP Electronics Belgium

The Picanol Group has purchased the high-tech machinery of TBP Electronics Belgium NV from Geel. The key elements include four SMD lines, two wave soldering lines, and two selective soldering lines for surface mounting and soldering printed circuit boards. In addition, the Picanol Group purchased a large amount of high-tech laboratory and test equipment. Over the coming months, the machines will be installed at the manufacturing plants in Ypres (Belgium) and Rasnov (Romania) by its subsidiary (PsiControl Mechatronics). The purchase fits into the growth plans of PsiControl Mechatronics, which focuses on the further expansion of its controller capacities, which in due course will have a positive impact on employment in Ypres and Rasnov.

Outlook

The Picanol Group confirms it is on course to realize its previously outlined forecast in the second half of this year, a turnover that is in line with that achieved in the second half of 2010. However, the Picanol Group does consider a further slowdown will take place in the weaving machine market in 2012. Consequently, it remains cautious, as it is active as an export-oriented company in a volatile world economy.

Financial calendar

Announcement 2011 annual results	7 March 2012
Annual General Meeting	18 April 2012

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 Weaving Machines division (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 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

The Industries division 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 and Europe, linked to its own worldwide sales and service network. In 2010, the Picanol Group realized a consolidated turnover of 395.77 million euros. The Picanol Group employs more than 1,900 employees worldwide and is listed on NYSE Euronext Brussels (PIC).

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