

PRESS RELEASE**PIAGGIO: CEO ROCCO SABELLI RESIGNS
FOR PERSONAL REASONS****NEW ORGANISATION PLAN TO BE PRESENTED
AT NEXT BOARD MEETING (13 NOVEMBER):
COLANINNO CHAIRMAN AND CEO,
BANDIERA AND PALLOTTINI CHIEF OPERATING OFFICERS**

Pontedera, 25 October 2006 – Piaggio & C. S.p.A. said that Group Chief Executive Officer Rocco Sabelli had today resigned from all his positions in the Group. Mr Sabelli's resignation takes effect from 13 November 2006. Accepting the resignation, presented for personal reasons, Piaggio Group Chairman Roberto Colaninno thanked Mr Sabelli for his important and constructive contribution since October 2003.

Roberto Colaninno will be proposed for the post of Chief Executive Officer at the meeting of the Piaggio & C. S.p.A. Board of Directors, already organised for next 13 November 2006. Mr Colaninno will retain his post as Chairman, in which capacity he already also holds the powers attributed to the Chief Executive Officer.

The meeting will also discuss a new organisation plan for the Piaggio Group, designed to establish a managerial structure focused on business consolidation on the domestic European market and commercial and industrial growth in the geographical regions of strategic importance to Piaggio's future expansion.

Under the new structure, Daniele Bandiera will be proposed as Chief Operating Officer for development, production and sales & marketing, and Michele Pallottini will be proposed as Chief Operating Officer for administration, finance & control, information systems, legal affairs, equipment & services procurement.

At the same time, Gianclaudio Neri – who remains in the IMMSI Group – is to work full-time as Executive Chairman of Rodriguez Cantieri Navali S.p.A., a position he took on 11 September 2006, in order to devote the maximum professional support to the turnaround of the ship-building group. Accordingly, Mr Neri will leave his post as Piaggio Chief Operating Officer for corporate staff co-ordination, a post he took in December 2003. The Piaggio & C. S.p.A. Board of Directors will also be asked to coopt Gianclaudio Neri to the board.

Roberto Colaninno said: "It is with great regret that I have accepted Mr Sabelli's decision. He is leaving Piaggio for entirely personal reasons which I understand, although I shall be sorry to see this close and fruitful relationship come to an end. The organisational growth achieved by the Group in the last three years, focused above all on excellence in its human resources, will provide us with the foundation to



develop the strategies set in place to achieve our mid- and long-term goals. In this connection, I shall be asking the Board of Directors to approve a management team of the highest calibre, formed of managers with outstanding professional skills who, since 2003, have played a decisive part in the Group's turnaround and recovery, a process completed with Piaggio's admission to trading on the Milan stock exchange last 11 July."

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Daniele Bandiera, 49, currently Chairman and CEO at Moto Guzzi and head of the Piaggio Brand Unit, holds a degree in Mechanical Engineering. He joined Piaggio in March 2005. Mr Bandiera began his professional career in 1975, in the Eridiana group, where, in 1977, he was appointed head of factory Cost Accounting. In 1982 he joined the Finmeccanica group, and in 1984 was appointed Supply Chain Manager for mechanics and bodies (Arese) at Alfa Romeo Auto S.p.A. In 1987 he began his career in the Fiat group, where he worked until 2004, holding increasingly senior posts until his appointment as Chairman of the Alfa Romeo B.U. in February 2002. More specifically: from 1994 to 1995 Melfi Factory Manager and CEO of Sata S.p.A.; from January 1996 to September 1996 Mirafiori Factory Manager; from September 1996 to 1999 Fiat Auto W.W. Vehicle Production manager, Sata and Sevel CEO, board member Polska and China J.V.; from 2000 to June 2001 he was Fiat Auto W.W. VP for Production, a member of the Fiat Auto management committee, Chairman Sata, Sevel, FMA and Fiat Polska; from June 2001 to February 2002 he was W.W. VP for Product Development and a member of both boards of the Fiat-GM joint ventures. In 2000 he received the Automotive News Eurostar Award for manufacturing.

Michele Pallottini, 50, currently head of Corporate Administration, Finance & Control, holds a degree in Electrotechnical Engineering. He joined Piaggio in November 2003. Mr Pallottini began his career in 1981 in Gepi S.p.A., as a Business Analyst. From 1985 to 1995, he worked with the Eni group, holding a number of posts: from 1985 to 1990 head of M&A and J.V. feasibility at Ageni S.p.A.; from 1991 to 1992 Assistant CEO at In.Sar. S.p.A., an industrial development financing company; from 1993 to 1994 he was Operations Director at Moneo S.p.A., an investment control and monitoring company; from 1994 to 1995 he was head of Industrial Promotion at Enisud S.p.A., a reconversion and industrial initiative development company. In 1996 he joined Telecom Italia Mobile S.p.A., where he worked until his move to Piaggio, holding increasingly senior posts, notably: from 1996 to 1998 Budget & Management Control Director; from 1998 to 1999 Customer Care Director; from 1999 to 2001 Planning & Business Systems Director; from 2001 to 2002 Chief Financial Officer, with responsibility for Strategic, Operating Planning, Budget & Management Control, Economic Assessments, Finance, Administration and Tax; from 2002 to 2003 he was responsible for Mobile Business Co-ordination in Latin America.

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