

1. Financial statements of Piaggio & C. S.p.A. at 31 December 2008; Report on Operations for 2008 and proposal for allocation of profit for the year; Board of Statutory Auditors' Report; Independent Auditors' Report; related and consequent resolutions; presentation of the consolidated financial statements at 31 December 2008 for the Piaggio Company and relative reports.

Dear Shareholders,

The Board of Directors of your Company has convened the ordinary Shareholders' Meeting for your approval of the draft financial statements for Piaggio & C. S.p.A. at 31 December 2008.

The financial statements at 31 December 2008 closed with a profit of Euro 29,984,275.47. We refer to the point in the Report on Operations prepared by the Board of Directors and already available for Shareholders.

Therefore, we propose, considering the need to have reserves available in a sufficient amount to cover development costs which were not amortised entered in assets as per art. 2426, no. 5) of the Italian Civil Code, to allocate the profit of Euro 29,984,275.47 as follows:

- Euro 1,499,213.77 to legal reserve;
- Euro 6,364,985.84 as retained earnings;
- Euro 22,120,075.86 to pay out as dividends.

The Board of Directors will also report on the consolidated financial statements at 31 December 2008.

Therefore we are submitting the following draft resolution for your approval: "The Shareholders' Meeting of Piaggio & C. S.p.A. met in an ordinary session,

- heard and approved the report of the Board of Directors;
- acknowledged the report of the Board of Statutory Auditors and report of the Independent Auditors, as well as the consolidated financial statements at 31 December 2008,

resolved

1. to approve the Director's Report on Operations and the financial statements at 31 December 2008 in their entirety;
2. to approve the allocation of profit, totalling Euro 29,984,275.47 as follows:
 - Euro 1,499,213.77 to legal reserve;
 - Euro 6,364,985.84 as retained earnings;
 - Euro 22,120,075.86 to pay out as dividends

3. to distribute a dividend of €0.06, before taxes, to all ordinary shares in possession of this right (no. 368,667,931) for a maximum total of €22,120,075.86;
4. to establish 18/05/2009 as coupon no. 3 detachment date and 21/05/2009 as the date from which the dividend is payable.

26 February 2009

For the Board of Directors

Chairman and Chief Executive Officer

Roberto Colaninno

2. Appointment of the Board of Directors, subject to determination of the number of members and of the length of their term in office; ***determination of their remuneration. Related and consequent resolutions.***

Dear Shareholders,

with the approval of the financial statements at 31 December 2008 the term of office for the Board of Directors of your Company nominated by the ordinary Shareholders' Meeting of 28 August 2006 is expiring; therefore it is necessary to appoint a new administrative organ, after determining the number of its members and term of office.

We would like to remind you that, as per article 12.1 of the Articles of Association, the Company is administered by a Board of Directors composed of a number of members not less than 7 (seven) and not more than 15 (fifteen) The Ordinary Shareholders' Meeting determines, at the time of their appointment, the number of the Board members within the aforesaid limits, as well as their term of office that shall not exceed three financial years, whereafter their appointment expires at the date of the Shareholders' Meeting called for approval of the Financial Statements for the last financial year of their office. The Directors can be re-elected.

In accordance with article 12 of the Articles of Association, appointment to the office of Director is subject to meeting the requirements established by law, the Articles of Association and other applicable provisions. Individuals cannot be nominated to the office of Director and, if nominated they shall be removed from office, who do not possess at least three years of experience in: a) administration and control activities or director's duties at joint stock companies with share capital not less than two million Euro; or b) professional activity or university faculty member teaching law, economic or financial subjects and technical-scientific subjects strictly related to the Company's activities; or c) managerial functions at public bodies or public administrations operating in the credit, financial or insurance sectors or in sectors strictly related to the Company's activities.

Directors shall possess the requirements cited in relevant temporary regulations; of these a minimum number corresponding to the minimum required under such regulations shall possess the independence requirements as per article 148, paragraph 3 of Legislative Decree 58/1998.

As per article 12.3 of the Articles of Association, the Directors are nominated by the ordinary Shareholders' Meeting based on lists presented by the Shareholders where the candidates shall be listed by sequential number.

Each shareholder, as well as Shareholders participating in a significant shareholder agreement as per article 122 of Legislative Decree 58/1998, as well as the parent company, subsidiaries and joint ventures as per article 93 of Legislative Decree 58/1998, cannot present or take part in presenting more than one list, either by proxy or through trust companies, nor can they vote on different lists. Taking part and the votes expressed in violation of the above

shall not be attributed to any list.

Only shareholders who, either alone or jointly, represent at least 2.5% of share capital have the right to present lists, or else another percentage established by the law or regulations. It is important to note that with the resolution no. 16779 of 27 January 2009, Consob established a share capital of 2.5% as the holding required for presenting lists for the election of the Company's governance body.

The lists presented by the shareholders must be filed at the Company's registered office at least fifteen clear days before 14 April 2009, the date of the first call of the Shareholders' Meeting. Along with each list, the following need to be filed at the registered office by the same deadline: (i) information on the identity of the shareholders who presented the list and a specific certificate issued by an authorised intermediary in accordance with the law proving ownership of the number of shares required to present lists; (ii) a *brief curriculum vitae* of the candidates included on the list regarding the personal and professional characteristics of each candidate; as well as (iii) statements whereby the individual candidates accept their candidacy and state, under their responsibility, the lack of causes of ineligibility or incompatibility, as well as the existence of the requirements prescribed by law and the Articles of Association for the respective offices, including suitability for qualifying as independent director. Any lists which do not comply with the above provisions shall be considered as not presented.

The lists shall be subject to other forms of publication required by laws including temporary regulations in force.

Each candidate may only be present in one list or be declared ineligible. Candidates may not be added to the list (without prejudice to all other causes of ineligibility or defeasance) who are not in possession of the requirements established by the law, Articles of Association or other provisions applicable for the respective offices. Each shareholder with the right to vote may only vote for one list.

The procedure for the election of Directors is as follows:

a) the names of Directors, minus one, are selected from the list with the highest number of votes from Shareholders, in the consecutive order in which they are listed;

b) the remaining Director is taken from the minority list that may not in any way, not even indirectly, be linked with the shareholders who presented or voted the list referred to in point a) and that received the most shareholder votes, being the first candidate on the list of names, based on the consecutive order in which the candidates are listed.

Should the minority list referred to in point b) not have obtained a percentage of votes equal to at least half of that required, in accordance with the above, for the purpose of presenting the list itself, all the Directors to be appointed shall be taken from the list referred to in point a).

Should the appointment not be ensured, with candidates elected with the above indicated methods, of a number of directors having the requisites of independence as per article 12.2 of the Articles of Association equal to the minimum number established by the law in relation to the overall number of the directors, the non-independent candidate elected last in consecutive order

from the list that had the highest number of shareholders' votes, mentioned in a) above, shall be substituted by the independent candidate not elected from the same list in accordance with the consecutive order, or, in default, by the first independent candidate in accordance with the consecutive order not elected from other lists, in accordance with the number of votes each obtained. Such substitution procedure shall take place until the Board is composed of the number of members having the requisites mentioned in article 148, paragraph 3 of Legislative Decree no. 58/1998 at least equal to the minimum prescribed by the law. Finally, should said procedure not ensure the last result indicated, the substitution shall take place by a resolution passed by a relative majority at a shareholders' meeting, subject to presentation of candidatures of persons having the aforesaid requisites.

In accordance with article 12.4 of the Articles of Association, in the case of presentation of a single list or in the case where no list is presented, the Shareholders' Meeting shall approve the appointment with the legal majorities, without observance of the procedure envisaged above.

You are also asked to determine the remuneration for the members of the governance body. In this regard, we would like to remind you that in accordance with article 18.1 of the Articles of Association, the Directors are due an annual remuneration which is passed by ordinary Shareholders' Meeting resolution which nominates them. As required by article 18.3 of the Articles of Association, the Shareholders' Meeting may also determine the total fees for the entire Board, including board members with particular offices, with the individual fees determined by the Board of Directors, after consulting with the Board of Statutory Auditors.

3. Appointment of the Board of Statutory Auditors and its Chairman; determination of their remuneration. Related and consequent resolutions.

Dear Shareholders,

With the approval of the Financial Statements at 31 December 2008, the term of the Company's Board of Statutory Auditors appointed in the ordinary Shareholders' Meeting of 30 March 2006 comes to an end; therefore it is necessary to appoint a new governance body and its Chairman, in compliance with applicable legal and statutory requirements.

Pursuant to article 24.1 of the Articles of Association, the Board of Statutory Auditors comprises three standing and two alternate Auditors, who remain in office for three years, and are removed from office on the date of the Shareholders' Meeting convened to approve the Financial Statements relative to the last financial year of their term office. Statutory Auditors may be re-elected.

Statutory Auditors shall have the requisites established by law, Articles of Association and other applicable provisions, including related to the total number of offices they can hold. For the purposes of article 1, paragraph 3, of the Ministry of Justice Decree no. 162 of 30 March 2000, the subjects (legal, economic, financial and technical-scientific) and business sectors connected or related to the business performed by the Company and the company purpose must be considered as strictly related to those performed by the Company.

As per article 24.2 of the Articles of Association, the Board of Statutory Auditors is nominated based on lists presented by the Shareholders where the candidates shall be listed by consecutive number. The list is composed of two sections: one for the candidates for the office of Statutory auditor, the other for the candidates for the office of Alternate auditor.

Each shareholder, as well as Shareholders participating in a significant shareholder agreement as per article 122 of Legislative Decree 58/1998, as well as the parent company, subsidiaries and joint ventures as per article 93 of Legislative Decree 58/1998, cannot present or take part in presenting more than one list, either by proxy or through trust companies, nor can they vote on different lists. Taking part and the votes expressed in violation of the above shall not be attributed to any list.

Only shareholders who – either alone or jointly – hold a total of shares with voting rights representing at least 2.5% of the share capital with the right to vote in ordinary Shareholders' Meetings have the right to present lists, or else those who represent another percentage that has possibly been set or required by laws or regulations. It is important to note that with the resolution no. 16779 of 27 January 2009, Consob established a share capital of 2.5% as the holding required for presenting lists for the election of the Company's governance body.

The lists presented by the shareholders must be filed at the Company's registered office at least fifteen clear days before 14 April 2009, the date of the first call of the Shareholders' Meeting.

The lists need to be accompanied by: a) information related to the identity of the Shareholders who presented the lists, with indication of the percentage of their total holding and a certification issued by an authorised intermediary in accordance with the law proving ownership of this

holding; b) a declaration by Shareholders other than those who hold, including jointly, a controlling or relative majority holding, stating the absence of significant relationships with the later as provided by the law including regulations in force; c) complete information on the personal characteristics of the candidates, as well as a statement of the same candidates declaring, under their responsibility, the lack of causes of ineligibility or incompatibility, possession of the requisites required by law and their acceptance of the candidacy, as well as a list of administration and control offices held in other companies.

Any lists which do not comply with the above provisions shall be considered as not presented.

The lists shall be subject to the forms of publication required by laws including temporary regulations in force.

If, by the end of the period set for presenting the lists, only one list, or else only lists presented by Shareholders who are significantly related pursuant to the *temporary* applicable law in force and other regulations may be presented, lists may be presented up to the fifth day following that date and in that case, the minimum threshold to present the lists is reduced by half.

Each candidate may only be present in one list or be declared ineligible. Candidates may not be added to the list (without prejudice to all other causes of ineligibility or defeasance) who are not in possession of the requirements established by the law, Articles of Association or other provisions applicable for the respective offices. Each shareholder with the right to vote may only vote for one list.

The election of Statutory Auditors takes place as follows:

a) two statutory auditors and an alternate auditor are selected from the list which obtained the highest number of votes at the Shareholders' Meeting, based on the consecutive order in which they appear in the sections of the list;

b) one statutory auditor and one alternate auditor will be selected from the second list which obtained the highest number of votes at the Shareholders' Meeting and who, pursuant to the law and other regulations in force, is not connected, either directly or indirectly, with the Shareholders who presented or voted the list which obtained the highest number of votes, based on the consecutive order in which they appear in the sections of the list.

If there is a tie among two or more lists, the Statutory Auditors appointed will be those most senior in age.

The Chairman of the Board of Statutory Auditors shall be the statutory auditor selected from the second list that obtained the highest number of votes, pursuant to item b) above.

The above-mentioned provisions regarding the appointment of Statutory Auditors do not apply to Shareholders' Meetings to which only one list has been presented, or voted; In those cases, the Shareholders' Meeting shall resolve with a relative majority.

We would like to remind you that the ordinary Shareholders' Meeting is also asked to pass a resolution on the remuneration of the control organ members.

4. *Authorisation to purchase and dispose of treasury shares, in compliance with the provisions of Articles 2357 and 2357-ter of the Italian Civil Code and Art. 132 of Legislative Decree 58/1998 and relevant implementation guidelines, subject to revocation of the authorisation granted by the ordinary Shareholders' Meeting of 24 June 2008 for the part that was not executed. Related and consequent resolutions.*

Dear Shareholders,

You have been called to the Ordinary Shareholders' Meeting to examine and approve the proposal to authorise the acquisition and disposal of treasury shares of Piaggio & C. S.p.A. (hereinafter "Piaggio" or "Company"), in accordance with articles 2357 and 2357-ter of the Italian Civil Code and article 132 of Italian Legislative Decree 58/59 (the Consolidated Law on Finance") and related enactment guidelines, after revocation of the authorisation granted to the ordinary Shareholders' Meeting of 24 June 2008 for the part not executed.

1. Introduction

The request for authorisation for the acquisition and disposal of treasury shares illustrated in this Report is motivated based on company purposes, previously the reason for the prior authorisation granted to the ordinary Shareholders' Meeting of 24 June 2008. Considering that the duration of this authorisation will expire in 2009 (namely 24 December 2009), we propose to grant a new authorisation for the acquisition and disposal of treasury shares, subject to revocation of the authorisation granted by the ordinary Shareholders' Meeting of 24 June 2008 for the part not executed. Following the new authorisation issued to the Board of Directors, the effectiveness of the previous shareholders' meeting authorisation of 24 June 2008 shall be considered null and void for the part not yet used and effective from the date of the new shareholders' meeting resolution granting authorisation.

We would also like to remind you that on 7 May 2007 the Company's ordinary Shareholders' Meeting authorised, again as per the articles 2357 and 2357-ter of the Italian Civil Code as well as article 132 of the Consolidated Law on Finance and related enactment guidelines, the acts for the acquisition and disposal of ordinary Piaggio shares for the purposes of implementing the Stock Option Plan on treasury shares reserved for Piaggio Group's top management (the 2007-2009 Share Incentive Plan) at the terms and conditions set out in the approval resolution for the same 2007-2009 Share Incentive Plan passed by the ordinary Shareholders' Meeting on the same date. The ordinary share acquisition program performed based on the authorisation granted by the ordinary Shareholders' Meeting of 7 May 2007 was completed on 7 July 2008, with the acquisition of a total of 10,000,000 ordinary shares of Piaggio to be used for the 2007-2009 Share Incentive Plan. The proposal to authorise transactions on treasury shares described in this Report shall not affect the authorisation to dispose of treasury shares already granted (without time limits) by the ordinary Shareholders' Meeting of 7 May 2008 for the purposes of the 2007-2009 Share Incentive Plan; therefore the authorisation to dispose of treasury shares held in portfolio to be used for the 2007-2009 Share Incentive Plan, granted by the ordinary Shareholders' Meeting of 7 May 2007, remains effective.

2. Reasons for the request for authorisation for the acquisition and disposal of treasury

shares

The transactions for acquiring and selling treasury shares, the subject matter of the authorisation proposal to submit to the ordinary Shareholders' Meeting may, on a time to time basis, be predisposed for the following purposes: (i) acquire and/or dispose of treasury shares for investment purposes and in order to stabilise the share price and the share's liquidity on the stock market, within the terms and conditions described in the relevant guidelines, or (ii) allow the use of treasury shares for transactions linked to cash flow management or projects aligned with the strategic guidelines the Company intends to pursue, that may entail share swaps, including the allocation of said shares for convertible bonds and/or warrants.

3. Maximum number, category and par value of shares covered by the authorisation

The authorisation is requested for the acquisition, including in more than one tranche, of ordinary shares with a par value of 0.52 euro each, up to a maximum amount so that, taking into account the ordinary shares held on a time to time basis in the Company's or its subsidiaries' portfolios, the total number of treasury shares is not greater than the limit of 10% of share capital as per article 2357, paragraph 3 of the Italian Civil Code.

4. Useful information for assessing compliance with article 2357, paragraph 3 of the Italian Civil Code.

As of the date of this Report, Piaggio's share capital totalled Euro 205,941,272.16 (fully subscribed and paid up) divided into 396,040,908 ordinary shares with par value of Euro 0.52 each.

As of the date of this Report, the Company held no. 27,372,977 treasury shares, of which 10,000,000 held for the 2007-2009 Share Incentive Plan, while Piaggio's subsidiaries do not hold any Company shares.

It is hereby understood that at any time, the maximum number of treasury shares held by Piaggio shall not exceed the limit of 10% of the company's share capital, including taking into account any ordinary shares of Piaggio held by the subsidiaries. In order to ensure compliance with the legal limits, procedures shall be prepared suitable for guaranteeing prompt and complete disclosure on the share holdings of Piaggio's subsidiaries.

The acquisition of treasury shares shall take place within the limits of distributable profit and available reserves resulting from the last approved financial statements at the time the transaction is performed.

At the time of the acquisition and disposal of treasury shares the necessary accounting entries shall be made, in compliance with the law and applicable accounting standards.

5. Duration for which the authorisation is requested

The authorisation for the acquisition of treasury shares is requested for a period of eighteen months, from the date of the ordinary Shareholders' Meeting resolution. The authorisation for the disposal of treasury shares is requested without time limits.

It is important to note that the treasury share acquisition program based on this proposal, if approved by the ordinary Shareholders' Meeting, shall not start before 21 May 2009 (payment

date for the coupon related to the dividend) to the extent that the Company deems appropriate for its own interests.

5. Minimum and maximum payment price for treasury shares to acquire

The Board of Directors proposes that the acquisitions of treasury shares be made for a price not less than 20% and not greater than 10% of the arithmetic mean of the Piaggio official share price recorded in the ten trading days before each acquisition transaction or, in the event that the acquisition transaction takes place via a public tender offer or a public exchange offer, at a price not less than 10% and not greater than 10% of the official price of the Piaggio share on the trading day before the public announcement.

6. Procedures for performing acquisitions and disposals.

The Board of Directors proposes that the acquisitions be performed according to the following procedures, to identify on a time to time basis in compliance with article 144-bis, paragraph I, letters a), b) and d) of the Consob Regulation 11971/99 (as subsequently amended) and other applicable provisions, in order to permit compliance with the equal treatment of shareholders as per article 132 of the Consolidated Law on Finance:

- (i) by means of a public tender offer or swap;
- (ii) on regulated markets, according to the operating procedures established by the organisation regulations and management of the markets, which do not allow directly combining acquisition negotiation proposals with certain sales negotiation proposals;
- (iii) by assigning shareholders, in proportion to shares they possess, a sales option to exercise within a period corresponding to the duration of this shareholder's meeting authorisation.

The Board of Directors also proposes to authorise, in accordance with article 2357-ter of the Italian Civil Code, the use at any time, in one or several tranches, of treasury shares acquired based on this proposal or otherwise held in the Company's portfolio (with the exception of the guidelines set out for treasury shares allocated to the 2007-2009 Share Incentive Plan), through disposal of said shares on the stock exchange or over the counter or to transfer any secure and/or personal rights pertaining to them (including, by way of example, unsecured stock loan) granting the Chairman and the Chief Executive Officer the power to decide, in compliance with all legal and regulatory provisions, the terms and the conditions of the sale of treasury shares that at the most appropriate for the Company's interest, provided that (a) the price of the disposal of ownership right and any other secure and personal rights shall not be lower than 5% of the market value of such right on the day before each individual transfer; and (b) the dispositions effected within the framework of industrial projects or corporate finance transactions by means of swap, exchange, transfer transactions or using other methods that entail the transfer of treasury shares, as well as the dispositions of treasury shares for convertible bonds and/or warrants, may be carried out at a fair price and at a value that is in line with the transaction, taking into account market conditions.

We would like to specify that the authorisation for the disposal of treasury shares described in this item is intended as applicable also to any treasury shares already owned by Piaggio & C S.p.A. on the date of this resolution, with the exception of 10,000,000 treasury shares allocated to the 2007-2009 Share Incentive Plan that may be attributed to the beneficiaries of the aforesaid

Plan in compliance with the terms and conditions set out in the relevant resolution approved by the Ordinary Shareholders' Meeting of 7 May 2007.

The dispositions of treasury shares in portfolios shall be performed in compliance with laws and regulations in force concerning the negotiation of listed securities and may occur in one or more tranches, including before having finished the acquisitions.

* * *

If you are in agreement with the formulated proposal, we ask you to pass the following resolution:

The Ordinary Shareholder's Meeting, having read and approved the Board of Directors' Report hereby,

resolves

- (A) to revoke the authorisation to acquire and dispose of treasury shares granted by the Ordinary General Meeting of 24 June 2008, for the part that has not yet been executed and with effect from the date of today's shareholders' resolution as detailed at point (B);*
- (B) to authorise acquisition and disposal transactions of ordinary treasury shares, (i) for investment purposes and in order to stabilise the share price and the share's liquidity on the stock market, within the terms and conditions established in the relevant guidelines (ii) for the purposes of using treasury shares in transactions linked to cash flow management or projects that are aligned with the strategic guidelines that the Company intends to pursue and that may entail share swaps according to the terms and conditions indicated in this resolution, including the use of said shares for convertible bonds and/or warrants:*
 - 1) to authorise, in compliance with and pursuant to Article 2357 of the Civil Code, the acquisition, in one or more tranches, for a period of eighteen months from the date of this resolution, of ordinary shares of the Company up to a maximum value that, taking into account the Piaggio ordinary shares that the Company and its subsidiaries hold in their portfolio, shall not be greater than 10% of share capital, at a unit price not less than 20% and not greater than 10% of the arithmetic mean of the Piaggio official share price recorded in the ten trading days before each acquisition transaction or, in the event that the acquisition transaction takes place via a public tender offer or a public exchange offer, at a price not less than 10% and not greater than 10% of the official price of the Piaggio share on the trading day before the public announcement. At any given time, the maximum number of treasury shares owned shall not be greater than the upper threshold set out by the relevant temporary regulations, the tenth part of the share capital, taking into account also any Company shares owned by subsidiaries;*
 - 2) to authorise the Board of Directors, and, through it, its Chairman and Chief Executive Officer, to proceed with the acquisition of shares at the conditions described above – with faculty of appointing Proxies to execute the acquisition transactions described herein, as well as to fulfil any other relevant formality – to the extent that the Company deems appropriate for its own interests, in line with current regulations and according to the provisions of Article 144-bis, Paragraph 1, letters a), h) and d) of Consob Regulation 11971/99 and subsequent amendments, and therefore by means of*

a public tender offer or a public exchange offer on regulated markets, or through proportional allocation to shareholders of a sale option to be exercised within a period equal to the duration of this shareholders' meeting's authorisation;

- 3) *to authorise the Board of Directors, and through it, its Chairman and Chief Executive Officer, in compliance with and pursuant to 2357-ter of the Civil Code, to sell at any time, in one or several tranches, even before having completed the acquisitions, treasury shares bought on the basis of this resolution or otherwise held in the Company's portfolio (with the exception of the guidelines set out for treasury shares allocated to the 2007-2009 Share Incentive Plan), through disposal of said shares on the stock exchange or over the counter or transfer of any secure and/or personal rights pertaining to them (including, by way of example, unsecured loan stock), granting the Chairman and the Chief Executive Officer the power to decide, in compliance with all legal and regulatory provisions, the terms and conditions of the sale of treasury shares that are most appropriate for the Company's interest, with the faculty of appointing Proxies to execute the sales transactions described in this resolution, as well as to fulfil any other relevant formality, provided that (a) the price of the disposal of ownership right and any other secure and personal rights shall not be less than 5% of the market value of such right on the day before each individual transfer; and (b) the dispositions effected within the framework of industrial projects or corporate finance transactions by means of swap, exchange, transfer transactions or using other methods that entail the transfer of treasury shares, as well as the dispositions of treasury shares for convertible bonds and/or warrants, may be carried out at a fair price and at a value that is in line with the transaction, taking into account market conditions. The authorisation referred to in this item is granted without any time limits. We would like to specify that the authorisation for the disposal of treasury shares described in this item is intended as applicable also to any treasury shares already owned by Piaggio & C S.p.A. on the date of this resolution, with the exception of 10,000,000 treasury shares allocated to the 2007-2009 Share Incentive Plan that may be attributed to the beneficiaries of the aforesaid Plan in compliance with the terms and conditions set out in the relevant resolution approved by the Ordinary Shareholders' Meeting of 7 May 2007*
- (C) *to ensure, in compliance with legal requirements, that the acquisitions referred to in this authorisation do not exceed the limits of distributable earnings and distributable reserves resulting from the financial statements that were last approved at the time of the execution of the transaction and that, in the event of the acquisition or the disposal of treasury shares, the relevant items are posted in the financial statements in compliance with the applicable legal requirements and accounting standards."*

5. *Change to the auditing mandate granted to the Company Deloitte & Touche S.p.A. by the Company's Ordinary Shareholders' Meeting of 30 March 2006 in compliance with Articles 155 and ff. of Legislative Decree 58/1998 and relevant adjustment of the auditing fees for the 2008-2011 financial years. Related and consequent resolutions.*

Dear Shareholders,

You have been called to the Ordinary Shareholders' Meeting to examine and approve the proposal to change the auditing mandate granted to the Company Deloitte & Touche S.p.A. by the Company's Ordinary Shareholders' Meeting of 30 March 2006 in compliance with Articles 155 et seq. of Legislative Decree 58/1998 and relevant adjustment of the auditing fees for the 2008-2011 financial years.

In this regard, we would like to point out that the following circumstances as the result in the change in mandate:

- (i) following the merger of Moto Guzzi S.p.A. with Piaggio & C. S.p.A. ("Piaggio" or "Parent Company") the relative mandate for the auditing form has been completed with a consequent increase in hours and fees necessary for auditing the Parent Company's financial statements; this led to a net reduction in auditing costs of Euro 22,000 per financial year;
- (ii) based on the changes in the economic-financial situation of some foreign subsidiaries, Deloitte & Touche S.p.A. has redefined the auditing plan related to reporting packages prepared for the purposes of consolidation, with a consequent reduction in hours and fees for their auditing and increase in hours and fees needed for auditing the Parent Company's financial statements; this led to a net reduction in auditing costs of Euro 33,000 per financial year;
- (iii) the provision of article 156, paragraph 4-bis, letter d), Legislative Decree 58/1998 (as amended by article 2 of Legislative Decree 32/2007) requires that the auditing firm express "an opinion that the Report on Operations is consistent with the financial statements" in the independent auditors' report; this led to an increase in the auditing cost, for the verifications needed to express an opinion that the Report on Operations is consistent with the financial statements, quantifiable at Euro 5,000 per financial year.

In light of the above, in accordance with and pursuant to article 159 of Legislative Decree 58/1998, the Board of Statutory Auditors of your Company has formulated a proposal to modify the auditing mandate, granted in accordance with articles 155 et seq. of Legislative Decree by the Ordinary Shareholders' Meeting of the Company on 30 March 2006, and redetermination of the mandate fees starting from the 2008 financial year. The proposal of the Board of Statutory Auditors is attached to this Report sub "A".

PROPOSAL OF THE BOARD OF STATUTORY AUDITORS TO CHANGE THE AUDITING MANDATE, GRANTED AS PER ARTICLE 155 ET SEQ. OF LEGISLATIVE DECREE 58/1998 BY THE ORDINARY SHAREHOLDERS' MEETING OF 30 MARCH 2006

Dear Shareholders,

whereas

a) the merger of Moto Guzzi S.p.A. with Piaggio & C. S.p.A., as well as significant changes occurring in the economic-financial situations of some foreign subsidiaries, have made it necessary to change the auditing mandate granted to Deloitte & Touche S.p.A. by the ordinary Shareholders' Meeting of 30 March 2006, with a reduction in the auditing cost;

b) that an addition modification of the aforesaid mandate results from article 2 of Legislative Decree 32/2007, which requires that the independent auditors issue an opinion on the consistency of the Report on Operations with the financial statements, with an increase in the cost of the audit;

having examined

the letter from independent auditors Deloitte & Touche S.p.A. of 18 February 2009 which, based on the above, forecasts a total reduction of fees related to the mandate of €50,000.00 for each financial year starting from the year closing 31 December 2008,

proposes

to change the auditing mandate granted in accordance with article 55 et seq. of the Legislative Decree 58/1998 by the ordinary Shareholders' Meeting of 30 March 2006, according to the terms indicated in the letter of Deloitte & Touche S.p.A. dated 18 February 2009, a copy of which is attached hereunder.

Milan, 26 February 2009

Handwritten signatures and initials in black ink. At the top right, there are initials 'CR' and a large flourish. Below them, there is a signature that appears to be 'Alain'.

Giovanni Barbara (Chairman of the Board of Statutory

Attilio Arietti (Statutory Auditor)

Alessandro Lai (Statutory Auditor)

18 February 2009

PIAGGIO & C. S.p.A.
Via Rinaldo Piaggio, 25
56025 Pontedera (PI)

To the attention of Michele Pallottini

Dear Sirs,

We are writing to notify you that it is necessary to change the fees related to the auditing mandate you granted us in accordance and pursuant to article 155 of Legislative Decree no. 58 of 24 February 1998, as described below.

- The merger of Moto Guzzi S.p.A. passed by resolution of the Board of Directors of Piaggio & C. on 12 September 2008, completed the relative auditing mandate with consequent increase and hours and fees necessary for auditing the Parent Company's financial statements. The above led to a net reduction of the auditing cost of Euro 22,000.
- In consideration of the changes which have occurred in the economic-financial situation of some foreign subsidiaries, the auditing plan has been revised relating to the reporting packages prepared for the purposes of consolidation, with a consequent reduction in the hours and fees for their auditing and an increase in the hours and fees necessary for auditing the financial statements of the Parent Company Piaggio S.p.A. The above led to a net reduction in the auditing cost of Euro 33,000.
- Article 2 of Legislative Decree no. 32 of 2 February governing the structure of the independent auditor's report also requires that the independent auditor express an opinion on the consistency of the Report on Operations with the Financial Statements, this requirement has effects on the independent auditor's report which has been consequently modified. This led to an increase in the auditing cost of Euro 5,000 related to the audits necessary for expressing an opinion on the consistency of the Report on Operations with the Financial Statements.

Therefore, in reference to the audit of Piaggio & C. S.p.A. the summary of applicable fees starting from the year which closes 31 December 2008 is as follows:

Ancona Bari Bergamo Bologna Brescia Cagliari, Fiume Genova Milano Napoli, Padova Parma Perugia
Roma Torino Treviso Verona

Registered Office: Via Tortona, 25 - 20144 Milan Share Capital. Euro 10.328.220A00 Fully paid up
VAT number/tax code/Milan Register of Companies 0304955015fi - R.E.A. Milano 1720239

Member of Deloitte Touche Tohmatsu

Member of Deloitte
Touche Tohmatsu

	Fees (Euro)
Auditing of accounts of Piaggio & C. S.p.A.	209,337,97
Audit of Company's consolidated financial statements, including co-ordination of the audit work of the consolidated financial statements and audit of the consolidation procedure excluding auditing of the subsidiaries' financial statements	107.291,73
Audit of regular keeping of accounts and correct disclosure of operating events in accounting records	16.663,01
Limited audit of the abbreviated half-year financial statements of Piaggio & C. S.p.A.	<u>67.010,12</u>
	<u>400.302,93</u>

It is important to note that the above amounts are net of VAT and expenses. For anything not contained herein, see the contents of our basic proposal of 6 March 2006.

* * *

We are at your disposal to answer any questions about this letter. Best regards,

DELOITTE & TOUCHE S.p.A,



Paolo Guglielmetti
Partner

For approval

This original must be returned to us with the
necessary signatures