Good afternoon and welcome to everybody.

We can start from the first 2 slides of our presentation to show Piaggio Group First Half 2010 results.

The net sales accounted for 821 ML Euro, with an increase of 3,2% compared to previous year. This result came thanks to the growth of our Asiatic operations (India and Vietnam) that more than offset European and American sales decrease, affected by the current market scenario.

The Gross Margin was 265 ML Euro, 16 ML higher then last year, with a remarkable increase in terms of ratio to net sales, which grew to 32,3% in 2010 compared to 31,3% in 2009.

The Ebitda was 117,5 ML Euro, 10 ML higher than 2009, with an Ebitda margin of 14,3% on net sales, increasing from the 13,5% in 2009, continuing the positive trend of our business profitability showed during the second half of 2009 and first quarter of the current year.

The Financial Expenses went down to 11,8 ML Euro from 16,4 ML in the same period of 2009.
Consequently, the Income Before Tax was 62,8 ML, 18 ML higher than previous year (that is +28%) and the Net Income increased to 33,1 ML Euro, compared to a result of 25,7 ML in 2009, also taking into account a 47% forecasted tax rate, about 4% higher than previous year.
Accordingly to these results, the Net Debt level at the end of June 2010 was 342 ML Euro, decreased from the 352 ML of December 2009 and 7 ML Euro lower compared to June 2009.

**Net Sales Trend**

Moving on to slide number 5 we can take a deeper look at the Net Sales trend.

**Piaggio Group total Net Sales** accounted for 821 ML Euro with an increase of 3,2% over 2009.

**Total 2 wheels sales** accounted for 582 ML euro, including spare parts and accessories (14 ML Euro less then 2010, that means -2%) while **total Commercial Vehicles sales** increased to 239 ML Euro from 200 ML Euro of 2009 (+19%).

**2 wheels European sales** accounted for 502 ML Euro, with a 6% decrease.

**2 wheels Asian sales** were up to 67 ML Euro, nearly 50 ML higher than 2009, mainly thanks to our Vietnamese Operations, that I remind you started in June last year.

**2 wheels American sales** accounted for 13 ML Euro, following the significant downturn registered in the American market (both scooters and bikes) that continued also in 2010.

**Commercial Vehicles** altogether increased from 200 ML to almost 240 ML , thanks to the contribution of our Indian sales that grew by 38% compared to previous year, in line with the strong growth of the Indian market, including also the positive contribution of the revaluation of the Indian rupee that accounted for 12,8 ML Euro on net sales. Anyway, not considering the exchange rate benefit, the growth was 28,4%.
Overall, looking at the geographical mix of total sales, and considering both 2 wheels and Commercial Vehicles business segments, Asian revenues contribution to total sales increased from 18.4% up to 29.7%.

In terms of businesses, the 2 wheels trend of -2% over last year came due to stable sales from scooters (with our Asian operations off-setting the European sales decrease) and to a decrease of the motorcycle segment (which registered a -13% over the same period of 2009).

Spare parts and accessories went up by 1%, to a total amount of 93 ML Euro.

**Total Volumes Trend**

The next slides shows the overall number of units sold, that increased from 314k to 341K units, that means an 8% increase over 2009.

Going into details, scooters volumes were up to 208K, +3.5% compared to previous year.

Motorcycles accounted for 24 K units sold, that means a 5% decrease compared to previous year.

Coming to Commercial Vehicles, the 3 and 4 wheelers units sold had an overall 24% increase, up to about 108 K units, thanks to the Indian performances that registered an increase by 27%.

**EBITDA Evolution**

Going to slide 7, we can see the Ebitda evolution, with a significant increase both in terms of total amount and of ratio to net sales. The EBITDA registered a 10 ML increase, up to 117.5 ML Euro, with an EBITDA margin of 14.3%. This increase was obtained thanks to a further increased product profitability, with a 1.0% increase in the gross margin (from 31.3% to 32.3%) mainly coming from a positive product mix and
further sourcing efficiencies. Furthermore, we registered a 3 ML positive impact coming from the change of the overall exchange rates.

In addition, cash operational expenses increased by 5 ML Euro, but they were stable in terms of ratio to net sales at 20%, a good result considering the start-up and the growth of our Asiatic operations.

**Net Income**

The next slide shows the Net Income evolution, which accounted for a total amount of 33,1 ML Euro compared to the 25,7 ML registered in 2009 (+28,6%).

The Ebit increased to 74,6 ML Euro, together with a growing EBIT margin from 7,7% to 9,1%; the 13 ML EBIT increase comes from the increase in net sales together with the better performances in terms of product profitability.

The Financial Expenses showed a 4,6 ML Euro reduction compared to last year, thanks to the decrease of the cost of debt (also thanks to the new bond issued in December 2009) and to the lower average debt amount in the period.

At a tax level, we forecasted a 47,3% consolidated tax rate, compared to the 43% used in the First Half of 2009, that means a 10ML increase over last year, mainly due to the higher Income Before Tax.

**Balance sheet**

Moving to slide 9, we can have a look at the balance sheet.

The Net debt accounted for 342 ML Euro, with a cash generation of 10 ML Euro compared with December 2009 and of 7 ML Euro compared with June 2009.

To better appreciate the cash flow of the First Half of 2010, we can directly move to slide 10. The 10 ML cash generation came from:
- The operating cash flow, which generated 81 ML Euro coming from the P/L analyzed before (compared to the 72 ML Euro generated in the first 6 months of 2009);
- The slight working capital increase by 3,5 ML Euro;
- The 35 ML Euro in capital expenditure, in line with our yearly capex plan;
- The 26 ML Euro cash absorption for dividend payment
- The 2,9 ML Euro shares buy-back

I thank you for your kind attention.

We have finished our presentation, and we are ready for your questions.

July 29\textsuperscript{th}, 2010