Good afternoon and welcome to everybody.

I remind you that our presentation is available on our website.

We can start from the first 2 slides that show Piaggio Group First Half 2009 Financial Statement.

We’re confirming on the path defined by our new Strategic Plan, that we showed you in our last meeting, nearly a month ago. In particular:

- The push towards a larger geographic footprint is; the negative impact coming from the European market is partially offset by the Asiatic sales, with particular regards to the Indian ones;
- The focus on operational efficiency and on profitability turned-out in a significant increase in the Gross Margin ratio, with an improvement of 1% on net sales
- The rigorous cash flow management continues to ensure a solid financial structure, which allows the Group to go on with no delays on the important development projects we’re implementing.

More in particular, having a first look at our consolidate P/L for the First Half 2009 results, we can see that it shows a total level of revenues of 795,6 ML Euros, with a decrease of about 105 ML Euros, that means 11,6% less than previous year. Compared to the results of the First Quarter 2009, when the decrease for net sales which accounted 15,8% p.p., the Second Quarter decrease resulted in 8,8% points, reducing the gap with previous year sales.

The difference in the exchange rates accounted for a 3,8 ML, so that the decrease in revenues would have been -11% at the same rates.

The Gross Margin was 249,4 ML Euros, with a 23 ML decrease compared to last year but with a remarkable increase in terms of ratio to net sales, which grew to 31,3% in
2009 compared to 30,3% in '08 (this increase is even more significant if we look at the
Second Quarter results only, with a Gross Margin ratio of 33,0% compared to 31,4% of
the same period). This is the result of a strong product cost reduction policy and of a
proper pricing management.

The Ebitda was 107,5 ML Euros, that means about 21 ML less than 2008 1st Half, with
an Ebitda margin of 13,5% on net sales, from the 14,2% in 2008. Also in this case, the
current year 2Q was better than last year. In fact the '09 2Q Ebida margin was 17,7%,
versus 17,3% of PY.

The Income Before Tax was 45,1 ML, that is 5,7% on net sales compared to the 7,1%
of the previous year.

The Net Income was 25,7 ML Euros, against the 47,3 ML of the previous year, taking
into account a 43% tax rate, compared to the 26% of 2008.

The Net Debt level was 349 ML Euros, 22 ML higher than in the first Half of 2008. If we
consider the last 12 months period, the total cash-flow would have been positive for 2
ML excluding the extraordinary 24 ML cash-out for the shares buy-back.
Compared to December 2008, the net debt was about 11 ML lower.

**Net Sales Trend**

Moving on to the slide number 5, we can look at the net sales trend.

Before going into details, I wish to inform you that, starting from this interim results, and
accordingly the International Accounting Standards policies, we aligned our reporting
communication format to our new Group organizational structure. As a consequence of
this, we’re going to comment the net sales and volumes results with the same details of
our organizational “business segments”, that means 2 wheels EMEA (including Europe,
Middle East and Africa sales), 2 wheels Americas, 2 wheels Asia, Commercial Vehicles Europe and Commercial Vehicles India. We will be obviously available to provide you all the additional information and data in order to reconcile this new communication schema with the old one (by geographic area and brand) through our Investor Relation Department.

Piaggio Group total net sales accounted for 796 ML, with a decrease of 11.6% over ‘08.

Total 2 wheels sales (only vehicles) accounted for 519 ML euro, versus 605 ML Euros of 2008 (that means -14%), while Commercial Vehicles sales were stable, that is 182 ML Euros both for two years.

2 wheels European (including spare parts & accessories) decreased by almost 95 ML Euros, that means 15.0% over last year, to a level of about 535 ML Euros, compared to a total 2 wheels European market decrease of 17% (considering both scooters and motorcycles). Anyway, it has to be mentioned that the EMEA 22% net sales slow-down registered in the 1st Quarter ‘09 has been reduced to a decrease of 10% in the 2nd Quarter ‘09.

European sales decrease affected both Italy, with a -13% versus last year, and the other European countries as a whole, with a 7% vs ‘08. Going into details, Spain and UK were the countries which registered the highest decrease (ranging from 30% in UK to 50% in Spain), while good and positive performance came from France (+23%) and Benelux (+5%). The good French performance was boosted by the MP3 success, which sold 8.5k units in ‘09 compared to the 2k units sold in ‘08 1H in France. On a worldwide basis, MP3 totally sold in the first half of ‘09 14.3k units (compared to 5.9k units in the last year 1st Half).

2 wheels American sales were 43 ML, 2 ML less than previous year, that means about -5% (including a 4.6 ML Euro benefit coming from the exchange rate). After a
positive 1st Quarter, a significant decrease was registered in the 2nd Quarter of the year, and came from the difficult economic situation in America.

2 wheels Asian sales were down to 18 ML, from 27 ML of 2008, that means a -31% over last year, but such a decrease has been almost entirely concentrated in the 1st Quarter, with a -55% year over year which reduced to a -3% in the 2nd Quarter of the year. Considering the expected results of our new Vietnamese Operations, with its official Opening and sales start-up in the last month of June, we’re confident that good news should arrive in the 2nd Half of the year; therefore confirming our targets for this Region.

Going to Commercial Vehicles, the decrease in European sales (a 6% decrease, compared to a European Commercial Vehicle market decrease of 31%) has been totally offset by the 4% increase of Indian sales, that grew to 128 ML from 122 ML in ‘08 and not considering the exchange rate, the total Indian net sales would have been approximately 6 ML higher, that means an increase by +9% over last year. Also in the Indian Commercial Vehicle business it is important to mention the difference between 1st and 2nd Q: in particular, in the 2nd Quarter of the year Piaggio Indian sales grew by almost 10%, against a decrease by 1,4% in the 1st Quarter.

Considering both 2 wheels and Commercial Vehicles business segments, extra European revenues contribution to total sales increased from 23% in the first half ‘08 up to 25% in the first half ‘09.

In terms of businesses, and in line with market trends, the 2 wheels slow-down affected most motorcycle sales (-27,6% compared to last year) while scooter sales decreased by almost 10%. Such a figure can be compared with the European scooter market (that is our core scooter) that decreased in the same period by 13%.

Spare parts were down by 7,9%, to a total amount of 92 ML Euros.
Other Revenues decreased by 11 ML Euros, mainly due to the decrease of BMW contract and engine businesses.

Finally, the change in the exchange rates year over year impacted by 3,8 ML over total revenues, mainly due to the devaluation of Indian Rupiah and Pound Sterling, partially offset by the benefits coming from the revaluation of US dollar.

**Total Volumes Trend**

The next slides shows that the overall number of units sold decreased by 15,7% at 314K units versus last year, that means an about 16% decrease, made up by a -20% in the Q1 and a -13% in the Q2.

Going into details, scooters volumes were 38K less than previous year (-16%) down to about 202K units, with a significant growing weight of the over 50cc segment (from 55% in up to 60% in '09 year to date). A significant part of this positive market switch is due to the Italian government campaign to support 2 wheels sales, almost completely focused on over 50cc segment.

The motorcycle units were 14 K less than previous year down to 25,5K units.

Good news came from average prices, both for scooter and motorcycles. In detail, we registered a unit price increase by 6% for scooters and by 13% for motorcycles. In this context, it is worth to be mentioned that in the last days of April we started the sales of the new Aprilia Motorcycle RSV4, which is competing in the Superbike World Championship with good results, considering it is its first year of competition in this segment. Also thanks to these successful performances, at the end of June the RSV4 units sold totally amounted to almost 1K, 940.

The 3 and 4 wheelers units sold had an overall 5% decrease, down to about 87 K units, 5k units less than ‘08; also in this business, we had an average unit price increase both in Europe (14%) and in India (8%).
**EBITDA Evolution**

Going to the next slide, we can see the Ebitda evolution which accounted a 21 ML decrease, down to 107 ML Euro from 128 in ‘08. This reduction was completely due to the net sales reduction (and the consequent gross margin decrease) partially offset by savings in operational expenses.

The Gross Margin reduction was 23,1 ML, entirely due to the decreased level of sales. In terms of ratio to net sales, the Gross Margin ratio significantly grew form 30,3% to 31,3% in 2009. In particular, the negative impacts coming from the lower sales accounted for over 30 ML, while positive offsets came thanks to higher purchasing and production efficiencies (despite the production units decrease) and to price increases (mainly in India).

Our efforts were also focused, during the 1st Half, towards a strict control of the Group operational expenses, that were reduced by 3 ML Euro, that means -1,5% compared to last year, while amortizations were in line with previous year.

**Net Income**

The next slide shows the Net Income evolution, which accounted for the first Half for 25,7 ML Euro, compared to 47,3 ML registered in 2008.

The Ebit 20,2 ML decrease comes from what we have just analyzed (that is net sales reduction partially offset by operational expenses savings).

The Financial Expenses showed a slight reduction compared to last year, thanks to the decrease of the cost of debt mainly due to the lower interest rates and to some cost efficiencies.

At the tax level, according to the International Accounting Standards, we applied the forecasted tax rate for 2009, that is 43% currently, significantly different from the 26% tax rate of 2009 (which benefited from Tax losses carried forward): as a result of this,
we had a tax increase that accounted for approximately 3 ML Euros compared to last year.

**Balance sheet**

If we move to the next slide, we can have a look at the balance sheet, where we can see the decrease in the Working Capital and the consequent decrease in the Net Invested Capital and in the net Financial Position.

In order to better understand the financial evolution in the 2009 1st Half, we can directly move to the next slide. There was a positive cash flow in the 6 months period by almost 11 ML Euros, reducing the NFP to a level of 348,9 ML. The main components of such positive evolution were:

1. The operating cash flow, which generated 71,6 ML Euros coming from the P/L, which we analyzed before
2. The capital expenditure, that accounted for 46,8 ML: they were 9 ML higher than previous year, due to our ongoing internationalization projects (Vietnam and India);
3. The working capital decreased by 6,8 ML compared to 19 ML increase of the same period of 2008. This good performance mainly came from Other Assets & Liabilities management, that decreased by 19 ML Euro

Before closing the conference, and referring to the Group Financial Position, I wish to add that today we signed an agreement between Piaggio and BNP Paribas for the successful syndication of a 90 ML medium term loan towards a small pool of banks. This new credit line has a duration of 36 months, and a floating interest rate linked to the Euribor with a margin of 190 basis points. Such loan will allow the Group to refinance the short-term debt expiring this year, will increase the total amount and the residual average life of our financing capacity and will contribute to reduce the Group average cost of funding.
We have finished our presentation, and we are ready for your questions.

Thank you for your kind attention.